



Happy Belly Food Group Signs Definitive Franchise Acquisition Agreement With PIRHO Food Grill

Toronto, Ontario (March 17th, 2023) - Happy Belly Food Group Inc. (CSE: HBFG) (OTCQB: VGANF) ("Happy Belly" or the "Company"), a leading consolidator of emerging food brands is pleased to announce that it has signed a definitive franchise acquisition agreement with Pirho Food Grill ("Pirho"), a gourmet bowls, wraps, and pitas fast casual Greek restaurant with the fresh wholesome tastes of Greece and the Mediterranean.

"We are very pleased to welcome Pirho Food Grill into our portfolio of emerging brands. After announcing our entry into franchising with Lettuce Love, our plant-based QSR on March 9th, we are excited to add Pirho Food Grill to our franchising operations with their fast casual Greek offering", said Sean Black, Chief Investment Officer of Happy Belly. "With the signing of this definitive agreement for an asset-light franchising model, we look forward to working with George Plagakis, founder of Pirho Grill, and his team as we focus on a accelerated franchise development model and real estate growth plan for Pirho Grill that is already in motion".

"Ever since we grew our previous brands such as Extreme Pita, Mucho Burrito, Burger's Priest and Fresh to over 300 franchised and corporate locations we have been looking for our next thoroughbred in fast casual. I can confidently say that not only have we found that next thoroughbred, but that we feel we have the chance to create a real category leader in North America with Pirho Grill. The asset-light franchise model that we are implementing is one that I have worked with previously at Extreme Brandz and MTY Food Group [TSX:MTY]. It yielded great success for us and will continue to be a big part of the future growth plans here for Happy Belly."

"PIRHO culture is rooted in old-world Greek traditions with an emphasis on family and community. We are really excited for the opportunity to provide fresh & healthy Greek food in a fast-casual environment across Canada as we join the Happy Belly family", said George Plagakis, founder of Pirho Grill.

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This transaction is aligned with our strategic plan and goals of delivering shareholder value through accretive M&A. Post closing of this accretive transaction we anticipate immediate organic growth from Pirho Grill through the existing four (4) locations and net new franchised locations being established throughout 2023 through an aggressive Canada-wide franchising program. Sourcing of suitable new locations is currently underway as we work with the Pirho Grill management team on a combined accelerated growth strategy. Happy Belly is looking at the expansion of Pirho Grill fast casual Greek restaurants via corporate and franchise locations.

Acquisition Details

Happy Belly & Pirho Grill have signed a definitive franchise acquisition agreement. A JVCo was incorporated for the purposes of corporate franchise expansion and growth of Pirho Grill Fast Casual Greek Restaurants.

Happy Belly will issue to JVCo such number of common shares of Happy Belly equal in value to \$250,000 (based on a 10-day VWAP) at time of closing for 50% ownership of the JVCo. The JVCo receiving the shares will be 50% owned by Happy Belly, and George Plagakis and family will own the remaining 50% in exchange for Pirho Grills franchising rights, brand assets and IP rights. The Company anticipates the closing of this agreement to take place within the next 10 business days. Happy Belly has also obtained the rights to acquire the remaining 50% of the business at its optionality.

Based upon 2023 growth plans for Pirho Grill, the Company expects to open at least eight



franchise locations that would operate under the joint venture agreement between the Parties. Gross system sales of approximately \$7,500,000 are forecasted to be generated from the eight franchises to be opened.

About Pirho Grill

We strongly believe that food can bring people together and inspire colorful conversations. PI-RHO culture is rooted in old-world Greek traditions with an emphasis on family and community. In the Mediterranean world, mealtime is a big family event. The wholesome ingredients, the careful preparation, the irresistible aromas, the delicious food and of course the human interaction all make for a warm and inviting atmosphere. During our visits to Greece, this nurturing environment left a deep and lasting impression with us. So much so that it led to the creation of PI-RHO True Food Grill. The best of Greece and the Mediterranean, right here in Ottawa! In our fast-paced world, taking the time to connect with friends and family has never been more important. You deserve to enjoy those precious moments and connect with your loved ones, in real life, with True Food. Join us for lunch or dinner at PI-RHO Grill and fuel your soul.

About Happy Belly Food Group



Happy Belly Food Group Inc. (CSE: HBFGE) (OTCQB: VGANF) ("Happy Belly" or the "Company"), a leading consolidator of emerging food brands.

For more information please visit: www.HolyCrap.com, www.YamChops.com, www.LumberHeads.com, www.HealWellness.ca, www.LettuceLoveCafe.com, www.LadyGlazeDoughnuts.com, www.PirhoGrill.com, and www.HappyBellyFG.com.



Happy Belly Food Group

Shawn Moniz
Chief Executive Officer

FOR FURTHER INFORMATION, PLEASE VISIT:

www: www.happybellyfg.com or email hello@happybellyfg.com

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Cautionary Note Regarding Forward-Looking Statements

All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to the Company within the meaning of applicable securities laws. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur, and include the future performance of LumberHeads Food Co. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. There are no assurances that the business plans for Happy Belly described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's Management's Discussion and Analysis and other disclosure filings with Canadian securities regulators, which are posted on www.sedar.com.