

Globalive Technology Announces Definitive Arrangement Agreement with Yooma Corp. to Complete its Previously Announced Reverse Takeover Transaction

Globalive Technology today announced that it has signed a binding arrangement agreement to complete the previously announced reverse takeover transaction with Yooma Corp., an Asia-focused social commerce company.

TORONTO, December 16, 2020 /CNW/ - Globalive Technology Inc. (TSX-V: LIVE) (the "**Company**"), a technology company based in Toronto, Ontario, announced today that it has signed a binding arrangement agreement (the "**Agreement**") with Yooma Corp. ("**Yooma**") to complete its previously announced arm's length reverse take-over of Yooma (the "**Transaction**"). The Transaction is to be completed by way of a court approved plan of arrangement under the *Business Corporations Act* (Ontario) with the common shares of the resulting issuer (the "**Resulting Issuer**") continuing following the amalgamation of the Company and Yooma to be listed on the Canadian Securities Exchange (the "**CSE**"). The CSE has conditional approved the listing of the Resulting Issuer shares on completion of the Transaction subject to customary conditions.

The Transaction

Subject to regulatory and shareholder approval, and the satisfaction of other conditions precedent, the Transaction will involve: (i) the Company transferring all of its material assets and liabilities, other than cash required to remain in the Company by the Arrangement Agreement (the "**Legacy Assets**"), to a newly formed holding company ("**SpinCo**") in consideration for non-voting common shares of SpinCo, (ii) the distribution by the Company of such non-voting common shares of SpinCo to its shareholders, which will entitle such shareholders to share pro rata in any net proceeds realized from the Legacy Assets; and (iii) the amalgamation of the Company and Yooma to form the Resulting Issuer.

Yooma shareholders will receive common shares of the Resulting Issuer ("**Resulting Issuer Shares**") in exchange for their shares in Yooma. The number of Resulting Issuer Shares to be received by shareholders of Yooma and shareholders of the Company will be based on aggregate consideration of approximately US\$25 million allocated to Yooma and the value of all assets remaining in the Company on closing (including cash and cash-equivalents), plus US\$500,000 for the shareholders of the Company. The Company estimates that it will hold cash and cash equivalents of no less than US\$4,500,000 by the closing date of the Transaction.

The Company and Yooma will rationalize their equity incentive plans, any equity incentives issued under such plans and all other outstanding convertible securities to create a post-Transaction equity incentive plan in the Resulting Issuer to properly incentivize management, directors, employees and consultants.

The completion of the Transaction is subject to certain conditions precedent including: (i) on or prior to closing, the Company delisting its shares from the TSX Venture Exchange (the "**Exchange**") and the shares of the Resulting Issuer being listed on the CSE; (ii) approval from shareholders of both Yooma and the Company; (iii) receipt of any necessary Exchange and CSE, regulatory and third-party approvals or consents; (iv) no material adverse change in either the Company or Yooma between the date of the Agreement and the closing of the Transaction; (v) the Company holding cash and cash-equivalents of no less than US\$4,500,000 on closing of the Transaction; and (vi) other conditions typical for a transaction of this nature.

No insider of the Company, or any of their associates or affiliates, has any material interest, direct or indirect, in the Transaction other than: (i) in connection with the entitlement of such insiders who are shareholders of the Company to receive Resulting Issuer Shares on the same basis as other shareholders of the Company, (ii) Mr. Lacavera is expected to be a director of the Resulting Issuer, and (iii) a related party of the Company will own all of the voting common shares of Spinco. No finder fee will be paid in connection with the Transaction.

Shareholder Meetings and Record Date

The Company and Yooma have each called special shareholder meetings to consider the Transaction and related matters on January 25, 2021. The Company has set December 21, 2020 as the record date for shareholders entitled to vote at the Company's shareholder meeting.

The Company and Yooma have a hearing for an interim order scheduled for December 18, 2020, and intend to mail a joint management information circular (the "**Circular**") to their shareholders later in December 2020.

