



PUREK HOLDINGS CORP. ANNOUNCES YEAR END 2020 FINANCIAL RESULTS

Vancouver, BC – April 30, 2021 – PureK Holdings Corp. (the "**Company**" or "**PureK**") (TSX Venture: PKAN) is pleased to announce its financial results for the year ended December 31, 2020. All amounts are expressed in United States dollars unless otherwise noted. Certain metrics, including those expressed on an adjusted basis, are non-IFRS measures, see "Non-IFRS Measures" below.

Corporate Developments

Completion of RTO transaction - The Company completed an RTO transaction on December 8, 2020. The Company entered into a business combination agreement with Heavenly Rx Ltd. ("Heavenly"), Heavenly Rx, LLC ("Heavenly Subco"), Purekana, LLC ("PureKana"), Cody J. Alt and Jeff Yauck (the "PureKana Founders") to acquire 50.1% equity interest of PureKana, which was indirectly held by Heavenly (the "Transaction").

Three-for-one Forward Stock Split - On February 22, 2021, the Company announced that the Board of Directors of the Company approved a 3 for 1 forward stock split (the "Stock Split") to make its shares more accessible to investors and enhance liquidity for its shareholders. The stock split was completed on March 2, 2021.

Acquisition of No B.S. Life, LLC ("No B.S. Skincare") - On February 18, 2021, the Company completed the acquisition of No B.S. Skincare, the industry-leading clean-formula skincare and beauty company.

Proposed Acquisition of Tru Brands Inc. ("TRU Brands") - On March 3, 2021, the Company entered into a binding term sheet (the "Tru Brands LOI") to acquire 100% of the issued and outstanding shares of TRU Brands, to be purchased through the issuance of common shares of the Company.

Both No B.S. Skincare and TRU Brands are groundbreaking female-led companies in North America that will expand the Company's footprint across the beauty and health and wellness sectors. TRU Brands products are available at Costco Canada East locations, and sold online through major U.S. retailers, including Target, Walgreens, and select Whole Foods locations.

Acquisition of Nirvana Group LLC ("Nirvana") - On April 28, 2021, the Company completed the acquisition of Nirvana, a Florida-based company specializing in the development, manufacturing, and distribution of all-natural pet wellness products and which includes the BudaPets brand.

Corporate Name Change - On April 29, 2021, the Company announced that it will change its name to "Simply Better Brands Corp.". In connection with the name change, the Company will adopt "SBBC" as its new trading symbol for its common shares. It is expected that the Name Change will occur on or about May 3, 2021, and the Company's common shares will commence trading under the symbol "SBBC" effective at market open on or about May 3, 2021.

PureKana launched active ingredient product line - The Company's subsidiary, PureKana, launched key innovation with its new active ingredient product line starting in May 2020. This product line is intended to bring increased efficacy to its CBD products for its customer base. During 2020 and in the first quarter of 2021, PureKana expanded its offerings in the need state areas of sleep, energy, pain, calm, wellness, and immunity.

\$10 million Loan under Mainstreet Loan Program - On December 11, 2020, the Company, through its subsidiary PureKana, entered into a five-year loan agreement with an amount of \$10,000,000 (the "Loan"). The interest rate is LIBOR plus 3%. The first year's interest is deferred for 12 months and principal payments will commence in the third year of the loan.

Financial Highlights

<i>expressed in millions except for earnings (loss) per share</i>	For the year ended	
	December 31, 2020	December 31, 2019
	\$	\$
Revenue	13.8	25.3
Gross margin (in \$)	9.0	16.8
Gross margin (in %)	65%	66%
Operating expenses	7.6	11.0
Other income (expenses)	(3.3)	-
Net income (loss)	(2.0)	5.8
Earnings (loss) per share		
- Basic	(0.1)	15.4
- Diluted	(0.1)	15.4
Adjusted EBITDA	1.4	5.8

<i>expressed in million except for dividend per share</i>	December 31, 2020	December 31, 2019
	\$	\$
Cash	8.3	1.1
Total assets	12.1	3.7
Total non-current financial liabilities	21.3	0.1
Dividend per share	-	-

RESULTS OF OPERATIONS

The net loss for the fourth quarter of 2020 and the year ended December 31, 2020 was \$2.4M and \$2M, respectively, compared to net income of \$0.9M and \$5.8M for the fourth quarter of 2019 and the year ended December 31, 2019.

