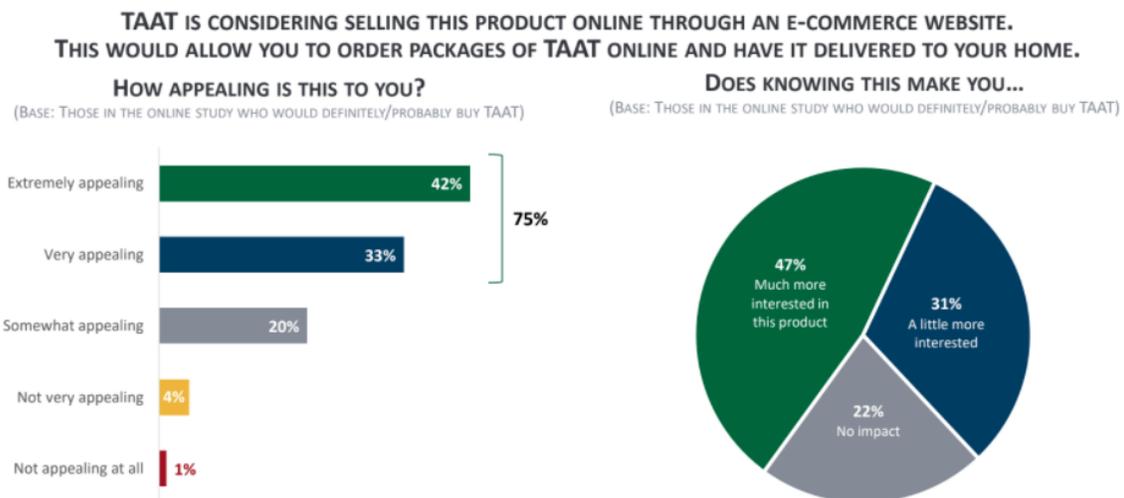


# Consumer Research Study of TAAT™ Product and Brand Among Smokers Aged 21+ in OH, MI, IL, and PA Reflects Strong Reception

LAS VEGAS and VANCOUVER, APRIL 14, 2021 - TAAT™ LIFESTYLE & WELLNESS LTD. (CSE: TAAT) (OTCQX: TOBAF) (FRANKFURT: 2TP2) (the “Company” or “TAAT™”) recently engaged Toronto-based market research firm Burak Jacobson Partners Inc. (“Burak Jacobson”) to conduct a two-part market research study among smokers aged 21+ regarding the TAAT™ concept, brand image, and product user experience. The research yielded several potentially beneficial insights and concluded that the participants generally had an overall positive impression of TAAT™.

Notable findings from the research study include the following:

- Respondents who indicated a desire to discontinue or cut down on smoking were asked “What, if anything, do you dislike about smoking cigarettes?”, and over 65% cited the financial burden of purchasing tobacco cigarettes;
- More than half of all respondents in the initial group stated they “Definitely Would” or “Probably Would” purchase TAAT™ at proposed price points for Ohio, Michigan, Illinois, and Pennsylvania. Of the 28% who indicated they “Definitely Would” purchase the product, nearly half cited the attractive retail price compared to their regular brand of cigarettes; and
- The ability to purchase TAAT™ online was a major driver of interest in the product, with 95% of respondents stating this was an “Extremely Appealing”, “Very Appealing”, or “Somewhat Appealing” aspect of TAAT™, boosting interest for 78% of smokers who participated in the study.



*In a sample of more than 1,200 smokers aged 21+ in Ohio, Michigan, Illinois, and Pennsylvania, 95% of those who “Definitely Would” or “Probably Would” purchase TAAT™ found the concept of purchasing the product online to be “Extremely”, “Very”, or “Somewhat” appealing. The TAAT™ e-commerce portal launched on Wednesday, February 17, 2021 and has attracted a customer base from dozens of U.S. states.*

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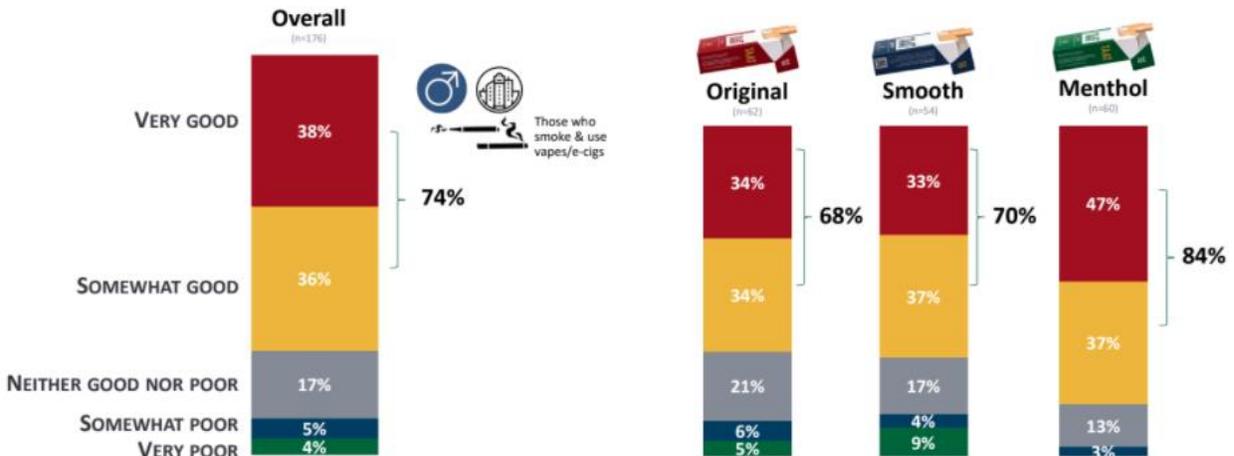
As the Company continues its launch initiatives for TAAT™ in Ohio as well as online across the United States, the insights gained from this consumer research study will play a role in optimizing strategies to grow market share in Ohio and to launch TAAT™ at retail in nearby states in the future.

