

October 1, 2021



Rocky Mountain Chocolate Factory Asks Critical Questions of AB Value on Behalf of Stockholders

RMCF Issues Open Letter to AB Value Asking for the Answers Stockholders Deserve Regarding AB Value's Superficial Plan, Misleading Statements and the Future of RMCF

Urges Stockholders to Vote "FOR" ALL of the Company's Nominees TODAY on the WHITE Proxy Card

DURANGO, Colo.--(BUSINESS WIRE)-- Rocky Mountain Chocolate Factory, Inc. (NASDAQ: RMCF) (the "Company" or "RMCF"), one of North America's largest retailers, franchisers and manufacturers of premium, handcrafted chocolates and confections, today issued an open letter to AB Value Management LLC ("AB Value") asking four critical questions on behalf of stockholders. RMCF believes that stockholders deserve answers regarding the superficial and ineffective plan AB Value has proposed, AB Value's misleading and inaccurate public statements, and AB Value's refusal to engage with the Company's good-faith efforts to find a mutually agreeable resolution that would benefit ALL stockholders.

RMCF reminds all stockholders to vote on the **WHITE** proxy card today **FOR ALL** of RMCF's director nominees ahead of the Company's 2021 Annual Meeting of Stockholders (the "Annual Meeting"), to be held October 6, 2021.

The open letter is copied below:

October 1, 2021

Dear Mr. Berger,

As we approach Rocky Mountain Chocolate Factory's ("RMCF") Annual Meeting of Stockholders, to be held on October 6, 2021, the Company believes stockholders need answers to several critical questions regarding the public conduct of AB Value Management LLC ("AB Value") and AB Value's lack of a plausible and effective plan for the Company.

Why has AB Value failed to provide stockholders with anything other than a superficial, ineffective plan for the Company?

In its report, Institutional Shareholder Services ("ISS") stated that the AB Value-led dissident group *"has not disclosed a sufficiently detailed go-forward plan to merit outright control of the Board."* That was nearly a week ago. Stockholders need answers: what is your plan? We find it unacceptable that you would ask stockholders to grant you control of RMCF's Board and yet fail to present a plausible, comprehensive plan to manage and grow the Company.

Why is AB Value continuing to blatantly ignore the facts of the Company's resolution with Immaculate Confection?

We believe stockholders should be concerned that AB Value continues to ignore the facts in its public statements regarding RMCF's relationship with Immaculate Confection, operator of the Company's Canadian master franchise network. You, Mr. Berger, voted on August 4, 2021 to approve the settlement with Immaculate Confection. RMCF and Immaculate Confection are collaborating productively and exploring constructive ways to strengthen our business relationship. As written in the settlement terms, which you signed, RMCF and Immaculate Confection have "six months to explore good faith negotiations on alternative business solutions." You are aware – or should be aware – that AB Value's public statements on this matter are false and misleading. *Why do you continue to mislead stockholders? Are you unaware of the settlement terms that you voted to approve?*

Why does AB Value continue to publish false and inaccurate information?

It is unfortunate that you have resorted to scare tactics and inflammatory, threatening language. We believe this is nothing more than an attempt to disenfranchise stockholders by discouraging stockholders from voting to protect their investment. Alas, this is consistent with AB Value's prior behavior and unprofessional conduct. Stockholders are the ones paying the price. Stockholders should understand that this unnecessary public contest comes after AB Value received \$290,000 in 2019 and has filed a costly lawsuit to try to get its way, all while you, Mr. Berger, sat on the RMCF Board for nearly two years without presenting a single operational plan for the Company. *Stockholders deserve better.*

Don't stockholders deserve good-faith efforts to reach a mutually agreeable resolution?

We continue to be disappointed that you refuse to engage with RMCF in an honest, good-faith effort to reach a reasonable resolution to your unnecessary, self-serving public contest. RMCF has offered multiple, generous settlement proposals that could resolve this situation and allow all of us to devote our energy and resources to serving stockholders' best interest and grow our Company. *Stockholders deserve to know why you are putting your self-interest above their best interest.*

We believe that all RMCF stockholders deserve answers to these critical questions.

RMCF strongly urges stockholders to discard any blue proxy cards you may receive and vote on the **WHITE** proxy card today **FOR ALL** six of the highly-qualified and very experienced nominees. If you have already returned a blue proxy card, you can change your vote simply by voting by telephone, via the Internet or by signing, dating and returning a **WHITE** proxy card today.

RMCF's proxy statement and other important information related to the Annual Meeting can be found on the SEC's website at www.sec.gov and on the Company's website at rmcf.com/SEC-Filings.

*Your vote is important, no matter how many shares you own.
If you have any questions about how to vote your shares, or need additional assistance, please contact the firm assisting us
in the solicitation of proxies:*

Georgeson LLC
1290 Avenue of the Americas, 9th Floor
New York, New York 10104
(888) 658-5755 (Toll Free)

Please refer to the enclosed WHITE proxy card for information on how to vote by telephone or by Internet, or simply complete, sign and date the WHITE proxy card and return it TODAY in the postage-paid envelope provided.

About Rocky Mountain Chocolate Factory, Inc.

Rocky Mountain Chocolate Factory, Inc., headquartered in Durango, Colorado, is an international franchiser of gourmet chocolate, confection and self-serve frozen yogurt stores and a manufacturer of an extensive line of premium chocolates and other confectionery products. The Company, its subsidiaries and its franchisees and licensees operate more than 300 Rocky Mountain Chocolate Factory and self-serve frozen yogurt stores across the United States, South Korea, Qatar, the Republic of Panama, and The Republic of the Philippines. The Company's common stock is listed on the Nasdaq Global Market under the symbol "RMCF."

