

April 20, 2021



Nightfood Successfully Raises Equity Growth Capital, Eliminates 100% of Convertible Debt

Tarrytown, NY, April 20, 2021 (GLOBE NEWSWIRE) -- via [NewMediaWire](#) -- Nightfood, Inc. (OTCQB: NGTF), the better-for-you snack company targeting the \$50 billion Americans spend annually on nighttime snacks, announced today that the Company has successfully completed a financing round totaling \$4,500,000, and eliminated all convertible debt.

“I’d like to congratulate our long-term investors that have been so supportive of our efforts now that we’re at a key inflection point,” commented Nightfood CEO Sean Folkson. “I view 2021 as a ‘transformative’ year for Nightfood. The fact that we were able to substantially strengthen our balance sheet by successfully renegotiating and retiring over \$4,000,000 in debt and payables since January 1st is an important part of our transformation.”

The equity financing round was comprised of \$3,000,000 in cash plus the rollover of \$1,500,000 of pre-existing debt into the new equity offering. The preferred equity shares sold are convertible to common stock at a fixed price of \$.20 and warrants at \$.30. The full terms and conditions of the preferred stock offering can be accessed via the Company’s U.S. Securities & Exchange Commission filings in an 8K expected to be filed today.

After debt retirement and fees, the Company received over \$1,400,000 in growth capital to support major 2021 initiatives, including the launch of Nightfood ice cream into Walmart stores.

“It’s very exciting that our biggest debtholder exchanged their remaining debt for equity,” continued Folkson. “They know we’re a stronger company today as we’re rolling into Walmart with a fantastic marketing plan, a national hotel opportunity, operating capital in the bank, and a clean balance sheet with zero convertible debt. We’re set up for a great run, and this financing takes us one step closer to a potential uplist to the Nasdaq or NYSE.”

Nightfood ice cream launched in 2019 and has now secured distribution in several of the largest grocers in the United States, including divisions of Kroger, Albertson’s, H-E-B, and now Walmart. The Company also recently partnered with a global hotel brand to test the sale of Nightfood in the retail freezers of their in-lobby grab-and-go shops. Success in the ongoing three-month test is expected to bring national hotel distribution for the sleep-friendly ice cream in 2021.

Over 80% of Americans snack regularly at night, combining for hundreds of millions of weekly snacks consumed between dinner and bed. With most consumers desiring better sleep, Management believes there is tremendous potential in the category of sleep-friendly nutrition, which Nightfood is pioneering.

About Nightfood Holdings:

Nightfood Holdings, Inc. (OTC: NGTF), owns Nightfood, Inc. and MJ Munchies, Inc.

Nightfood has expanded distribution for its ice cream into major divisions of the largest supermarket chains in the United States: Kroger (Harris Teeter), Albertsons Companies (Jewel-Osco and Shaw's and Star Markets), and H-E-B (Central Market) as well as Lowe's Foods, Rouses Markets, and other independent retailers.

On February 23, 2021, the Company announced it has secured distribution in Walmart starting in April of 2021. The number of stores and the specific geographic regions involved in the launch have not yet been announced.

Nightfood won the 2019 Product of the Year award in the ice cream category in a Kantar survey of over 40,000 consumers. Nightfood was also named Best New Ice Cream in the 2019 World Dairy Innovation Awards.

Over 80% of Americans snack regularly at night, resulting in an estimated 700M+ nighttime snack occasions weekly, and an annual spend on night snacks of over \$50 billion dollars, the majority of it on options that are understood to be both unhealthy, and disruptive to sleep quality.

Nightfood was formulated by sleep and nutrition experts with ingredients that research suggests can support nighttime relaxation and better sleep quality. Scientific research indicates unhealthy nighttime cravings are driven by human biology. Willpower is also weakest at night, and stress is another contributing factor. A majority of night snackers report feeling both guilty and out-of-control when it comes to their nighttime snacking.

Because unhealthy night snacking is believed to be biologically driven, and not a trend or a fad, management sees significant opportunity in pioneering the category of nighttime-specific snacks for better sleep.

As the largest food and beverage companies in the world continue to explore the nighttime snacking market, and the link between nutrition and sleep, Nightfood continues to aggressively expand distribution and awareness.

Nightfood has been endorsed as the Official Ice Cream of the American Pregnancy Association and is the recommended ice cream for pregnant women. There are approximately 3,000,000 pregnant women in the United States at any given time, and ice cream is the single most-widely reported pregnancy craving. With more calcium, magnesium, zinc, prebiotic fiber, and casein protein, less sugar and a lower glycemic profile than regular ice cream, Nightfood has been identified as a better choice for expectant mothers.

MJ Munchies, Inc. was formed in 2018 as a new, wholly owned subsidiary of Nightfood Holdings, Inc. to capitalize on legally compliant opportunities in the CBD and marijuana edibles and related spaces. The Company is seeking licensing opportunities to market such products under the brand name "Half-Baked", for which they've successfully secured trademark rights.

Questions can be directed to investors@Nightfood.com

Management also encourages Nightfood shareholders to connect with the Company via these methods:

E-mail: By signing up at ir.nightfood.com, investors can receive updates of filings and news releases in their inbox.

Telegram: There is now a live, interactive Telegram group which interested parties can join to reach team members and discuss Nightfood. Ask questions, learn more about the company and discuss future prospects. Join the Telegram Group Here: <https://t.me/NightfoodHoldings>

YouTube: The company has established a new YouTube series which will feature weekly videos with team members, insights into latest industry developments, and provide a behind the scenes look at the latest company developments. [Click here](#) to subscribe to Nightfood's YouTube channel.

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.