REVENUE

<i>expressed in millions</i>	For the three months ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Direct to consumer	2.9	94%	4.6	96%	(1.7)	-37%
Business to business	0.2	6%	0.2	4%	-	0%
	3.1	100%	4.8	100%	(1.7)	-35%

<i>expressed in millions</i>	For the years ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Direct to consumer	12.7	92%	24.4	96%	(11.7)	-48%
Business to business	1.1	8%	0.9	4%	0.2	22%
	13.8	100%	25.3	100%	(11.5)	-45%

The Company's revenue is generated by two segments, Direct to Consumer ("DTC") and Business to Business ("B2B").

Revenue for the fourth quarter of 2020 was \$3.1 million, of which \$2.9 million (94%) and \$0.2 million (6%) was generated from the DTC and B2B, respectively, compared to \$4.8 million, of which \$4.6 million (96%) and \$0.2 million (4%) was generated from the DTC and B2B, in the fourth quarter of 2019. Gross revenue excludes sales discount for the fourth quarter of 2020 and 2019 was \$4 million and \$6.4 million, respectively. The Company's discount was decrease to an average of 22% in the fourth quarter of 2020 compared to 25% in the fourth quarter of 2019.

Revenue for the year ended December 31, 2020 was \$13.8 million, of which \$12.7 million (92%) and \$1.1 million (8%) was generated from the DTC and B2B, respectively, compared to \$25.3 million, of which \$24.4 million (96%) and \$0.9 million (4%) was generated from the DTC and B2B, for the year ended December 31, 2019. Gross revenue excludes sales discount for the year ended December 31, 2020 and 2019 was \$17.4 million and \$29.2 million, respectively. The Company's discount was increase to an average of 20% in the year ended December 31, 2020 compared to 14% in the year ended December 31, 2019.

The decrease in revenue of \$1.7 million (35%) in the fourth quarter of 2020 and \$11.5 million (45%) in the year ended December 31, 2020 was mainly due to the increase in competition of the online CBD sales, as well as the negative impact of Covid 19 health crisis that negatively impacted offline sales as retailers were closed for a good portion of 2020 and reluctant to add new vendors to their existing CBD product SKU's.

COST OF GOODS SOLD

<i>expressed in millions</i>	For the three months ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Product costs	0.6	60%	1.3	72%	(0.7)	-54%
Merchant processing fees	0.2	20%	0.3	17%	(0.1)	-33%
Fulfillment costs	0.2	20%	0.2	11%	-	0%
	1.0	100%	1.8	100%	(0.8)	-44%

<i>expressed in millions</i>	For the years ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Product costs	3.0	62%	5.5	65%	(2.5)	-45%
Merchant processing fees	0.9	19%	1.4	16%	(0.5)	-36%
Fulfillment costs	0.9	19%	1.6	19%	(0.7)	-44%
	4.8	100%	8.5	100%	(3.7)	-44%

Cost of goods sold includes the product cost, merchant processing fees and fulfillment and delivery costs. Product costs may vary directly based on hemp's crop price and the CBD derivatives from the crops. Merchant processing fees may be affected by the CBD industry's risk and customer data security and fraud. Fulfillment costs are mainly driven by the delivery costs with the main courier companies.

Cost of goods sold for the fourth quarter of 2020 was \$1 million (includes the product costs of \$0.6 million (60%), merchant processing fees of \$0.2 million (20%) and fulfillment costs of \$0.2 million (20%)) compared to \$1.8 million (includes the product costs of \$1.3 million (72%), merchant processing fees of \$0.3 million (17%) and fulfillment costs of \$0.2 million (11%)) in the fourth quarter of 2019.

Cost of goods sold for the year ended December 31, 2020 was \$4.8 million (includes the product costs of \$3 million (62%), merchant processing fees of \$0.9 million (19%) and fulfillment costs of \$0.9 million (19%)) compared to \$8.5 million (includes the product costs of \$5.5 million (65%), merchant processing fees of \$1.4 million (16%) and fulfillment costs of \$1.6 million (19%)) in the year ended December 31, 2019.

The decrease in cost of goods sold of \$0.8 million (44%) in the fourth quarter of 2020 and \$3.7 million (44%) in the year ended December 31, 2020 was primarily due to the decrease in revenue.

