

December 1, 2017



NightFood (NGTF) Reports Record Revenues, Targeting 100% Quarter Over Quarter Sales Growth and Disruption of \$50B Market Segment

TARRYTOWN, NY -- (Marketwired) -- 12/01/17 -- NightFood Holdings, Inc. (OTC: NGTF) the category leading, better-for-you, sleep-friendly nighttime snack company, announced that October and November were the two highest direct to consumer sales months in Company history.

Revenues have already surpassed last quarter by 39% with one month remaining in the current quarter. Management believes 100% quarter over quarter revenue growth is within range for December.

"Our new website is delivering conversion rates much higher than what we thought would be possible," commented NightFood CEO Sean Folkson. "Consumers are going from having never heard of NightFood one moment, to placing a full price order on our site in a matter of minutes."

Folkson continued, "You don't just spend \$23.99 plus shipping on a snack you've never heard of, and never tried, unless it's solving a real problem in your life. Remember, there are over 150M nighttime snackers in the U.S. combining to spend over \$1B weekly on nighttime snacks."

Management believes the new NightFood site more clearly and powerfully communicates brand value to the consumer. This allows for more transactions at full price, without the need for discounted pricing to entice consumer trial. As a result, the Company has made significant adjustments to 2018 projections, greatly reducing promotional pricing discounts.

Sales at the full \$23.99 made up over 95% of NightFood.com transactions. Full price sales deliver gross margins of 70%, while developing a base of customers that are less price-sensitive. Management expects this can lead to higher reorder rates, significantly higher lifetime customer value, and earlier profitability for the Company.

"The new website does a fantastic job communicating the NightFood value proposition to the mainstream consumer. The goal of our campaign has always been to predictably acquire new customers significantly below lifetime value, and do it at scale." offered NightFood CMO Peter Leighton.

Common Thread Collective, NightFood's E-Commerce partner, has been conducting tests on the new NightFood website, and is now ready to introduce the element of video to the online marketing mix. The Company believes deployment of the video assets will further

drive down the cost of acquiring new customers. This is in addition to the national TV ad campaign launching in early December, which will deliver 10,000+ airings of NightFood commercials across the United States.

NightFood products currently rank #1 on Amazon for many relevant search terms, including "nighttime cravings," "bedtime snacks," and "healthy late night snacks." NightFood products are currently in the top 5 results for other popular search terms such as "cravings" and "snack bars." Amazon product reviews continue to average over 4.2 stars.

All sales metrics in this release are based on reports provided by Amazon and Shopify. Total product sales for October were \$25,889 before refunds of approximately 2%, and promotional pricing expenses of approximately 47%. In November, Amazon promotional pricing discounts were greatly decreased, resulting in total product sales of \$24,695 before refunds of approximately 2%, and promotional pricing expenses of only 23%.

"We're building a company that will create a major disruption in the snack industry," added Folkson. "New inventory has recently been ordered and will be in stock in approximately 60 days. At that time, we will drastically scale online ad spend to drive a whole new level of revenue growth throughout 2018. We plan to expand our product line by adding new NightFood bar flavors and recipes, while potentially introducing additional NightFood snack formats such as bites and ice cream and a new CBD-infused snack brand."

About NightFood:

NightFood (OTC: NGTF), "The Nighttime Snack Company", is a snack food company dedicated to providing consumers delicious, better-for-you, sleep-friendly choices for evening snacking. According to IRI Worldwide, 44% of snack consumption occurs at night, representing a consumer spend of over \$1B weekly on nighttime snacks.

Market research giant Mintel recently released a report identifying nighttime specific food and beverages as one of their most "compelling and category changing" trends for 2017 and beyond.

Currently, consumer's most popular choices are cookies, chips, ice cream, and candy. These options are generally understood to be unhealthy, and often contain ingredients and nutritional profiles that can impair sleep quality. NightFood creates, manufactures, and distributes snacks formulated to help consumers satisfy nighttime cravings in a better, healthier, more sleep friendly way.

The Company has recently begun research and development regarding nighttime snacks infused with CBD to promote and support better sleep.

For more information, visit <http://ir.nightfood.com> and www.nightfood.com. Questions can be directed to investors@nightfood.com

Forward Looking Statements:

This current press release contains "forward-looking statements," as that term is defined in Section 27A of the United States Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Statements in this press release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future, including but not limited to, any products sold

or cash flow from operations.

Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the inherent uncertainties associated with distribution and difficulties associated with obtaining financing on acceptable terms. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Although we believe that the beliefs, plans, expectations and intentions contained in this press release are reasonable, there can be no assurance that such beliefs, plans, expectations or intentions will prove to be accurate. Investors should consult all of the information set forth herein and should also refer to the risk factors disclosure outlined in our most recent annual report for our last fiscal year, our quarterly reports, and other periodic reports filed from time-to-time with the Securities and Exchange Commission.

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Source: NightFood Holdings, Inc.