

## **Globalive Technology Provides Additional Disclosure With Respect to the Previously Announced Reverse Takeover Transaction**

TORONTO, January 18, 2021 /CNW/ - Globalive Technology Inc. (TSX-V: LIVE) (the “**Company**”), a technology company based in Toronto, Ontario, wishes to provide supplemental disclosure to the joint management information circular (the “**Circular**”) dated December 21, 2020 for the special meetings of the shareholders of the Company (“**GTI Shareholders**”) and the shareholders of Yooma Corp. (“**Yooma**”), each to be held on January 25, 2021 to consider the Company’s previously announced arm’s length reverse take-over of Yooma to be completed by way of a court approved plan of arrangement under the *Business Corporations Act* (Ontario) (the “**Arrangement**”) and related matters.

After a review by, and consultation with, staff of the Ontario Securities Commission, this update is being provided to supplement the disclosure in the Circular in relation to (i) management’s discussion and analysis of Entertainment Direct Asia Ltd. (“**EDA**”), a wholly-owned subsidiary of Yooma, and (ii) the application of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) to the Arrangement. This news release should be read in conjunction with the Circular as a whole. Capitalized terms used and not otherwise defined in this news release shall have the meanings given to such terms in the Circular.

### **Management’s Discussion and Analysis of EDA**

EDA’s management’s discussion and analysis for (i) the year ended December 31, 2019 and 2018 and (ii) the three months ended March 31, 2020 and 2019 have been filed under the Company’s profile on [www.sedar.com](http://www.sedar.com) and are hereby incorporated by reference in the Circular.

### **MI-61-101**

As disclosed in the Circular, the Arrangement will be considered a "business combination" under MI 61-101 since the Arrangement and the Spin-Out and Reorganization Transactions are considered “connected transactions” for the purpose of MI 61-101. The Company hereby supplements the disclosure contained in the Circular with respect to the review and approval process adopted by its board of directors in relation to the Spin-Out and Reorganization Transactions. In making their determination to recommend the Spin-Out and Reorganization Transactions to GTI Shareholders, the independent directors of the Company considered, with no dissenting views, the following:

- minority shareholders, excluding Globalive Capital and its shareholders, would be given the opportunity to vote on the Arrangement as a whole, including the Spin-Out,
- when the transaction was negotiated, the intention was that in exchange for their GTI Common Shares, GTI Shareholders would receive common shares of the resulting issuer as well as a contingent value right entitling them to proceeds should any of the Legacy Assets be sold or otherwise realized upon. Such a right was not intended to be a security at all, and would not include any control or vote as to if, or when, any Legacy Assets would be sold. For accounting reasons, it was determined that it was most efficient to distribute such right as a security of SpinCo with the result that SpinCo would end up an unlisted reporting issuer. In an effort to minimize reporting obligations and therefore costs of SpinCo (including the need to prepare management information circulars in connection with annual meetings), it was determined that GTI Shareholders receive non-voting common shares of SpinCo. Since a corporation must have some voting shares, the Company’s controlling shareholder, Globalive Capital was provided a

nominal amount of common shares in SpinCo which will provide it with virtually no additional economics in SpinCo, and

- the Spin-Out was structured such that all GTI Shareholders, including Globalive Capital, would be entitled to their pro rata share of any net proceeds realized from the Legacy Assets.

### **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](http://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.

#### **For media inquiries:**

Rob Moysey  
Communications Manager, Globalive  
[Media@globalivetech.com](mailto:Media@globalivetech.com)

#### **For investor inquiries:**

Simon Lockie  
Chief Corporate Officer  
1-647-977-2727  
[InvestorRelations@globalivetech.com](mailto:InvestorRelations@globalivetech.com)

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