GROSS PROFIT

<i>expressed in millions</i>	For the three months ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Gross profit	2.1	67%	2.9	62%	(0.8)	-28%

<i>expressed in millions</i>	For the years ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Gross profit	9.0	65%	16.8	66%	(7.8)	-46%

Gross profit for the fourth quarter of 2020 was \$2.1 million (67%) compared to \$2.9 million (62%) in the fourth quarter of 2019.

Gross profit for the year ended December 31, 2020 was \$9 million (65%) compared to \$16.8 million (66%) in the year ended December 31, 2019.

The decrease of gross profit of \$0.8 million (28%) in the fourth quarter of 2020 and \$7.8 million (46%) in the year ended December 31, 2020 was primarily due to the decrease in revenue.

The gross margin remains relatively constant during the fourth quarter of 2020 and 2019 and years ended December 31, 2020 and 2019.

OPERATING EXPENSES

Followings are the breakdown of the major operating expenses in the presented period:

<i>expressed in millions</i> *	For the three months ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Bad debts recovery	-	0%	(0.8)	-40%	0.8	-100%
Customer service support	-	0%	0.2	10%	(0.2)	-100%
General and administrative expenses	0.1	6%	0.1	5%	-	0%
Marketing expense	0.9	56%	1.7	85%	(0.8)	-47%
Professional fees	0.2	13%	0.4	20%	(0.2)	-50%
Salaries and wages	0.4	25%	0.2	10%	0.2	100%
Other items **	-	0%	0.2	10%	(0.2)	-100%
	1.6	100%	2.0	100%	(0.4)	-20%

*Items in each presented period with a balance below \$0.1M are either combined as "Other Items" or excluded from the table above.

**Other items including items with a balance below \$0.1M and rounding adjustment.

<i>expressed in millions</i> *	For the years ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Bad debts recovery	-	0%	(0.1)	-1%	0.1	-100%
Customer service support	0.2	3%	0.5	5%	(0.3)	-60%
General and administrative expenses	0.5	7%	0.4	4%	0.1	25%
Marketing expense	4.5	59%	8.1	73%	(3.6)	-44%
Professional fees	0.8	11%	1.2	11%	(0.4)	-33%
Salaries and wages	1.5	20%	0.7	6%	0.8	114%
Sales tax expense	-	0%	0.2	2%	(0.2)	-100%
Travel and entertainment	-	0%	0.1	1%	(0.1)	-100%
Other items **	0.1	0%	(0.1)	-1%	0.2	-274%
	7.6	100%	11.0	100%	(3.4)	-31%

*Items in each presented period with a balance below \$0.1M are either combined as "Other Items" or excluded from the table above.

**Other items including items with a balance below \$0.1M and rounding adjustment.

Operating costs for the fourth quarter of 2020 were \$1.6 million, a decrease of \$0.4 million (20%), compared to \$2 million in the fourth quarter of 2019. The majority of the operating costs incurred in the fourth quarter of 2020 were marketing expenses of \$0.9 million (56%), professional fees of \$0.2 million (13%) and salaries and wages of \$0.4 million (25%). The majority of the operating costs incurred in the fourth quarter of 2019 were marketing expenses of \$1.7 million (85%), professional fees of \$0.4 million (20%) and salaries and wages of \$0.2 million (10%). In addition, in the fourth quarter of 2019, the Company recognized a bad debt recovery of \$0.8 million (40%).

Compared to the fourth quarter of 2019, the decrease in marketing expenses of \$0.8 million (47%) in the fourth quarter of 2020 resulted from the decrease in sales. The decrease in professional fees of \$0.2 million (50%) was mainly due to the decrease in legal expenses incurred in the normal course of business. In addition, certain professional fees related to the Transaction were classified as listing expenses. The increase in salaries and wages of \$0.2 million (100%) was mainly related to the increase in the company's full-time employees.

Operating costs for the year ended December 31, 2020, were \$7.6 million, a decrease of \$3.4 million (31%), compared to \$11 million in the year ended December 31, 2019. The majority of the operating costs incurred in the year ended December 31, 2020, were marketing expenses of \$4.5 million (59%), professional fees of \$0.8 million (11%) and salaries and wages of \$1.5 million (20%). The majority of the operating costs incurred in the year ended December 31, 2019, were marketing expenses of \$8.1 million (73%), professional fees of \$1.2 million (11%) and salaries and wages of \$0.7 million (6%).

