

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 19, 2024

BIG LOTS, INC.

(Exact name of registrant as specified in its charter)

Ohio
(State or other jurisdiction of incorporation)

001-08897
(Commission File Number)

06-1119097
(I.R.S. Employer Identification No.)

4900 E. Dublin-Granville Road, Columbus, Ohio 43081
(Address of principal executive offices) (Zip Code)

(614) 278-6800
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common shares	BIGGQ	OTC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

As previously disclosed, on September 9, 2024 (the "Petition Date"), Big Lots, Inc. ("Big Lots" or the "Company") and its other subsidiaries filed voluntary petitions for relief (collectively, the "Bankruptcy Petitions") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Bankruptcy Court has granted a motion seeking joint administration of the cases (the "Chapter 11 Cases") under the caption *In re: Big Lots, Inc., et al.*, Case No. 24-11967 (JKS).

On December 27, 2024, the Company reached an agreed upon Asset Purchase Agreement (the "Gordon Brothers Purchase Agreement") with Gordon Brothers Retail Partners, LLC ("Gordon Brothers") that enables the transfer of Big Lots assets, including stores, distribution centers, and intellectual property, to other retailers and companies, including Variety Wholesalers, Inc. ("Variety Wholesalers"). Variety Wholesalers intends to acquire between 200 and 400 Big Lots stores, which it plans to operate under the Big Lots brand moving forward, and up to two distribution centers. The Gordon Brothers Purchase Agreement is subject to approval by the Bankruptcy Court and other customary closing conditions. A copy of the press release issued by the Company regarding the Gordon Brothers Purchase Agreement is attached as Exhibit 99.1 and is incorporated by reference herein.

Item 1.02 Termination of a Material Definitive Agreement.

As previously disclosed, on September 8, 2024, the Company and its other subsidiaries entered into an Asset Purchase Agreement (the "Nexus Purchase Agreement") with Gateway BL Acquisition, LLC, a Delaware limited liability company and an affiliate of Nexus Capital Management LP ("Nexus"), pursuant to which Nexus agreed to purchase substantially all of the assets of the Company. On December 21, 2024, Nexus (1) delivered notice of termination of the Nexus Purchase Agreement to the Company and (2) instructed the Company to deliver an expense reimbursement of \$1,500,000 to Nexus.

Item 7.01 Regulation FD Disclosure.

On December 19, 2024, the Company announced that it does not anticipate completing the Nexus Purchase Agreement and that it is preparing to commence going out of business sales at all remaining Big Lots store locations to protect the value of its estate. A copy of the press release announcing the developments regarding the Nexus Purchase Agreement is attached as Exhibit 99.2 and is incorporated by reference herein. Filings with the Bankruptcy Court related to the Chapter 11 Cases are available on a website administrated by the Company's claims agent, Kroll Restructuring Administration LLC, at <https://cases.ra.kroll.com/biglots>, by calling toll-free at (844) 217-1398 (or +1 (646) 809-2073 for calls originating outside of the U.S. or Canada), or by sending an email to biglotsinfo@ra.kroll.com.

The information contained in this Item 7.01 and in Exhibit 99.2 is being "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing. By furnishing the information disclosed in this Item 7.01 and Exhibit 99.2, the Company is making no admission as to the materiality of the information disclosed in this Item 7.01 or Exhibit 99.2.

Cautionary Note Regarding the Company's Common Shares

The Company cautions that trading in its securities (including, without limitation, the Company's common shares) during the pendency of the Chapter 11 Cases is highly speculative and poses substantial risks. Trading prices for the Company's securities may bear little or no relationship to the actual recovery, if any, by holders of the Company's securities in the Chapter 11 Cases. The Company expects that holders of the Company's common shares will experience a complete loss on their investment.