In this study, a group of 1,204 smokers aged 21+ in Ohio, Michigan, Illinois, and Pennsylvania were queried about their perception of TAAT™ in concept and how they anticipate they might use TAAT™ either in place of or alongside their current tobacco cigarette of choice. From this group, a subset of 176 participants in Ohio were shipped cartons of TAAT™ *Original*, *Smooth*, or *Menthol* and asked to complete an in-home trial, providing their feedback in an online questionnaire.

The initial 1,204-person group in this study consisted of 60% male and 40% female respondents from a variety of age groups (29% ages 21-34, 39% ages 35-54, 32% aged 55+), with approximately 70% residing in suburban or rural areas. On average, smokers in this group consumed more than 90 cigarettes per week, and nearly one third were users of both tobacco cigarettes and electronic cigarettes. Nearly half of those who indicated they use electronic cigarettes stated they do so as a way of reducing their tobacco intake, while only 14% indicated they have sustained their usage of electronic cigarettes for five or more years.

Nearly three quarters of survey responses from Ohio smokers who participated in the in-home use test of TAAT™ gave ratings of “Very Good” or “Somewhat Good” with regard to the overall product quality. Notably, these sentiments were much higher among those who sampled TAAT™ *Menthol*, with 84% of respondents providing such ratings. These findings are consistent with early-stage retail market performance of TAAT™ *Menthol*, which was the first TAAT™ variety to be sold out and reordered by tobacco retailers in Ohio, as announced in the Company’s [January 12, 2021 press release](#).

## OVERALL QUALITY



Nearly three quarters of smokers aged 21+ in Ohio who sampled TAAT™ Original, Smooth, or Menthol in the follow-up study gave ratings of “Very Good” or “Somewhat Good” with regard to overall quality. Those who sampled TAAT™ Menthol gave the highest ratings, with 84% of respondents classifying this variety as “Very Good” or “Somewhat Good”.

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TAAT™ Chief Executive Officer Setti Coscarella commented, “Conducting this study among smokers aged 21+ in Ohio and neighbouring states after launching the product in Q4 2020 enables us to make near-term business decisions based on a combination of practical and theoretical insights. Based on how frequently TAAT™ is reordered by retailers in Ohio and purchased online by smokers aged 21+ across the country, we know there is continued interest... however, we need far more information than that in order to intelligently plan our efforts to roll TAAT™ out on a larger scale. In this two-part consumer research study, we learned many things about how TAAT™ is perceived both as a brand and as a product in concept, in addition to how the user experience of TAAT™ is regarded among those who sampled it. The responses to this study reinforced our belief that TAAT™ has several competitive advantages in the USD \$814 billion global tobacco industry, including the novel element of being nicotine-free and tobacco-free, an attractive price point compared to tobacco cigarettes, and the ability to purchase TAAT™ online. As we expand our market footprint in 2021, we intend to capitalize on these advantages to capture the interest of smokers aged 21+ and further establish TAAT™ as a better choice and a recognized brand name in the tobacco category.”

On behalf of the Board of Directors of the Company,

## **TAAT™ LIFESTYLE & WELLNESS LTD.**

“Setti Coscarella”

Setti Coscarella, CEO and Director

For further information, please contact:

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### **About TAAT™ Lifestyle & Wellness Ltd.**

The Company has developed TAAT™, which is a tobacco-free and nicotine-free alternative to traditional cigarettes offered in "Original", "Smooth", and "Menthol" varieties. TAAT™'s base material is Beyond Tobacco™, a proprietary blend which undergoes a patent-pending refinement technique causing its scent and taste to resemble tobacco. Under executive leadership with "Big Tobacco" pedigree, TAAT™ was launched first in the United States in Q4 2020 as the Company seeks to position itself in the \$814 billion<sup>1</sup> global tobacco industry.

For more information, please visit <http://taatglobal.com>.

### References

<sup>1</sup> [British American Tobacco - The Global Market](#)

### **Forward-Looking Statements**

This news release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Often, but not always, forward-looking information and information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur, or be achieved. Forward-looking information in this news release includes statements regarding the potential launch of Beyond Tobacco™, in addition to the following: Potential outcomes from data captured in the consumer research study for TAAT™ conducted in Q1 2021 among smokers aged 21+. The forward-looking information reflects management’s current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from

those discussed in the forward-looking information. Although the Company believes that the assumptions and factors used in preparing the forward-looking information are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed timeframes or at all. Factors that could cause actual results or events to differ materially from current expectations include: (i) adverse market conditions; (ii) changes to the growth and size of the tobacco markets; and (iii) other factors beyond the control of the Company. The Company operates in a rapidly evolving environment. New risk factors emerge from time to time, and it is impossible for the Company's management to predict all risk factors, nor can the Company assess the impact of all factors on Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in any forward-looking information. The forward-looking information included in this news release are made as of the date of this news release and the Company expressly disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable law.

The statements in this news release have not been evaluated by Health Canada or the U.S. Food and Drug Administration. As each individual is different, the benefits, if any, of taking the Company's products will vary from person to person. No claims or guarantees can be made as to the effects of the Company's products on an individual's health and well-being. The Company's products are not intended to diagnose, treat, cure, or prevent any disease.

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