



FOR IMMEDIATE RELEASE

THE KRYSTAL COMPANY FILES VOLUNTARY CHAPTER 11 PETITIONS; PURSUES GOING CONCERN SALE OF BUSINESS

Atlanta, GA – January 19, 2020 – The Krystal Company (“Krystal”), owner of the Krystal quick service restaurant chain, today announced that the Company has voluntarily filed for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Georgia.

The Company intends to use the proceedings to protect and support its ongoing business operations, address its obligations, and pursue an orderly sale of its business and assets as a going concern.

Company-operated and franchised Krystal restaurants will remain open and operating during this process, serving consistent, affordable, and downright delicious meals, hot and fresh, day and night.

“The actions we are taking today will enable Krystal to establish a stronger business for the future,” said Tim Ward, President of Krystal. “We look forward to emerging from this process as quickly and efficiently as possible with the support of our valued customers, team members, franchisees, and suppliers”

The Company has been in touch with its key suppliers to help ensure that products will continue to be delivered to restaurants in a timely fashion.

The Company has also filed a number of motions with the U.S. Bankruptcy Court seeking authorization to operate its business in the ordinary course during the Chapter 11 proceedings. These include, among others, authorization to continue to pay employee wages and benefits, honor customer programs, and ensure utility services.

Additional Information can be found at:

- Krystal’ Restructuring Information Hotline for interested parties at (888) 249-2792 (U.S./Canada) or (310) 751-2607 (International).
- Krystal’s website at <https://krystal.com/>.
- Court filings and information about the claims process can be found at a separate website maintained by Krystal’s claims agent, KCC, at <http://www.kccllc.net/krystal>.

King & Spalding LLP is serving as legal advisor, Alvarez & Marsal is serving as Chief Restructuring Officer and Piper Sandler is serving as M&A advisor to Krystal.

ABOUT THE KRYSTAL COMPANY

Krystal is an American fast food restaurant chain headquartered in Atlanta, Georgia, with restaurants in the Southeastern United States. Founded in 1932, it is the second oldest QSR brand in the US. It is known for its iconic small, square hamburgers, specially prepared with a steamed-in onion flavor. For more information on Krystal and its distinctive brand visit <https://krystal.com/>.

