

CORRECTION BY ISSUER: Universal PropTech Inc. Announces Agreement to Sell VCI Controls Inc

This document corrects and replaces in its entirety the press release issued earlier today. The following date, "December 2, 2022," was added to the first paragraph and "arm's length" was added to the fourth paragraph. The updated release follows below.

Toronto, Ontario--(Newsfile Corp. - December 5, 2022) - Universal PropTech Inc. (TSXV: UPI) ("**UPI**" or the "**Company**") announces that it has entered into a share purchase agreement dated December 2, 2022 (the "**Agreement**") with Dexterra Group Inc. (TSX: DXT) (the "**Purchaser**") that provides for the sale (the "**Transaction**") of all of the issued and outstanding shares of the Company's wholly-owned subsidiary, VCI Controls Inc. ("**VCI**").

In consideration, the Purchaser will pay the Company an aggregate cash purchase price of \$4,000,000, plus the amount of cash held by VCI on closing of the Transaction (up to a maximum of \$750,000), subject to normal closing adjustments

The estimated Purchase Price, less indemnity and employment holdback amounts totalling \$980,000 (the "**Holdback Amount**") shall be paid and satisfied at closing by the Purchaser by wire transfer to the Company. Further details regarding the Transaction and Holdback Amount will be set forth in the Company's information circular for the shareholder meeting to approve the Transaction that will be held on or about January 27, 2023 (the "**Meeting**").

Completion of the arm's length Transaction is subject to customary conditions for a transaction of this nature, which include applicable regulatory and stock exchange approvals and the approval of not less than 66 2/3% of the votes cast by shareholders represented in person or by proxy at the Meeting. Shareholders representing approximately 23% have entered into voting agreements and agreed to vote in favour of the Transaction and against any alternative transaction, including each of the company's officers and directors. Shareholders of record on December 19, 2022 shall be entitled to vote at the Meeting.

The board of directors of the Company has unanimously determined that the Transaction is in the best interests of the Company and is fair to its shareholders. The Board unanimously recommends that shareholders vote in favour of the Transaction.

The Company expects that trading of the Common Shares will be halted until the Transaction is completed.

Reasons for the Transaction

Current market conditions for small cap service companies, and the ability to raise capital in the current environment to further develop and expand the Company's proptech business are uncertain. Accordingly, management and the board of directors of the Company determined that it was a good opportunity to realize a return on its proptech business.

Post Transaction

In the event that the Transaction is approved and completed according to the terms of the Agreement, the Company will not have any active business operations and its assets will include cash and its investment in ISBRG Corp. The board of directors of the Company intends to explore potential strategic alternatives following the completion of the Transaction. There can be no assurance that such exploration of strategic alternatives will result in a transaction being pursued, entered into or consummated. The

TSXV may transfer the Company to the NEX, a separate board of the TSXV, following the completion of the Transaction if the Company fails to meet the ongoing minimum listing requirements of the TSXV.

A copy of the Agreement will be made available under the Company's profile on SEDAR at www.sedar.com.

About Universal PropTech Inc.

Universal PropTech Inc. (TSXV: UPI) is a leading building innovation company, selecting, integrating, deploying, and maintaining PropTech in healthy buildings. As trusted advisors, we provide holistic evidence-driven solutions and services for building developers, owners, and operators in Canada. UPI operates through its wholly owned subsidiary, VCI Controls Inc. ("**VCI**"), a leading supplier and integrator of PropTech healthy building solutions and services. VCI is an industry leader in the acquisition and deployment of intelligent building technology, including the integration of all building systems utilizing the latest in communications technologies and standards. VCI's business focuses on digital controls and mechanical services, performance monitoring, and energy efficiency solutions.

With headquarters in Toronto, Universal PropTech Inc. has offices across Canada including, Halifax, Montreal, and Ottawa. For more information, visit www.universalproptech.com.

Contact Information

Universal PropTech Inc.

Chris Hazelton
President and Chief Executive Officer
chazelton@universalproptech.com
(647) 300-2957

Forward Looking Statements

Certain information provided in this press release constitutes forward-looking statements and information within the meaning of applicable securities laws. Forward-looking information typically contains statements with words such as "anticipate", "believe", "forecast", "expect", "plan", "intend", "estimate", "propose", "project", or similar words suggesting future outcomes. The Company cautions readers and prospective investors in the Company's securities not to place undue reliance on forward-looking information as, by its nature, it is based on current expectations regarding future events that involve a number of assumptions, inherent risks and uncertainties, which could cause actual results to differ materially from those anticipated by the Company. In respect of the forward-looking statements and information set out in this press release, the Company has provided such in reliance on certain assumptions that it believes are reasonable at this time, including assumptions as to the time required to prepare and mail shareholder meeting materials, the ability of the Company to receive, in a timely manner, the necessary shareholder and stock exchange approvals and the ability of the Company to satisfy, in a timely manner, the other conditions to the closing of the Transaction.

There are many risk factors associated with the completion of the Transaction. A number of factors could cause actual results to differ materially from those anticipated by the Company, including but not limited to risks and uncertainties inherent in the nature of the Transaction including the failure of the Company to obtain necessary shareholder and stock exchange approvals, or to otherwise satisfy the conditions of the Transaction, in a timely manner by the outside date or at all, risks of a material adverse change to the Company's assets or revenue, risks of unknown liabilities that may arise.

The forward-looking information included herein is expressly qualified in its entirety by this cautionary statement. The forward-looking information included herein is made as of the date hereof and the Company assumes no obligation to update or revise any forward-looking information to reflect new events or circumstances, except as required by law.

Neither the TSX Venture Exchange ("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. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/146760>