

James Candy Company Initiates Processes for Strategic Reorganization and Financial Restructuring

Atlantic City, NJ - November 7, 2018 —James Candy Company (JCC) today announced a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the US Bankruptcy Court for the District of New Jersey. JCC anticipates the process of reorganization to move swiftly as it continues negotiations with creditors and outstanding vendors.

JCC will continue to operate its James' Candy, Fralinger's Salt Water Taffy, and Bayard's Chocolate Stores as well as its online mail order business. Customers should not expect any changes in operations and product fulfillment during the 2018 holiday season and thereafter. The Company plans to continue payment of employee wages, benefits, vendors and suppliers in the ordinary course for all goods and services provided on or after the filing date.

"The combination of reduced Atlantic City visitors and boardwalk foot traffic since 2006, the underperformance of 2018 summer sales along the New Jersey seashore and the continuing increased cost of business operations has impacted our efforts to remain a profitable business. Over the last several years we have worked very hard to transform our business and cut costs. While these efforts made great strides, the plan was not able to deliver the results the company needed. The process of Chapter 11 will give JCC the ability to strengthen its operations and balance sheet, EBITDA and return to a profitable position. We have already begun to work with creditors, vendors and other business partners to maintain service to our customers," said Frank J. Glaser, President and CEO.

About James Candy Company

Since inception in 1880, James' Candy Company (JCC) has stood the taste of time and continues to bring nostalgic, quality confections to its customers. JCC sells three unique and popular brands; James' Confections, Bayard's Chocolates and Fralinger's Salt Water Taffy. Each brand has survived on its own through its excellent reputation and quality products which are currently sold in the mid-Atlantic region in 11 company-owned retail stores, and nationally via wholesale and direct mail order (www.jamescandy.com) business channels.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this filing that address activities, events or developments that the Company expects, believes, targets or anticipates will or may occur in the future are forward-looking statements. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of certain risks and other factors, which could include the following: risks and uncertainties relating to the Company's chapter 11 cases (the "Chapter 11 Case"), including but not limited to, the Company's ability to obtain Bankruptcy Court approval with respect to motions in the Chapter 11 Case, the effects of the Chapter 11 Case on the Company and on the interests of various constituents, Bankruptcy Court rulings in the Chapter 11 Case and the

outcome of the Chapter 11 Case in general, the length of time the Company will operate under the Chapter 11 Case, risks associated with third-party motions in the Chapter 11 Case, the potential adverse effects of the Chapter 11 Case on the Company's liquidity or results of operations and increased legal and other professional costs necessary to execute the Company's reorganization; the conditions to which the Company's senior debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of the Company's control; the Company's ability to obtain junior debtor-in-possession financing and the amount, terms and conditions of any such financing; the impact of and ability to successfully implement store closures and to right-size the Company's operating model; the Company's ability to consummate sales of its store base and other assets and the terms and conditions of any such sales; the Company's ability to implement operational improvement efficiencies; uncertainty associated with evaluating and completing any strategic or financial alternative as well as the Company's ability to implement and realize any anticipated benefits associated with any alternative that may be pursued. The Company therefore cautions readers against relying on these forward-looking statements. All forward-looking statements attributable to the Company or persons acting on the Company's behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made, and, except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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SOURCE James Candy Company