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Happy Belly Food Group Signs Order for 4th Consecutive Above-Market Financing

Toronto, Ontario - (December 16th, 2024) - Happy Belly Food Group Inc. (CSE: HBFG) (OTCQB: HBFGF) ("Happy Belly" or the "Company"), a leading consolidator of emerging food brands is pleased to announce that it will proceed with a strategic non-brokered private placement of up to 333,333 units of the Company (the "**Units**") at CAN\$1.50 per Unit for gross proceeds of CAN\$500,000 (the "**Offering**"). Each Unit will consist of one common share in the capital of the Company (a "**Share**") and one transferrable common share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one additional Share at a price of CAN\$1.50 for a period of 12 months from the closing of the Offering.

"I would like to thank our existing strategic investor for their continued investment and support of Happy Belly as we execute on our growth strategy focused on building a stable of emerging brands," said Sean Black, Chief Executive Officer of Happy Belly. "Receiving this kind of support and confidence in our plan as a company allows us to accelerate both our organic and inorganic growth in 2024-2025."

"This is our fourth consecutive above-market financing for Happy Belly which demonstrates the market support for this management team and our track record of consistent execution. With the support and confidence of shareholders alike, we plan to deliver real shareholder value as we grow Happy Belly."

Closing of the offering is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including Exchange. All securities issued in connection with the Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

The Company intends to use the proceeds raised from the offering for organic growth and future acquisitions. No broker fees or finders' fees will be paid for this offering. Anticipated close is January 2025.

"We currently have 421 contractually committed retail locations from area developers across all emerging brands in the Happy Belly Portfolio—whether in development, under construction, or already open. As we open new stores, the Happy Belly footprint continues to grow. Our team is committed to sourcing and evaluating real estate, reviewing franchisee applications, and collaborating closely with area developers to support our asset-light franchising model. At present, several of our restaurant brands are simultaneously under

construction, and we are excited to announce openings throughout 2024-2025. By focusing on securing high-quality franchisees and prime real estate locations across Canada, we will further strengthen our expansion efforts."

We are just getting started.

For franchising inquiries please see www.happybellyfg.com/franchise-with-us/ or contact us at hello@happybellyfg.com.

About Happy Belly Food Group

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



Happy Belly Food Group

Sean Black
Chief Executive Officer

Shawn Moniz
Chief Operating Officer

FOR FURTHER INFORMATION, PLEASE VISIT:

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

If you wish to contact us please call: (604) 737-2303

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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 Happy Belly and her subsidiaries. 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.sedarplus.ca.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.