To be effective, the Transaction will require the following approvals from shareholders of the Company and Yooma: (i) at least two-thirds (66 2/3%) of the votes cast by shareholders of the Company present in person or represented by proxy and entitled to vote at the Company's shareholder meeting, (ii) a simple majority (>50%) of the votes cast by disinterested shareholders of the Company (within the meaning of Multilateral Instrument 61-101) present in person or represented by proxy and entitled to vote at the Company's shareholder meeting, and (iii) at least two-thirds (66 2/3%) of the votes cast by shareholders of Yooma present in person or represented by proxy and entitled to vote at Yooma's shareholder meeting.

Shareholders of the Company holding approximately 56% of the outstanding shares of the Company have agreed to vote in favour of the Transaction and related matters, and shareholders of Yooma holding approximately 76% of the outstanding shares of Yooma have agreed to vote in favour of the Transaction.

Board Recommendation

After careful consideration, the board of directors of the Company unanimously determined, after consultation with its legal advisors, that the Transaction is in the best interests of the Company and unanimously recommends that its shareholders vote for the Transaction at the upcoming special shareholders meeting. The recommendation of the Company's Board is based on various factors that will be described more fully in the Circular.

Additional Information

A copy of the Agreement with more detailed information about the Transaction is available for review on the Company's SEDAR page at www.sedar.com and a copy of the Circular will be mailed to shareholders of the Company and Yooma later in December and will be available for review on the Company's SEDAR page later this month.

Investors are cautioned that, except as disclosed in the Circular, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

Neither the Exchange nor the CSE has considered or made any determination on the merits of the proposed Transaction, nor has either approved or disapproved of the contents of this press release.

About Globalive Technology Inc.

Globalive Technology is a next generation software company and venture partner developing innovative solutions to disrupt traditional industries by leveraging artificial intelligence and machine learning technology stacks. Globalive Technology is controlled by Globalive Capital Inc., which has founded and co-founded 12 businesses over the past 20 years with six successful exits ranging from US\$10M to US\$1.3B. It has also made over 100 venture investments and has over 45 technology companies in its portfolio. For more information, visit www.globalivetech.com.

About Yooma Corp.

Through its wholly-owned subsidiary, EDA and EDA-owned entities based in China and Japan, Yooma intends to leverage the success and experience of its senior management to build Yooma's business into one of Asia's leading cannabinoid (CBD) products social commerce companies through the distribution and sale of CBD beauty and skincare products via a strategically curated network of sales channels. Yooma has assembled a strong international team of multicultural industry professionals with extensive experience in digital marketing, ecommerce and social media in the pan-Asian region with particular depth in the Chinese ecommerce market.

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CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release contains forward-looking statements relating to the timing and completion of the proposed Transaction, the future operations of the Company and the Resulting Issuer, growth in hemp-derived products in Asia and Yooma's ability to capitalize on such growth, and other statements that are not historical facts. Such forward-looking statements are often identified by terms such as "possible", "if", "will", "subject to", "believes", "expected", "intends", "estimates", "following", "continuing to", "anticipated" and similar expressions. All statements, other than statements of historical fact included in this release, including those noted above, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important

factors that could cause actual results to differ materially from the Company's expectations include changes to Yooma or the Company's business focus, strategic plan or capital requirements; changes in market, industry and regulatory conditions for Yooma or the Company; unexpected operating gains or losses in Yooma or the Company; a breakdown in the Company's relationship with Yooma; the inability to satisfy the conditions precedent to complete the Transaction; the inability to obtain the necessary regulatory, shareholder and third-party approvals for the Transaction; competitors in the industry and other risks as set out in the Company's Filing Statement available on its SEDAR page at www.sedar.com.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The Company cannot guarantee that any of the forward-looking statements contained in this press release will occur as disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information.

Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will only update or revise publicly the included forward-looking statements as expressly required by Canadian securities law.

*This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities of the Company, Yooma, or the Resulting Issuer in either Canada or the United States. The securities of such entities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**US 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 US Securities Act and applicable state securities laws or an exemption from such registration is available.*

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

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