

Yooma to Cease Operations in China Due to New CBD Regulations

Decision made after CBD added to China's list of Prohibited Use Cosmetic Ingredients

TORONTO, June 17, 2021 /CNW/ - Yooma Wellness Inc. ("**Yooma**") (CSE: YOOM), a Toronto-based vertically integrated global wellness platform that develops and markets a portfolio of wellness brands, today announced that it will be discontinuing its operations in China, effective immediately.

The decision comes after China's National Medical Products Administration (NMPA) added CBD to its "List of Prohibited Use Cosmetic Ingredients" on May 28th, 2021. Beijing proposed the new legislation in March, with the China National Institute for Food and Drug Control inviting comments and suggestions from industry participants on its plans to list cannabis sativa and CBD as prohibited components of cosmetics. As a result of this announcement, a number of online marketplaces, including those which Yooma has historically relied on to distribute its CBD wellness products, have restricted promotion and marketing efforts for CBD products, such as keyword and traffic generating tools, platform events and live streams.

"The government's decision to ban the use of CBD and other cannabinoids in cosmetics eliminates the progress made by Yooma in selling CBD skincare and beauty products to Chinese consumers," said Lorne Abony, Chairman of Yooma. "However, we do not anticipate this change will lead to any revenue shortfall for Yooma this year, as the company is experiencing significant growth in other markets which has exceeded our expectations, and we expect any longer-term impact on Yooma's business to be minimal as we focus more of our attention on these other promising markets."

Yooma also announced today that CEO Ron Wardle will be leaving the company. Jordan Greenberg, who has been serving as President and CFO of the company, has been appointed by the board as the new CEO, effective immediately. Joshua Lebovic has been appointed by the board as interim CFO.

About Yooma Wellness Inc.

Yooma's mission is to build a vertically-integrated global leader in the manufacturing, marketing, distribution, and sale of wellness products including hemp seed oil and hemp-derived and cannabinoid (CBD) ingredients. The company leverages strategically curated sales channels and ecommerce networks to deliver a diverse mix of wellness products through subsidiaries in Japan, the United Kingdom, France and the United States. Learn more at www.yooma.ca.

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Notice regarding Forward Looking Statements

All information included in this press release, including any information as to future financial or operating performance and other statements of Yooma that express management's expectations or estimates of future performance or activities, other than statements of historical fact, constitute forward-looking information or forward-looking statements (collectively, "forward-looking statements") within the meaning of applicable securities laws and are based on expectations, estimates and projections as of the date hereof. Forward-looking statements are included for the purpose of providing information about management's current expectations and plans relating to the future. Wherever possible, words such as "will", "intend", "future", "anticipate", "experiencing", "expectations", "expect", "potential", "plan" or the negative of these words or other variations thereof, have been used to identify such forward-looking information. Specific forward-looking statements include, without limitation, all disclosure regarding future results of operations, economic conditions and anticipated courses of action, including statements about the anticipated effect of discontinued operations in China on Yooma's financial performance in the short- and long-term; growth experienced by Yooma in other markets; and the nature and focus of its business going forward.

There are many risks and uncertainties that may affect forward-looking statements including, among others, regulatory risk in each jurisdiction in which Yooma does or intends to operate; the uncertainties, effects of and responses to the COVID-19 pandemic; reliance on licenses; competition; dependence on senior management and key personnel; general business risk and liability; regulation of the CBD industry; changes in laws, regulations and guidelines; compliance with laws; limited operating history; unfavourable publicity or consumer perception; product liability; risks related to intellectual property; product recalls; difficulties with forecasts; management of growth; litigation; and other matters which are beyond the control of Yooma. Although the forward-looking statements contained herein reflect management's current beliefs and reasonable assumptions based upon information available to management as of the date hereof, Yooma cannot be certain that actual results will be consistent with such forward-looking information. Yooma cautions you not to place undue reliance upon any such forward-looking statements. Yooma disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law. Nothing herein should be construed as either an offer to sell or a solicitation to buy or sell securities of Yooma.

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