Important Additional Information and Where to Find It

This communication relates to the Annual Meeting. In connection with the Annual Meeting, Rocky Mountain Chocolate Factory, Inc. (the "Company" or "RMCF") filed a definitive proxy statement on Schedule 14A, an accompanying **WHITE** proxy card and other relevant documents with the Securities and Exchange Commission (the "SEC") on September 9, 2021 in connection with the solicitation of proxies from stockholders for the Annual Meeting. The definitive proxy statement and a form of **WHITE** proxy were first mailed or otherwise furnished to the stockholders of the Company on September 9, 2021 as supplemented on September 20, 2021. **BEFORE MAKING ANY VOTING DECISION, STOCKHOLDERS ARE STRONGLY ENCOURAGED TO READ THE COMPANY'S DEFINITIVE PROXY STATEMENT IN ITS ENTIRETY AND ANY OTHER DOCUMENTS TO BE FILED WITH THE SEC IN CONNECTION WITH THE ANNUAL MEETING OR INCORPORATED BY REFERENCE IN THE DEFINITIVE PROXY STATEMENT, IF ANY, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE ANNUAL MEETING. This communication is not a substitute for the definitive proxy statement or any other document that may be filed by the Company with the SEC.** Investors and stockholders may obtain a copy of the documents free of charge at the SEC's website at www.sec.gov, and in the "SEC Filings" section of the of the Company's Investor Relations website at www.rmcf.com/Investor-Relations.aspx or by contacting the Company's Investor Relations department at (970) 375-5678, as soon as reasonably practicable after such materials are electronically filed with, or furnished to, the SEC. In addition, the documents (when available) may be obtained free of charge by directing a request by mail or telephone to: Rocky Mountain Chocolate Factory, Inc., 265 Turner Drive, Durango, Colorado 81303, Attn: Secretary, (970) 259-0554.

Certain Information Regarding Participants to the Solicitation

The Company, its directors and certain of its directors, director nominees, executive officers and members of management and employees of the Company and agents retained by the Company are participants in the solicitation of proxies from stockholders in connection with matters to be considered at the Annual Meeting. Information regarding the Company's directors, director nominees and executive officers, and their beneficial ownership of the Company's common stock is set forth in the Company's Annual Report on Form 10-K for the

fiscal year ended February 28, 2021, filed with the SEC on June 1, 2021, as amended by Amendment No. 1 on Form 10-K/A filed with the SEC on June 28, 2021, and in the definitive proxy statement. Changes to the direct or indirect interests of the Company's directors and executive officers are set forth in SEC filings on Initial Statements of Beneficial Ownership on Form 3, Statements of Change in Ownership on Form 4 and Annual Statements of Changes in Beneficial Ownership on Form 5. These documents are available free of charge as described above.

Forward-Looking Statements

This press release includes statements of the Company's expectations, intentions, plans and beliefs that constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to come within the safe harbor protection provided by those sections. These forward-looking statements involve various risks and uncertainties. The nature of the Company's operations and the environment in which it operates subjects it to changing economic, competitive, regulatory and technological conditions, risks and uncertainties. The statements, other than statements of historical fact, included in this press release are forward-looking statements. Many of the forward-looking statements contained in this press release may be identified by the use of forward-looking words such as "will," "intend," "believe," "expect," "anticipate," "should," "plan," "estimate," "potential," or similar expressions. Factors which could cause results to differ include, but are not limited to: the impact of the COVID-19 pandemic and global economic conditions on the Company's business, including, among other things, online sales, factory sales, retail sales and royalty and marketing fees, the Company's liquidity, the Company's cost cutting and capital preservation measures, achievement of the anticipated potential benefits of the strategic alliance with Edible Arrangements®, LLC and its affiliates ("Edible"), the ability to provide products to Edible under the strategic alliance, Edible's ability to increase the Company's online sales, changes in the confectionery business environment, seasonality, consumer interest in the Company's products, general economic conditions, the success of the Company's frozen yogurt business, receptiveness of the Company's products internationally, consumer and retail trends, costs and availability of raw materials, competition, the success of the Company's co-branding strategy, the success of international expansion efforts and the effect of government regulations. Government regulations which the Company and its franchisees and licensees either are, or may be, subject to and which could cause results to differ from forward-looking statements include, but are not limited to: local, state and federal laws regarding health, sanitation, safety, building and fire codes, franchising, licensing, employment, manufacturing, packaging and distribution of food products and motor carriers. For a detailed discussion of the risks and uncertainties that may cause the Company's actual results to differ from the forward-looking statements contained herein, please see the "Risk Factors" contained in Item 1A. of the Company's Annual Report on Form 10-K for the fiscal year ended February 28, 2021, as amended. Additional factors that might cause such differences include, but are not limited to: the length and severity of the current COVID-19 pandemic and its effect on among other things, factory sales, retail sales, royalty and marketing fees and operations, the effect of any governmental action or mandated employer-paid benefits in response to the COVID-19 pandemic, and the Company's ability to manage costs and reduce expenditures and the availability of additional financing if and when required. These forward-looking statements apply only as of the date hereof. As such they should not be unduly relied upon for more current circumstances. Except as required by law, the Company undertakes no obligation to release publicly any revisions to these

forward-looking statements that might reflect events or circumstances occurring after the date of this press release or those that might reflect the occurrence of unanticipated events.

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Source: Rocky Mountain Chocolate Factory, Inc.