Compared to the year ended December 31, 2019, the decrease in marketing expenses of \$3.6 million (44%) in the year ended December 31, 2020, resulted from the decrease in sales. The decrease in professional fees of \$0.4 million (33%) was mainly due to the decrease in legal expenses incurred in the normal course of business. In addition, certain professional fees related to the Transaction were classified as listing expenses. The increase in salaries and wages of \$0.8 million (114%) was mainly related to the increase in the company's full-time employees.

OTHER INCOME (EXPENSES)

Followings are the breakdown of the major operating expenses in the presented period:

<i>expressed in millions</i> *	For the three months ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Finance costs	(0.1)	4%	-	0%	(0.1)	100%
Loss on remeasurement of derivative liability	(0.4)	14%	-	0%	(0.4)	100%
Grant and other assistance	0.1	-4%	-	0%	0.1	100%
Listing expenses	(2.4)	86%	-	0%	(2.4)	100%
	(2.8)	100%	-	0%	(2.8)	100%

*Items in each presented period with a balance below \$0.1M are either combined as "Other Items" or excluded from the table above.

<i>expressed in millions</i> *	For the years ended				Change in	
	December 31, 2020		December 31, 2019		\$	%
	\$	%	\$	%		
Finance costs	(0.1)	3%	-	0%	(0.1)	100%
Loss on remeasurement of derivative liability	(0.4)	12%	-	0%	(0.4)	100%
Grant and other assistance	0.1	-3%	-	0%	0.1	100%
Listing expenses	(3.0)	91%	-	0%	(3.0)	100%
Other items **	0.1	-3%	-	0%	0.1	100%
	(3.3)	100%	-	0%	(3.3)	100%

*Items in each presented period with a balance below \$0.1M are either combined as "Other Items" or excluded from the table above.

**Other items including items with a balance below \$0.1M and rounding adjustment.

EBITDA & ADJUSTED EBITDA

EBITDA (earnings before interest, taxes, depreciation and amortization) and Adjusted EBITDA are non-GAAP measures used by management that are not defined by IFRS. EBITDA and Adjusted EBITDA do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that EBITDA and Adjusted EBITDA provide meaningful and useful financial information as these measures demonstrate the operating performance of business excluding non-cash charges.

The most directly comparable measure to EBITDA and Adjusted EBITDA calculated in accordance with IFRS is net loss. The following table presents the EBITDA and Adjusted EBITDA for the fourth quarter 2020, the fourth quarter 2019, the year ended December 31, 2020 and the year ended December 31, 2019, and a reconciliation of same to net income (loss):

<i>expressed in millions</i> *	For the three months ended		Change in	
	December 31,	December 31,		
	2020	2019	\$	%
Net income (loss)	(2.4)	1.0	(3.4)	-340%
Add (less):				
Finance costs	0.1	-	0.1	100%
EBITDA	(2.3)	1.0	(3.3)	-330%
Add (less):				
Loss on remeasurement of derivative liability	0.4	-	0.4	100%
Grant and other assistance	(0.1)	-	(0.1)	100%
Listing expenses	2.4	-	2.4	100%
Adjusted EBITDA	0.4	1.0	(0.6)	-60%

*Items in each presented period with a balance below \$0.1M are either combined as "Other Items" or excluded from the table above.

<i>expressed in millions</i> *	For the years ended		Change in	
	December 31,	December 31,		
	2020	2019	\$	%
Net income (loss)	(2.0)	5.8	(7.8)	-134%
Add (less):				
Finance costs	0.1	-	0.1	100%
EBITDA	(1.9)	5.8	(7.7)	-133%
Add (less):				
Loss on remeasurement of derivative liability	0.4	-	0.4	100%
Grant and other assistance	(0.1)	-	(0.1)	100%
Listing expenses	3.0	-	3.0	100%
Adjusted EBITDA	1.4	5.8	(4.4)	-76%

*Items in each presented period with a balance below \$0.1M are either combined as "Other Items" or excluded from the table above.

