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Nightfood Holdings, Inc. October Investor Call Recap

Tarrytown, NY, Oct. 11, 2018 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE -- Nightfood, Inc. (OTC: NGTF), owner of Nightfood, Inc. and MJ Munchies, Inc., conducted a quarterly investor call on October 10, 2018. That call is now [archived here](#).

CEO Sean Folkson answered questions submitted by investors and other interested parties, asked by Stuart Smith of SmallCapVoice. For investor convenience, a recap of key information, along with selected excerpts of the call, are contained below.

Folkson announced that the first two sales meetings for Nightfood ice cream were held last week with major retail chains and that the buyers were very enthusiastic. Folkson expressed great confidence that distribution would be secured in both chains, characterizing one chain at 95% confidence level, and the other at 80-90%.

It was mentioned that the ice cream could be in as many as 15,000 points of distribution in early 2019 based on the meetings already held, and those to be held in the coming weeks. Over 2,000 of those outlets are high-volume regional supermarkets. Folkson indicated that the release of financial projections would not be possible until it is known for certain how many points of distribution will be secured.

However, Folkson did walk through the math of how 2,000 supermarkets would be expected to translate to over \$6 Million in annualized revenue if the product were to sell at a modest rate (enough unit sales to retain shelf space).

It was also made clear that additional distribution points could be added during the course of 2019, as well as another major expansion next fall in time for Q1 2020.

One investor asked why Management believed the ice cream would be so successful so quickly when revenue growth for the Nightfood nutrition bars has been steady, but more modest. Folkson pointed out that Nightfood ice cream will finally allow nighttime snackers to stay within a preferred night snack format, ice cream, rather than switching formats to nutrition bars.

He reminded callers that ice cream is the second most popular night snack and there has been an aggressive trend in consumers moving to healthier ice cream with less fat, fewer calories, and less sugar. In giving people a better ice cream for nighttime, Nightfood is riding a powerful trend while at the same time providing a superior product in taste and texture. Folkson is confident that consumers will enthusiastically choose the better tasting and more appropriate Nightfood ice cream compared to other ice creams on the market:

“The industry has seen two ice cream companies this decade that basically came out of

nowhere and achieved valuations in the billions within just a couple of years, and I think we're going to be able to do the same.”

Folkson reminded investors that the Nightfood Advisory Board includes the founder of 5-Hour Energy and the former VP of Marketing for Chobani. In addition, Jim Christensen, Nightfood's VP of Ice Cream Sales, held the same position at ice cream giant Unilever, where he headed up sales and distribution for brands such as Ben & Jerry's, Klondike, and Breyers. Management believes having these industry experts on board and their experience in growing and managing billion-dollar brands will help with rollout and expected growth from start-up through full national distribution during the next six to twenty-four months.

Folkson also mentioned that he believes a subset of consumers that enjoy the ice cream will invest in the Company and become brand champions. He envisions those invested consumers enthusiastically sharing and promoting the brand within their circle of influence, leading to a cycle where the shareholder base feeds the customer base, and the customer base feeds the shareholder base in an upward cycle of growth.

Asked about any dilution related to the recent addition of several high-profile professional athlete brand ambassadors, Folkson made it clear that stock equal to less than 1% of the Company has been issued to the entire team of influencers brought on board this year.

Folkson also revealed that these individuals and their managers and agents have, in almost all cases, received non-public information about recent Nightfood developments and future plans which he believes influenced their decisions to join the Nightfood team.

Regarding MJ Munchies and the Half-Baked brand of edibles and related products, Folkson shared that the California roll-out of THC-infused Half-Baked edibles line will begin in Q1. The Company exercised discretion by waiting to move forward until the California trademark for the Half-Baked brand was fully secured and issued. By growing Half-Baked revenue starting in Q1, Management expects greater opportunity for state-to-state expansion, licensing arrangements, and possibly acquisition or strategic ventures with some of the largest players in the industry.

Asked about adding CBD or THC to ice cream under the Half-Baked brand, or branching Nightfood into other snack formats, Folkson firmly stated that this was not a current consideration. He informed the audience that the Nightfood ice cream and Half-Baked lines were the only focus:

“When you see a clear path to \$100 million dollars in ice cream revenues in a couple of years, that's really not the time to launch into other formats.”

The last question of the call was about uplisting to a major exchange. Folkson revealed that preliminary discussions have been held with institutional investors and investment banks regarding such a transaction. He acknowledged the \$3 share price needed and other requirements, and stated that he believed the Company could qualify for a major exchange next year if Management prioritized such a transition, and that it is under consideration at this time.

About Nightfood Holdings:

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

Nightfood, Inc, "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. The Company has developed a dynamic infographic at <http://NightSnacking.com> as a definitive consumer and media resource clearly illustrating the size and scope of the largely untapped nighttime snack category.

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.

Consumer's most popular choices are cookies, chips, and ice cream. Nightfood creates, manufactures, and distributes snacks formulated to help consumers satisfy nighttime cravings in a better, healthier, more sleep friendly way.

MJ Munchies, Inc. was recently formed 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 intends to market some of these new products under the brand name "Half-Baked". Munchies is currently preparing a patent application with the USPTO for a proprietary ingredient to be used in Half-Baked snacks that Management believes will give it a unique and defensible competitive advantage against other recreational edible brands. The Company believes tremendous opportunities currently exist to launch successful and legally compliant products in this space, and that such opportunities will continue to grow over time.

For more information, visit <http://ir.Nightfood.com> and <http://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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