

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Yooma Wellness Inc. ("**Yooma**" or the "**Company**")
135 Yorkville Avenue, Suite 900
Toronto, Ontario
M5R 0C7

Item 2 Date of Material Change

October 1, 2021

Item 3 News Release

The press release attached as Schedule "A" was disseminated through Globe Newswire on October 4, 2021 with respect to the material change.

Item 4 Summary of Material Change

On October 4, 2021, the Company announced that after market close on October 1, 2021, it completed the acquisition of Vertex Co., Ltd. ("**Vertex**"), a Japanese producer and seller of a range of proprietary wellness products in a transaction valued at US\$12,000,000 (CAD\$15,184,800) (the "**acquisition**").

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company acquired Vertex for aggregate consideration of US\$12,000,000 to be paid in cash.

The acquisition was implemented pursuant to a stock purchase agreement between the Company and the shareholders of Vertex (the "**Vendors**"), who are unrelated to the Company, dated October 1, 2021 (the "**Stock Purchase Agreement**"). Under the Stock Purchase Agreement, the Company acquired all of the issued and outstanding securities of Vertex for an aggregate purchase price of US\$12,000,000, with US\$2,500,000 paid in cash on closing and the balance of the purchase price to be paid in two cash instalments of US\$6,500,000 on April 30, 2023 and US\$3,000,000 on April 30, 2024. As security for its obligations in respect of the two deferred payments, the Company granted the Vendors a security interest over the shares of Vertex that it acquired. The Company has also agreed to arrange to refinance up to US\$2,000,000 of Vertex debt by no later than March 31, 2022.

Additional details on the acquisition are set out in the Company's press release attached as Schedule "A", which is incorporated by reference into this report.

5.2 *Disclosure for Restructuring Transactions*

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable

Item 8 Executive Officer

The following executive officer is knowledgeable about the material change and may be contacted about this report.

Jordan Greenberg
Chief Executive Officer
(512) 823-1678

Item 9 Date of Report

October 8, 2021

Schedule "A"

Press Release re Material Change

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Yooma Wellness Acquires Japanese Wellness Business for US\$12,000,000

The acquisition of Tokyo-based Vertex Co.'s wellness products business adds diverse new product offerings to Yooma's portfolio and provides a solid foothold in the Japanese marketplace.

Toronto, Ontario, Canada, October 4, 2021 - Yooma Wellness Inc. ("Yooma") (CSE: YOOM, AQSE: YOOM), a Toronto-based vertically-integrated global wellness platform that develops and markets a portfolio of wellness brands, announced today that it has completed the acquisition of Tokyo-based Vertex Co., Ltd. ("**Vertex**"). The transaction is valued at US\$12,000,000 and was completed after market close on Friday, October 1.

Vertex sells a range of proprietary wellness products in Japan through various home shopping networks including QVC, Fuji TV, Nihon TV and others, as well as popular online marketplaces Rakuten, Yahoo! Shopping, and Amazon, and Vertex's own Shop-V. The acquisition adds new product lines to Yooma's wellness offerings, increases its customer base and the size of its distribution network, and provides a foothold in the Japanese marketplace for further expansion into Japan and the rest of Asia.

"We are very pleased Yooma has acquired Vertex, whose business and product offerings will expand the scope of our platform in size, diversity and geographic reach," said Yooma Chairman Lorne Abony. "This third acquisition marks the successful completion of the first phase of the strategic plan we outlined to investors earlier this year. We continue to identify and evaluate other potential strategic acquisitions that will be accretive to our platform, while focusing on integrating the exciting new brands, businesses and product lines we have acquired in the last two months."

Transaction Details

The transaction was implemented through a stock purchase agreement (the "**Purchase Agreement**") between Yooma and the shareholders of Vertex entered into on October 1, 2021 (Toronto time). Under the Purchase Agreement, Yooma acquired all of the issued and outstanding securities of Vertex for a purchase price of US\$12,000,000, with US\$2,500,000 paid in cash on closing and the balance of the purchase price to be paid in two cash installments of US\$6,500,000 on April 30, 2023 and US\$3,000,000 on April 30, 2024 (the "**Deferred Payments**"). As security for its obligations in respect of the Deferred Payments, Yooma granted the vendors a security interest over the shares of Vertex that it has acquired.

Under the terms of the Purchase Agreement, Yooma also agreed to arrange to refinance up to US\$2,000,000 of Vertex debt by no later than March 31, 2022. Vertex's senior management have been retained and will continue to operate its business day-to-day.

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.

Issuer Contact:
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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", "potential", "plan", "for further expansion", "to be paid", "continuing to" 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 future acquisitions; its expansion into any new or existing marketplace; 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 potential for a breakdown in the relationship between Yooma and Vertex; difficulties integrating Vertex into Yooma's wider organization; the availability of cash or any required financing to satisfy the refinancing and Deferred Payment requirements under the Purchase Agreement; 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.