LIQUIDITY AND CAPITAL RESOURCES

<i>expressed in millions</i> *	As at	December 31, 2020	December 31, 2019
		\$	\$
ASSETS			
Current assets			
Cash		8.3	1.1
Accounts receivable		0.2	0.9
Prepaid expenses		1.9	0.4
Loan receivable		0.4	-
Inventory		0.8	1.3
Other items **		0.1	(0.1)
Total current assets		11.7	3.6
Non-current assets		0.4	0.1
TOTAL ASSETS		12.1	3.7
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		(0.7)	(1.1)
Deferred revenue		-	-
Current portion of lease obligation		(0.1)	-
Current portion of promissory note		(3.7)	-
Other items **		-	(0.1)
Total current liabilities		(4.5)	(1.2)
Long term liabilities		(21.3)	(0.1)
TOTAL LIABILITIES		(25.8)	(1.3)
WORKING CAPITAL		7.2	2.4

*Items in each presented period with a balance below \$0.1M are either combined as "Other Items" or excluded from the table above.

**Other items including items with a balance below \$0.1M and rounding adjustment.

CASH FLOW

<i>expressed in millions</i> *	For the three months ended		
	December 31,	December 31,	Change
	2020	2019	
	\$	\$	\$
Cash flow from operating activities	(0.1)	1.0	(1.1)
Cash flow used investing activities	(1.8)	-	(1.8)
Cash flow from (used in) financing activities	8.6	(2.2)	10.8
Increase (decrease) in cash	6.7	(1.2)	7.9

*Items in each presented period with a balance below \$0.1M is presented as \$nil.

<i>expressed in millions</i> *	For the years ended		Change
	December 31,	December 31,	
	2020	2019	
	\$	\$	\$
Cash flow from operating activities	0.9	5.5	(4.6)
Cash flow used investing activities	(1.8)	-	(1.8)
Cash flow from (used in) financing activities	8.1	(5.7)	13.8
Increase (decrease) in cash	7.2	(0.2)	7.4

*Items in each presented period with a balance below \$0.1M is presented as \$nil.

Cash flow from (used in) operating activities

Following is the breakdown of the cash flow from operating activities:

<i>expressed in millions</i> *	For the three months ended		Change
	December 31,	December 31,	
	2020	2019	
	\$	\$	\$
Net income (loss) for the period	(2.4)	1.0	(3.4)
Adjustments for items not affecting cash	1.6	(0.1)	1.7
Change in non-cash working capital	0.7	0.1	0.6
	(0.1)	1.0	(1.1)

*Items in each presented period with a balance below \$0.1M is presented as \$nil.

Cash generated used in operating activities was \$0.1 million in the fourth quarter of 2020, compared to cash flow generated from operating activities of \$1.0 million in the fourth quarter of 2019. This increase of \$1.1 million was the result of 1) a decrease in cash generated in operating activities before the impact of non-cash working capital of \$1.7 million and (2) an increase in cash generated by non-cash working capital of \$0.6 million in the fourth quarter of 2020.

<i>expressed in millions</i> *	For the years ended		Change
	December 31,	December 31,	
	2020	2019	
	\$	\$	\$
Net income (loss) for the year	(2.0)	5.8	(7.8)
Adjustments for items not affecting cash	2.3	0.1	2.2
Change in non-cash working capital	0.6	(0.4)	1.0
	0.9	5.5	(4.6)

*Items in each presented period with a balance below \$0.1M is presented as \$nil.

Cash generated from operating activities was \$0.9 million during the year ended December 31, 2020, compared to \$5.5 million during the year ended December 31, 2019. The decrease of \$4.6 million was the result of (1) a decrease in cash generated in operating activities before the impact of non-cash working capital of \$5.6 million and (2) an increase in cash generated by non-cash working capital of \$1 million during the year ended December 31, 2020.

Cash flow from (used in) investing activities

The increase in cash flow (\$1.8 million) used in investing activities for the fourth quarter of 2020 and the year ended December 31, 2020 compared to the fourth quarter of 2019 and the year ended December 31, 2019 was related to the \$1.5 million refundable deposit related to the No. B.S. Skincare acquisition and \$0.3M loan advanced to Tru Brands.

Cash flow from (used in) financing activities

The increase in cash flow (\$10.8M) from financing activities during the fourth quarter of 2020 compared to the fourth quarter of 2019 was mainly related to the Loan entered into during the fourth quarter of 2020 with net proceeds of \$9.4M and the net reduction of the distribution to PureKana's members of \$1.4M.

The increase in cash flow (\$13.8M) from financing activities during the year ended December 31, 2020 compared to the year ended December 31, 2019 was mainly related to the Loan entered into during the fourth quarter of 2020 with net proceeds of \$9.4M and the net reduction of the distribution to PureKana's members of \$4.7M.