Cautionary Statement Regarding Forward-Looking Statements

This Current Report on Form 8-K and the Exhibits hereto contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are predictions based on our current expectations and our projections about future events, and are not statements of historical fact. Forward-looking statements include statements concerning our business strategy, among other things, including anticipated trends and developments in, and management plans for, our business and the markets in which we operate. In some cases, you can identify these statements by forward-looking words, such as "estimate," "expect," "anticipate,"

“project,” “plan,” “intend,” “believe,” “forecast,” “foresee,” “likely,” “may,” “should,” “goal,” “target,” “might,” “will,” “could,” “predict,” and “continue,” the negative or plural of these words and other comparable terminology.

All forward-looking statements included in this Form 8-K are based upon information available to us as of the filing date of this Form 8-K, and we undertake no obligation to update any of these forward-looking statements for any reason. You should not place undue reliance on these forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these statements. These factors include the matters discussed in “Part I – Item 1A – Risk Factors” in our Annual Report on Form 10-K for the year ended February 3, 2024, the other factors discussed from time to time in other filings with the Securities and Exchange Commission, including Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and the additional factors set forth below. You should carefully consider the risks and uncertainties described under these sections.

A wide range of factors relating to the Chapter 11 Cases could materially affect future developments and performance, including but not limited to:

- our ability to continue as a going concern;
 - our ability to successfully consummate the planned sale of the business pursuant to Section 363 of the Bankruptcy Code to any potential acquirer through an auction process in Chapter 11 and if consummated, to obtain an adequate price;
 - our ability to successfully complete a reorganization under Chapter 11 and emerge from bankruptcy;
 - the effects of the Chapter 11 Cases on us and on the interests of various constituents;
 - bankruptcy court rulings in the Chapter 11 Cases and the outcome of the Chapter 11 Cases in general;
 - the length of time the Company will operate under the Chapter 11 Cases;
 - risks associated with third-party motions in the Chapter 11 Cases;
 - the potential adverse effects of the Chapter 11 Cases on our liquidity and results of operations;
 - increased legal and other professional costs necessary to execute our reorganization;
 - the conditions to which our debtor-in-possession financing is subject, and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of our control;
 - the consequences of the acceleration of our debt obligations;
 - employee attrition and our ability to retain senior management and key personnel due to the distractions and uncertainties, including our ability to provide adequate compensation and benefits during the Chapter 11 Cases;
 - our ability to comply with the restrictions imposed by our debtor-in-possession credit agreements;
 - the likely cancellation of our common shares in the Chapter 11 Cases;
 - the potential material adverse effect of claims that are not discharged in the Chapter 11 Cases;
 - the diversion of management’s attention as a result of the Chapter 11 Cases; and
 - volatility of our financial results as a result of the Chapter 11 Cases.
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Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
2.1	Asset Purchase Agreement, dated as of September 8, 2024, by and between the Company and the Purchaser (incorporated herein by reference to Exhibit 2.1 to our Form 8-K dated September 10, 2024).
99.1	Big Lots, Inc. press release dated December 27, 2024.
99.2	Big Lots, Inc. press release dated December 19, 2024.
104	Cover Page Interactive Data File (formatted as Inline XBRL).

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BIG LOTS, INC.

Date: December 27, 2024

By: /s/ Ronald A. Robins, Jr.
Ronald A. Robins, Jr.
*Executive Vice President, Chief Legal and Governance Officer, General Counsel and
Corporate Secretary*



BIG LOTS AGREES TO STRATEGIC TRANSACTION TO FACILITATE PRESERVATION OF BRAND, HUNDREDS OF STORES AND THOUSANDS OF JOBS

Agrees to A Sale Transaction with Gordon Brothers Retail Partners that Enables the Transfer of Assets to Other Retailers and Companies, Including Variety Wholesalers

COLUMBUS, Ohio, December 27, 2024 – Big Lots, Inc. (the “Company”) today announced that it has agreed to a sale transaction with Gordon Brothers Retail Partners, LLC (“Gordon Brothers Retail Partners”) that enables the transfer of Big Lots assets, including stores, distribution centers, and intellectual property, to other retailers and companies, including Variety Wholesalers, Inc. (“Variety Wholesalers”), which owns more than 400 retail stores in the Southeast and Mid-Atlantic United States under the Roses, Roses Express, Maxway, Bill’s Dollar Stores, Super 10, Super Dollar, and Bargain Town banners.

