

# Universal PropTech Inc. Announces Acquisition Strategy

Toronto, Ontario--(Newsfile Corp. - March 6, 2023) - Universal PropTech Inc. (TSXV: UPI) ("**UPI**" or the "**Company**") is pleased to announce its corporate strategy following the successful closing of the sale of the Company's wholly-owned subsidiary, VCI Controls Inc. on February 1, 2023. The consideration for the sale of VCI was an aggregate of \$4.8 million, subject to normal closing adjustments, and holdback. On closing an aggregate of \$3,820,000 was paid in cash, with a holdback of \$980,000 being subject to release over the 12 month period following closing upon meeting certain milestones (see press releases dated December 5, 2022 and February 1, 2023 for more detail).

The Company intends to use the cash from the VCI sale for acquisition of or investment in exciting businesses with rapid growth potential. In this regard, the Company will assess opportunities for acquisition or investment based on one or more of the following criteria:

- Rapid growth potential;
- Sector agnostic, but will favour businesses with leverageable growth prospects;
- Preference to EBITA producing and cash flow positive businesses;
- Early revenue businesses will be considered but only where product offerings are de-risked and beyond proof of concept;
- Businesses with strong management teams;
- Management buy-outs will be considered favourably; and/or
- Acquisition of companies in distress due to overleveraging and the recent higher interest rate environment.

The Company will not limit the scope of its consideration to the property technology sector, but instead, will undertake an opportunistic review of potential acquisitions in a variety of industries. The Company may make multiple investments and expects to deploy its stock as well to secure acquisition opportunities.

CEO Chris Hazelton stated: "We expect to see a number of opportunities arise over the coming months as businesses adjust to increased interests rates. The current market conditions and high interest rates provide a great opportunity to deploy cash and our public currency to secure high value high growth opportunities."

"We will be careful and selective but will move quickly when the right opportunity arises," Hazelton added. "The coming months should be a very dynamic time for our management team as we focus on increasing shareholder value."

## Contact Information

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## 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.*



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