OUTSTANDING SHARE DATA

At December 31, 2020, the Company had 21,016,875 common shares (2019 – 375,000) issued and outstanding.

During the year ended December 31, 2020, in connection with the Transaction, the Company:

- issued 12,000,000 post-consolidation common shares of the Company to the former Heavenly security holders in exchange for membership units of PureKana;
- issued 8,454,375 post-consolidation common shares to the PureKana Founders;
- issued 187,500 post-consolidation common shares as the finder's fees;
- issued 22,500 agent's warrants; and
- issued 37,500 post-consolidation options to replace the outstanding options previously issued by PureK.

Subsequent to December 31, 2020, 22,500 warrants were exercised for cash proceeds of \$30,000.

On January 19, 2021, the Board approved a Restricted Share Unit ("RSU") Plan and Deferred Share Unit (the "DSU") Plan (collectively the "Incentive Plan") for the purpose of providing a share-related mechanism to attract, retain and motivate qualified directors, employees and consultants of the Company and its subsidiaries. The Incentive Plan is administered by the Board of Directors, which sets the terms of incentive awards under the Incentive Plan. The maximum number of common shares available for issue under the Incentive Plan is 2,101,686 common shares of the Company. Grants of RSUs and DSUs vest as to one-third on each of the first, second and third anniversaries of the date of grant, unless otherwise set by the Board or plan administrator. Subsequent to December 31, 2020, the Company granted 390,000 RSUs to a consultant of the Company, which will vest upon the Incentive Plan receiving disinterested shareholder approval.

On February 22, 2021, the Company implemented a 3 for 1 forward split (the "Stock Split") of the Company's issued and outstanding common shares. The number of shares and relevant information including but not limited to the share price, number of warrants and options and exercise price per warrant and option presented in this MD&A had been adjusted accordingly.

As at the date of this MD&A, the Company had 21,039,375 common shares issued and outstanding.

In addition, as at the date of this MD&A, the Company had 37,500 stock options with exercise prices of CA\$1.33 per share issued and outstanding.

OUTLOOK

Effective May 3, 2021, the Company will change its name to Simply Better Brands Corp., highlighting the Company's transition from a CBD and plant-based wellness company to that of a global health, wellness and lifestyle company.

“Simply Better Brands” reflects the Company’s commitment to promoting healthy and active lifestyles while building the brands which make them possible. In addition to expanding its majority-owned CBD subsidiary brand, PureKana, the Company has over the past five months made or announced strategic acquisitions in industry-leading health, wellness, beauty, pet and lifestyle brands and companies. The Company expects to continue to seek out additional merger and acquisition (M&A) opportunities in these industry sectors to drive top line growth and profitability.

- **Wellness Business** - The wellness business is driven by the Company’s holdings in PureKana. We expect a rebound in the company’s wellness sales in 2021 driven by both higher online as well as offline or retail sales. We expect the effects of Covid 19 on retail to improve in 2021 and our offline business is expected to show strong growth in 2021. Further we are planning international sales growth in key markets including the UK, the EU and Latin America in 2021. Sales growth targets for the wellness segment are expected to be a 50% increase in 2021 compared to the sales levels realized in 2020.
- **Beauty Business** - The beauty business is driven by the company’s No BS brand. Sales growth targets for the beauty segment are expected to be a 75% increase in 2021 compared to the sales levels realized in 2020 (pre-acquisition of No BS).
- **Plant Based Food** - We expect to close the TRU Brands acquisition within the second quarter of 2021. We will provide updates to our outlook once this acquisition is complete.
- **Other Market Sectors** - The Company is currently evaluating other markets for consumer offerings characterized by strong growth and appeal to its core customer segments. The Company is focused on building a direct-to-consumer platform catering to Millennial and Gen Z consumers.
- **Operating Synergies** - The Company will continue to focus on realizing operating synergies across its portfolio of consumer brands. This includes e-commerce platforms, finance and administration, fulfillment and marketing synergies.

About PureK Holdings Corp.

PureK Holdings Corp. leads an international omni-channel platform with diversified assets in the emerging plant-based and holistic wellness consumer product categories. The Company’s mission is focused on leading innovation for the informed Millennial and Generation Z generations in the rapidly growing plant-based, natural, and clean ingredient space. The Company continues to focus on expansion into high-growth consumer product categories including CBD products, plant-based food and beverage, and the global pet care and skin care industries. For more information on PureK Holdings Corp., please visit <https://purekana.com/investor-relations/>.

