



Happy Belly Food Group Expands CPG Distribution While Receiving Record Purchase Orders For Both LumberHeads Popcorn And Holy Crap Cereals and Oatmeal's

Toronto, Ontario (July 31st, 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 its CPG vertical comprising of LumberHeads Popcorn and HolyCrap Cereals and Oatmeal's both received record purchase orders in the month of July while expanding distribution and increased retail footprint servicing more retail locations.

"Growing our brands organically is a principal driver of our growth here at Happy Belly. In the month of July, we had both our CPG brands experience their largest single purchase orders to date. This is a true testament to our team's ability to drive accelerated growth in our CPG vertical", said Shawn Moniz, Chief Executive Officer. "In addition, during recent weeks of operations our CPG brands experienced the following growth in their retail distribution:

- Lumberheads Popcorn signed on its 3rd distributor, Grey Jays Sales, and Ontario award winning distributor specializing in Ontario made products.
- Holy Craps Cereals and Oatmeal's will be carried by 3 additional Fortino's locations.
- Healthy Planet confirms that all 4 SKUs of Holy Crap Oatmeal will be on shelves in 20 Healthy Planet locations starting the first week of August 2023.
- Our first listing in Whole Foods Markets for Western Canada was achieved with the listing of two SKUs of Holy Crap Oatmeal.
- Whole Foods Markets for Eastern Canada has agreed to list an additional 2 SKUs of Oatmeal, making all 4 of our Oatmeal SKUs available in their retail locations before the end of this year.



- PSC Natural foods, a leading natural and organic food distributor serving Vancouver Island and the Lower Mainland has listed 2 new Holy Crap Oatmeal's, our Apple Cinnamon & Blueberry Cocoa.

"As we continue to execute on our growth strategy, we have seen tremendous growth with Lumberheads in particular, which has recorded **an 85% increase** in net sales in Q2'2023 vs Q2'2022 while maintaining over 40% gross margin in operations."

"It's been an incredible first half of 2023 as we continue to see the results of being a sales-driven organization. We continue to scale and operationalize our brands through our shared services model to accelerate product development, market growth, and product launches. We are confident that we will continue to grow distribution and sales as we enter the second half of 2023 with the greatest retail and wholesale distribution points our CPG vertical has had to date. We will continue to push forward while continuing to drive business results and creating incremental value for our shareholders".

About Holy Crap Foods Inc.

At Holy Crap Foods Inc. our mission is to create products that create a healthy gut through simple, quality ingredients that ultimately feed the connection between gut and mind. Holy Crap is an organic, gluten free, non-gmo high fiber breakfast cereal and Oatmeal for today's consumer that expects their food to work hard for them. Our great tasting cereal and Oatmeal helps maintain a healthy gut which creates a happy mind.

About LumberHeads Food Co.

LumberHeads was started as a response to a lack of plant-based snack options available to family and friends that struggled with dietary restrictions. LumberHeads Kettle Corn has been continuously improved based on strong connections and feedback from our community - where the spirit of "together as one" comes alive! At LumberHeads, we are working to bring you quality foods that offer healthy alternatives with a focus on simple quality ingredients. The connection with our customers is what drives us! We hope you'll find our love of food delivers a little something special!

About Happy Belly Food Group

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Happy Belly Food Group

Shawn Moniz
Chief Executive Officer

FOR FURTHER INFORMATION, PLEASE VISIT:



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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.