Variety Wholesalers intends to acquire between 200 and 400 Big Lots stores, which it plans to operate under the Big Lots brand moving forward, and up to two distribution centers. In addition, Variety Wholesalers may employ Big Lots associates at the acquired stores and distribution centers, as well as certain corporate associates needed to support the go-forward footprint.

Bruce Thorn, Big Lots’ President and Chief Executive Officer, said, “The strategic sale to Gordon Brothers and the transfer to Variety Wholesalers is a favorable and significant achievement for Big Lots that reflects the tireless work and collective effort of our team. This sale agreement and transfer present the strongest opportunity to preserve jobs, maximize value for the estate and ensure continuity of the Big Lots brand. We are grateful to our associates nationwide for their grit and resilience throughout this process.”

Rick Edwards, Gordon Brothers Retail Partners’ Head of North America Retail, said, “We are pleased to reach this strategic agreement with Big Lots and partner with Variety Wholesalers to achieve a path forward that allows Big Lots to continue to serve customers with extreme bargains and an outstanding shopping experience.”

Lisa Seigies, Variety Wholesalers’ President and CEO, said, “We are excited to partner with Gordon Brothers to provide a path forward for the Big Lots brand and hundreds of its stores. We look forward to working with members of the Big Lots team to realize the exciting opportunities ahead.”

The agreement is subject to approval by the Bankruptcy Court and other customary closing conditions.

Court filings and other information related to the proceedings, including how to file a proof of claim, are available on a separate website administrated by the Company’s claims agent, Kroll Restructuring Administration LLC, at <https://cases.ra.kroll.com/biglots>, by calling toll-free at (844) 217-1398 (or +1 (646) 809-2073 for calls originating outside of the U.S. or Canada), or by sending an email to biglotsinfo@ra.kroll.com.

Advisors



Davis Polk & Wardwell LLP is serving as legal counsel, Guggenheim Securities, LLC is serving as financial advisor, AlixPartners LLP is serving as restructuring advisor, and A&G Real Estate Partners is serving as real estate advisor to the Company.

Riemer & Braunstein LLP acted as counsel to Gordon Brothers, and Gordon Brothers' Real Estate Services team will be handling real estate matters for the Buyer, including Variety Wholesalers.

Cozen O'Connor is serving as legal counsel to Variety Wholesalers.

About Big Lots, Inc.

Big Lots is one of the nation's largest closeout retailers focused on extreme value. The Company is dedicated to being the big difference for a better life by delivering bargains to brag about on everything for the home, including furniture, décor, pantry and more. It fulfills its mission to help customers "Live BIG and Save LOTS" with sourcing strategies to grow extreme bargains through closeouts, liquidations, overstocks, private labels, and value-engineered products. The Big Lots Foundation, together with the Company's customers, associates, and vendors, has delivered more than \$176 million of philanthropic support to critical needs in hunger, housing, healthcare, and education. For more information, to shop online, or to find a store near you, please visit biglots.com.

Cautionary Statement Concerning Forward-Looking Statements

Certain statements in this release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and such statements are intended to qualify for the protection of the safe harbor provided by the Act. The words "anticipate," "estimate," "continue," "could," "approximate," "expect," "objective," "goal," "project," "intend," "plan," "believe," "will," "should," "may," "target," "forecast," "guidance," "outlook" and similar expressions generally identify forward-looking statements. Similarly, descriptions of our objectives, strategies, plans, goals or targets are also forward-looking statements. Forward-looking statements relate to the expectations of management as to future occurrences and trends, including statements expressing optimism or pessimism about future operating results or events and projected sales, earnings, capital expenditures and business strategy. Forward-looking statements are based upon a number of assumptions concerning future conditions that may ultimately prove to be inaccurate. Forward-looking statements are and will be based upon management's then-current views and assumptions regarding future events and operating performance and are applicable only as of the dates of such statements. Although we believe the expectations expressed in forward-looking statements are based on reasonable assumptions within the bounds of our knowledge, forward-looking statements, by their nature, involve risks, uncertainties and other factors, any one or a combination of which could materially affect business, financial condition, results of operations or liquidity.