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Forward-Looking Information

Certain statements contained in this news release constitute "forward-looking information" and "forward looking statements" as such terms are used in applicable Canadian securities laws. Forward-looking statements are typically identified by words such as "may", "will", "should", "could", "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe" and similar words suggesting future outcomes or statements regarding an outlook.

Although these forward-looking statements are based on assumptions the Company considers to be reasonable based on the information available on the date such statements are made, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties, and other factors which may cause actual results, levels of activity, and achievements to differ materially from those expressed or implied by such statements. The forward-looking statements contained in this press release are based on certain assumptions and analysis by management of the Company ("Management") in light of its experience and perception of historical trends, current conditions and expected future development and other factors that it believes are appropriate. The forward-looking statements contained in this press release speak only as of the date hereof and are expressly qualified by this cautionary statement.

Specifically, this news release contains forward-looking statements relating to, but not limited to: completion of proposed acquisitions, including of TRU Brands; expansion capabilities of No B.S. Skincare and TRU Brands; completion of the Name Change; PureKana's active ingredient product launch; expansion plans for PureKana; the Company's plans for continued M&A activity in specific industry sectors to drive top line growth and profitability; projected results of operations during 2021, including specific sales growth targets; the effects of COVID-19 on retail; planned international sales growth in key markets; sales growth in the beauty industry; timing for closing the TRU Brands acquisition; the Company's plan to build a direct-to-consumer platform catering to Millennial and Gen-Z consumers; operating synergies; and the Company's acquisition activities.

The material factors and assumptions used to develop the forward-looking statements herein include, but are not limited to, the following: (i) the impact of the COVID-19 pandemic; (ii) the regulatory climate in which the Company operates; (iii) the sales success of the Company's products; (iv) the success of sales and marketing activities; (v) the Company's ability to complete acquisitions; (vi) there will be no significant reduction in the availability of qualified and cost-effective human resources; (vii) new products will continue to be added to the Company's portfolio; (viii) consumer demand for the Company products will continue to grow in the foreseeable future; (ix) there will be no significant barriers to the acceptance of the Company's products in the market; (x) the Company will be able to maintain compliance with applicable contractual and regulatory obligations and requirements; (xi) there will be adequate liquidity available to the Company to carry out its operations; (xii) products do not develop that would render the Company's current and future product offerings undesirable and the Company is otherwise able to minimize the impact of competition and keep pace with changing consumer preferences; and (xiii) the Company will be able to successfully manage and integrate acquisitions and take advantage of synergies from acquisitions.

The Company's forward-looking statements are subject to risks and uncertainties pertaining to, among other things, the adverse impact of the COVID-19 pandemic to the Company's operations, supply chain, distribution chain, and to the broader market for the Company's products, revenue fluctuations, nature of government regulations (both domestic and foreign), economic conditions, loss of key customers, retention and availability of executive talent, competing products, common share price volatility, loss of proprietary information, product acceptance, internet and system infrastructure functionality, information technology security, cash available to fund operations, availability of capital, international and political considerations, the successful integration of acquired businesses, and including but not limited to those risks and uncertainties discussed in the Company's other filings with securities regulators. The impact of any one risk, uncertainty, or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent, and the Company's future course of action depends on Management's assessment of all information available at the relevant time. Except to the extent required by law, the Company assumes no obligation to publicly update or revise any forward-looking statements made in this press release, whether as a result of new information, future events, or otherwise. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on the Company's behalf, are expressly qualified in their entirety by these cautionary statements.

These foregoing lists are not exhaustive. Additional information on these and other factors which could affect the Company's operations or financial results are included in the Company's other public documents on file with the Canadian Securities regulatory authorities on www.sedar.com.

The above summary of assumptions and risks related to forward-looking statements in this news release has been provided in order to provide shareholders and potential investors with a more complete perspective on the Company's current and future operations and such information may not be appropriate for other purposes. There is no

representation by the Company that actual results achieved will be the same in whole or in part as those referenced in the forward-looking statements and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law.

This news release contains financial outlook information about prospective results of operations, which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. The financial outlook information was approved by Management as of the date of this news release and was provided for the purpose of providing further information about the Company's anticipated future business operations. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company disclaims any intention or obligation to update or revise any financial outlook information contained in this news release, whether as a result of new information, future events or otherwise, unless required by applicable securities law.

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