

Yooma Wellness Reports Results for Second Quarter of 2021

Second quarter lays the foundation for Yooma's strategy to become a leading global CBD and wellness platform.

Toronto, Ontario, Canada, August 30, 2021 - Yooma Wellness Inc. ("**Yooma**") (CSE: YOOM), a Toronto-based vertically-integrated global wellness platform that develops and markets a portfolio of wellness brands, today released its interim financial statements (the "**Financial Statements**") for the three-month period ended June 30, 2021 (the "**Reporting Period**"). A summary of Yooma's operational and financial highlights during the Reporting Period are set out below and more detailed information is contained in the Financial Statements and related management discussion and analysis which are available on Yooma's SEDAR page at www.sedar.com.

"Yooma has made significant progress since completing its public listing earlier this year, including a number of exciting acquisitions in the CBD and wellness space and a successful capital raise of up to US\$17.1 million" said Yooma Chairman, Lorne Abony, "our efforts during the second quarter laid the foundation for the buy-and-build strategy that we recently outlined to investors at the time of our UK financing and dual-listing – to buy and build companies globally, focused on increasing the Company's top-line revenue, leveraging our integrated supply chain and expanding distribution for our existing portfolio."

Operational Highlights (Q2 2021)

Yooma is in the early stages of implementing its plan to become a vertically-integrated global leader in the marketing, distribution and sale of wellness products, including hemp seed oil and hemp-derived cannabinoid (CBD) ingredients. Significant operational highlights and activities during the Reporting Period included:

- **Integration:** Integrating significant acquisitions from the first quarter of 2021 into Yooma's global platform, including (i) Socati Corp., a U.S.-based manufacturer and seller of premium-quality CBD ingredients and consumer products, and (ii) UK and European wellness brands MYO Plant Nutrition, Blossom, What the Hemp and Hello Joya.
- **Dual-Listing:** Laying the groundwork for the dual-listing of the Company's common shares on the Aquis Stock Exchange Growth Market ("**AQSE**"), a UK based multilateral trading facility for entrepreneurial companies seeking visibility and access to growth capital in Europe. The dual-listing was successfully completed and the Company's common shares began trading on the AQSE after the end of the Reporting Period, on August 10, 2021.
- **Capital Raising:** Conducting capital raising efforts in North America and the UK in connection with an equity financing to be completed concurrently with the dual-listing of the Company's common shares on the AQSE. The equity financing was successfully completed after the end of the Reporting Period, on August 10, 2021, raising proceeds of US\$10.3 million with the potential

to raise an additional US\$6.8 million if an option granted to a strategic investor is exercised on or before September 17, 2021.

- **Transaction Opportunities:** Identifying and working with targets for potential acquisitions and future commercial partnerships as part of Yooma’s buy-and-build strategy to become a global CBD and wellness platform. During the Reporting Period the Company entered into non-binding letters of intent for several potential acquisitions. The first of these acquisitions was completed after the Reporting Period on August 19, 2021, when Yooma acquired UK market-leader Vitality CBD Ltd., a distributor of CBD products including oils and sprays in a wide range of flavours and strengths, edibles, and a specially developed and formulated range of CBD skin care cosmetic products.
- **Shift in Market Focus:** Shifting the Company’s focus away from China and onto other markets where it has been experiencing significant growth, following an announcement during the Reporting Period that China’s National Medical Products Administration added CBD to its “List of Prohibited Use Cosmetic Ingredients”. The announcement resulted in a number of online marketplaces, including those which Yooma had been working with, to restrict promotion and marketing efforts for CBD products, eliminating much of the progress Yooma had made in China to date.

Selected Financial Highlights (Q2 2021)

During the Reporting Period, the Company generated revenues of US\$2,177,337, but experienced net and comprehensive losses of US\$3,193,674, reflecting significant cost of sales (US\$1,934,628) and expenses (US\$3,311,947) relating primarily to the integration of previously acquired businesses into Yooma’s global platform, expenses incurred in connection with capital raising activities and the AQSE dual-listing, and the expansion of the Yooma team to meet the demands of its growing business. Key financial highlights during the Reporting Period included the following:

All amounts in US dollars:

	For the three month period ended	For the three month period ended	For the six month period ended	For the six month period ended
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenue	\$ 2,177,337	\$ -	\$ 2,781,017	\$ -
Cost of sales	(1,934,628)	-	(2,208,155)	-
Gross profit	242,708	-	572,862	-
Expenses				
Depreciation and amortization	\$ 212,669	\$ -	\$231,523	\$ -
Consulting fees	227,566	132,808	390,689	151,840
Professional fees	511,931	83,745	901,727	108,415
Listing expense	-	-	960,725	-

Stock-Based compensation	52,304	-	99,602	-
Office and administrative	2,307,477	232,089	3,485,700	233,380
	3,311,947	448,642	6,069,967	493,635
Net loss before other income and expenses	\$ (3,069,239)	\$ (448,642)	\$ (5,497,105)	\$ (493,635)
Assets write-off	(134,810)	-	(134,810)	-
Other income	10,374	17,499	62,848	17,499
Net loss and comprehensive loss for the period	\$(3,193,674)	\$ (431,143)	\$(5,569,066)	\$(476,136)
Loss per share – basic and diluted:	\$ (0.04)	\$ (0.03)	\$ (0.12)	\$ (0.02)
Weighted average number of common shares outstanding – basic and diluted:	75,540,765	16,349,517	46,977,197	19,735,819

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 operating subsidiaries in the United States, United Kingdom, France and Japan. 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", "believe", "future", "go forward", "to become", "pursuit", "pursuing", "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 Yooma's mission and strategic plan; any potential acquisitions under non-binding letters of intent; 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; the possibility that the Company's strategic investor will not exercise its option to participate in the Company's equity financing, or will be unable to satisfy the conditions to close that financing; potential for a breakdown in the relationship between Yooma and its potential strategic acquisition targets, or the inability to satisfy the conditions necessary to complete such acquisitions or to complete them on the terms described herein; 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.