Forward-looking statements that we make herein and in other reports and releases are not guarantees of future performance and actual results may differ materially from those discussed in such forward-looking statements as a result of various factors, including, but not limited to, the current economic and credit conditions, inflation, the cost of goods, our inability to successfully execute strategic initiatives, competitive pressures, economic pressures on our customers and us, the availability of brand name



closeout merchandise, trade restrictions, freight costs, the risks discussed in the Risk Factors section of our most recent Annual Report on Form 10-K, and other factors discussed from time to time in other filings with the SEC, including Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. This release should be read in conjunction with such filings, and you should consider all of these risks, uncertainties and other factors carefully in evaluating forward-looking statements.

You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our public announcements and SEC filings.

Media Contact:

Aaron Palash / Richard M. Goldman / Rachel Goldman

Joele Frank, Wilkinson Brimmer Katcher

BigLotsMedia@joelefrank.com

212-355-4449



BIG LOTS PROVIDES UPDATE ON COURT-SUPERVISED PROCESS

No Longer Anticipates Closing Previously Announced Sale to Nexus Capital Management

Continues to Pursue a Going Concern Transaction

Preparing to Commence Going Out of Business Sales At Remaining Stores In Parallel With These Efforts

COLUMBUS, Ohio, December 19, 2024 -- Big Lots, Inc. (the "Company") today announced that it does not anticipate completing its previously announced asset purchase agreement with Nexus Capital Management, though it continues to work toward completing an alternative going concern transaction with Nexus or another party. The Company's goal would be to complete a sale by early January.

In parallel with these efforts, the Company is preparing to commence going out of business ("GOB") sales at all remaining Big Lots store locations in the coming days to protect the value of its estate. The Company believes that the GOB sales will not preclude it from effectuating a going concern transaction.

Bruce Thorn, Big Lots' President and Chief Executive Officer, said, "We all have worked extremely hard and have taken every step to complete a going concern sale. While we remain hopeful that we can close an alternative going concern transaction, in order to protect the value of the Big Lots estate, we have made the difficult decision to begin the GOB process."

The Company is continuing to serve customers in-store and online, and will provide updates as available.

Court filings and other information related to the proceedings, including how to file a proof of claim, are available on a separate website administrated by the Company's claims agent, Kroll Restructuring Administration LLC, at <https://cases.ra.kroll.com/biglots>, by calling toll-free at (844) 217-1398 (or +1 (646) 809-2073 for calls originating outside of the U.S. or Canada), or by sending an email to biglotsinfo@ra.kroll.com.

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support to critical needs in hunger, housing, healthcare, and education. For more information, to shop online, or to find a store near you, please visit biglots.com.

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Forward-looking statements that we make herein and in other reports and releases are not guarantees of future performance and actual results may differ materially from those discussed in such forward-looking statements as a result of various factors, including, but not limited to, the current economic and credit conditions, inflation, the cost of goods, our inability to successfully execute strategic initiatives, competitive pressures, economic pressures on our customers and us, the availability of brand name closeout merchandise, trade restrictions, freight costs, the risks discussed in the Risk Factors section of our most recent Annual Report on Form 10-K, and other factors discussed from time to time in other filings with the SEC, including Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. This release should be read in conjunction with such filings, and you should consider all of these risks, uncertainties and other factors carefully in evaluating forward-looking statements.

You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our public announcements and SEC filings.

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