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Nightfood Comments on Potential for 2020 Baby Boom Resulting from Coronavirus and Other Impacts of the Disruption

Tarrytown, NY, March 13, 2020 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE -- Sean Folkson, CEO of Nightfood, Inc. (OTCQB: NGTF), the better-for-you ice cream recently recommended as the **Official Ice Cream of the American Pregnancy Association (APA)**, today addressed investor inquiries regarding the Coronavirus, specifically relating to short-term ice cream demand and the possibility of a baby boom in 2020.

“I’m certainly not an expert on this topic, but I am obligated to address the issue because multiple shareholders this week have asked about birthrates and their impact on our business, as well as what other temporary lifestyle changes might mean for our company,” explained Folkson. “As a society, I’m happy to see we’re working together and making prudent sacrifices so that the situation can be brought under control, and life for all of us can return to normal as swiftly as possible. I’m being careful in my language, as I do not want to be misinterpreted as an opportunist. At the same time, I certainly do not see doom and gloom for our Company or other food brands.

“Nightfood sales have been growing, our distribution footprint is aggressively multiplying, and our awareness within the pregnant community is growing exponentially. The volume of retailer and distributor reorders we received last week alone is more than we did most months in 2019, and almost all of it was to restock existing partners.”

Management believes baby boom inquiries have been spurred by media coverage. Daymond John, star of Shark Tank star, entrepreneur, and prolific investor, stated last week, “We will definitely see a baby boom, 100 percent.” Popular parenting site Romper ran a story about the potential for a baby boom as did The Institute for Family Studies. Not all outlets agreed with John, some indicating we could expect a decrease in birth rates.

“Whether or not there’s a baby boom or a reduction in the birth rate is not particularly important to our Company,” continued Folkson. “We anticipate that life will begin to return to normal at some point soon, there will still be millions of pregnant moms, they’ll still be craving and eating ice cream. There are approximately 3 million pregnant women in the United States at any given time. Nightfood ice cream will either start to capture a meaningful share of that market, or we won’t. And if the number of pregnant women grows to 3.3 million or shrinks to 2.7 million, that’s immaterial at this stage. Moderate success in a market of either size would bring a massive change to revenues, profits, and the value of the Company.

“For illustration purposes, let’s use a market of 3 million. If 1% of the expectant moms become customers and they and their family go through 2 pints of Nightfood a week, that would translate into over \$10,000,000 in annual revenue. If 2% of the moms become

customers and go through 2 pints a week, that would result in revenue of over \$20,000,000. Anybody can do the math on 5 or 10 percent, or more than 2 pints per week and what that would mean in terms of revenue and the value of our brand. All true with or without the virus.

“It’s easy to get excited about what servicing even a small percentage of this demographic can mean for our company. Remember, this is not ‘just a marketing angle’. We’re recommended as the Official Ice Cream of the American Pregnancy Association because of our objectively healthier nutritional profile for pregnant women compared to any other ice cream on the market.

“Whether or not there’s a boom or reduction in the birth rate this year will have zero impact on our ability to execute and attain meaningful market penetration.

“We’ve had other questions about potential impact from a temporary downturn in the economy from investors wondering if people would stop spending on ice cream. That’s also a fair concern. Research indicates that small, personal pleasures, such as ice cream, may be largely recession-proof, while bigger expenditures suffer. It certainly seems likely that more people will be staying in at night watching TV in the coming weeks. Also, remember that, as a new brand, our most rapid growth will not come from an expanding market but rather by capturing market share from the incumbent brands. So again, we don’t see any reason to think that consumers would drastically cut evening ice cream consumption.

“Growing consumer demand holds the key to national expansion, and we’re taking it one customer and one retail partner at a time. We’ve been accelerating and broadening our direct-to-consumer online initiatives, which are generating fantastic response. The virus is a terrible situation, and I’m not trying to paint this as an opportunity in any way. At the same time, we don’t view it as a specific threat to our ability to grow our operations over the next several months.”

In addition to Jewel-Osco, the 188-store division of Albertsons that will begin stocking Nightfood later this month, the brand will be available in two other major regional chains in the coming weeks, one of which will stock seven flavors in most of their 150+ stores. The other new chain is expected to start with three or four flavors of Nightfood. Harris Teeter, a division of Kroger, has seven Nightfood flavors available in most of their approximately 260 stores, and Lowe’s Foods has four flavors available in each of their 79 stores.

About Nightfood Holdings:

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

After manufacturing their first pint in early 2019, Nightfood secured ice cream distribution in multiple Top-10 supermarket chains in the United States, with concentrations in the Carolinas, Mid-Atlantic, the upper Midwest, and New England, including major divisions of the two largest grocery chains in the United States (Kroger and Albertsons).

Nightfood ice cream 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.

In February 2020, it was announced that Nightfood received the endorsement of the American Pregnancy Association as the recommended ice cream for the over three million pregnant women in the United States at any given time. With more calcium, magnesium, zinc, fiber, and protein, and less sugar and a lower glycemic profile, Nightfood is now the Official Ice Cream of the American Pregnancy Association.

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.

Scientific research indicates these unhealthy nighttime cravings are driven by human biology. Willpower is also weakest at night, contributing to unhealthy night snacking behavior, and the majority of night snackers report feeling both guilty and out-of-control when it comes to their nighttime snacking.

Because unhealthy night snacking is biologically driven, and not a trend or a fad, management believes the category of nighttime-specific nutrition, which Nightfood is pioneering, will be a billion-dollar category.

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

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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