



## Happy Belly Food Group Signs Definitive Agreement to Acquire Smash Burger Brand Rosie's Burgers

Toronto, Ontario (October 27<sup>th</sup>, 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 it has signed as of October 26<sup>th</sup>, 2023, a definitive franchise acquisition agreement to acquire smash burger brand Rosie's Burgers ("**Rosies**"), a boutique QSR restaurant brand serving original recipe smash burgers, poutine, onion rings, milkshakes and more.

"We are very pleased to welcome Rosie's Burgers to our portfolio of emerging brands. The burger category is one that our team has deep knowledge in as we previously helped build The Burgers Priest into a leading brand in Canada. With the signing of this definitive agreement for an asset-light franchising model, we look forward to working with Rosie's founders and their team as we focus on an accelerated franchise development model and real estate growth plan for across Canada", Sean Black, Chief Investment Officer of Happy Belly.

"After announcing our entry into franchising in March of this year, we are excited to add Rosie's Burgers to our franchised operations as our fourth (4<sup>th</sup>) franchised brand. We are utilizing our experience as we have grown our previous brands such as Extreme Pita, Mucho Burrito, Burger's Priest, Pur Blendz, and Fresh to over 400 franchised and corporate locations. 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."

"We have unfinished business in the burger category, and look forward to helping build Rosie's Burgers into a nationally recognized smash burger brand".

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 Rosies's Burgers through the existing two (2) 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.

## **Acquisition Details**

Happy Belly and Rosie's Burgers have signed a definitive franchise acquisition agreement. A JVCo was incorporated for the purposes of corporate franchise expansion and growth of Rosie's Burger 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 the owners of Rosie's Burgers will own the remaining 50% in exchange for Rosie's Burgers 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. Rosie's currently operate two locations.



"Our approach has always been to focus on the development and growth of emerging brands in the food sector. Rosie's Burgers will be an accretive acquisition by Happy Belly Food Group, and it is anticipated that our franchising program will deliver new franchised locations that will continue to drive both the top line and bottom line of the company."

For franchising inquiries please see [www.happybellyfg.com/franchise-with-us/](http://www.happybellyfg.com/franchise-with-us/) or contact us at [hello@happybellyfg.com](mailto:hello@happybellyfg.com).

## **About Happy Belly Food Group**

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

## **Happy Belly Food Group**

Shawn Moniz  
Chief Executive Officer

FOR FURTHER INFORMATION, PLEASE VISIT:

www: [www.happybellyfg.com](http://www.happybellyfg.com) or email [hello@happybellyfg.com](mailto:hello@happybellyfg.com)

If you wish to contact us please call: [\(604\) 737-2303](tel:6047372303)

*Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this press release, which has been prepared by management.*

### **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](http://www.sedar.com).*