



PCHI to Commence Wind Down of Party City Stores and Wholesale Operations

Stores Remain Open Nationwide for Going Out of Business Sales

Customers Encouraged to Take Advantage of Deals and Discounts While Supplies Last

WOODCLIFF LAKE, N.J., December 21, 2024 – Party City Holdco Inc. (“PCHI” or the “Company”) today announced plans to commence a wind down of its retail and wholesale operations and going out of business sales at its approximately 700 stores nationwide after serving Party City customers for nearly 40 years as their one-stop-shop for all things celebration.

The decision was made following exhaustive efforts by the Company to find a path forward that would allow continued operations in an immensely challenging environment driven by inflationary pressures on costs and consumer spending, among other factors.

To accomplish an orderly wind down in the most efficient manner and to maximize value for the benefit of the Company’s stakeholders, PCHI and certain of its subsidiaries voluntarily filed Chapter 11 in the U.S. Bankruptcy Court for the Southern District of Texas.

These proceedings follow the Company’s 2023 restructuring through which PCHI eliminated nearly \$1 billion in debt, among other things. As with many other retailers, macroeconomic headwinds more recently proved too severe for the Company to overcome.

PCHI is grateful to its team members for their commitment over the years and is retaining more than 95% of its 12,000 employees for some time to assist with the wind down process. The Company thanks its customers for their business and appreciates the support it has received from its valued partners.

During the going out of business sales, shoppers at Party City stores will be able to take advantage of incredible deals and deep discounts on amazing merchandise while supplies last. Customers are encouraged to shop now for everything ranging from birthday party supplies to decorations for the holidays and New Year’s Eve while the selection is best. A store location finder can be found on www.partycity.com.

The Company has filed customary motions with the Court seeking authority to commence going out of business sales and uphold its commitments to employees during the wind down. PCHI’s senior lenders have committed to provide the financial support necessary to fund operations through the wind down, subject to Court approval.

Additional information, including Court filings and information about the claims process, is available at <https://cases.ra.kroll.com/PCHI2024/>. Suppliers with questions can call (877) 510-9565 (toll-free) and +1 (646) 798-8469 (international) or email PCHI2024Inquiries@ra.kroll.com.

Paul, Weiss, Rifkind, Wharton & Garrison LLP and Porter Hedges LLP are serving as legal counsel and AlixPartners, LLP is serving as financial advisor to PCHI. The Company has retained Gordon Brothers to supervise the going out of business sales under the Company’s management.

About Party City Holdco Inc.

Party City is a global leader in the celebrations industry, delivering joy and inspiration to customers across more than 70 countries. As North America's largest party goods retailer, Party City is the go-to shopping destination for every type of celebration, offering an extensive and innovative selection of products at exceptional value.

The company has approximately 700 company-owned and franchise store locations across North America and sells online to consumers at www.partycity.com. The company also operates Amscan, a premier designer, manufacturer, and distributor of celebration products including décor, tableware, costumes, and accessories.

Headquartered in Woodcliff Lake, N.J., with additional locations in the Americas and Asia, Party City is committed to helping customers create unforgettable moments for every occasion.

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