

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Universal PropTech Inc.
2905 – 77 King Street West
Toronto, Ontario M5K 1H1

Item 2. Date of Material Change

February 6, 2024

Item 3. News Releases

A press release in the form of Schedule "A" attached hereto was disseminated on February 6, 2024 via Newsfile Corp. news service and subsequently filed on the System for Electronic Document Analysis and Retrieval (www.sedarplus.ca).

Item 4. Summary of Material Change

Universal PropTech Inc. (TSXV: UPI) ("UPI" or the "Company") has entered into an acquisition agreement dated February 6, 2024 (the "**Acquisition Agreement**") between UPI, Xemoto Media Ltd. ("**Xemoto**"), and 1000615911 Ontario Inc. ("**Subco**"), a wholly-owned subsidiary of UPI, which sets forth the terms and conditions of the change of business transaction between UPI and Xemoto (the "**COB**"). Upon completion of the COB, the combined entity (the "**Resulting Issuer**") will continue to carry on the business of Xemoto and will have its shares listed on the Canadian Securities Exchange (the "**CSE**").

Completion of the COB will also be subject to a number of other conditions including, but not limited to, closing conditions customary to transactions of the nature of the COB, requisite Xemoto shareholder approval, approvals of all regulatory bodies having jurisdiction in connection with the COB, including the delisting of UPI from the TSX Venture Exchange (the "**TSXV**") and the conditional approval of the CSE to list the Resulting Issuer Shares. There can be no assurance that the COB will be completed as proposed or at all.

On closing of the COB, the Resulting Issuer is expected to change its name to BrandPilot AI Inc., subject to receipt of UPI shareholder approval.

In connection with the COB, UPI intends to file on SEDAR+ (www.sedarplus.ca) a disclosure document which will contain details regarding the COB, UPI, Xemoto and the Resulting Issuer.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

See Schedule "A" attached.

5.2 **Disclosure for Restructuring Transactions**

Under the terms of the Acquisition Agreement, the COB will be completed by way of a three-cornered amalgamation whereby Subco will amalgamate with Xemoto pursuant to Section 174 of the *Business Corporations Act* (Ontario) to form one single corporation.

Pursuant to the COB, (i) holders of Xemoto common shares ("Xemoto Shares") will receive 0.225 of a common share in the capital of UPI (each whole share being a "**UPI Share**") for each Xemoto Share (the "**Exchange Ratio**") held; and (ii) all outstanding securities convertible into Xemoto Shares shall be exchanged, based on the Exchange Ratio, for equivalent securities to purchase UPI Shares on substantially similar terms and conditions.

Immediately prior to or concurrently with closing of the COB, UPI is expected to change its name to "BrandPilot AI Inc." Following completion of the COB, the Resulting Issuer will hold all of Xemoto's assets and conduct the business of Xemoto under the BrandPilot AI Inc. name.

It is expected that, upon completion of the COB, the Resulting Issuer will have approximately 94,035,110 Resulting Issuer Shares issued and outstanding (each, a "**Resulting Issuer Share**") on an undiluted basis. Upon completion of the COB, it is expected that: (i) the former shareholders of Xemoto will hold approximately 47.7% of the Resulting Issuer Shares; and (ii) the former shareholders of UPI will hold approximately 52.3% of the Resulting Issuer Shares, on an undiluted basis. On a pro-forma basis, it is anticipated that the Resulting Issuer will have approximately \$2 million in cash available upon the completion of the COB.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

The report is not being filed on a confidential basis.

Item 7. Omitted Information

No significant facts have been omitted from this report.

Item 8. Executive Officer

Jeff Berman, President & CEO
Universal PropTech Inc.
E: jberman@universalproptech.com

Item 9. Date of Report

This report is dated this 8th day of February, 2024.

SCHEDULE "A"



NOT FOR DISSEMINATION TO U.S. NEWSWIRE SERVICES

UNIVERSAL PROPTech INC. AND XEMOTO MEDIA LTD. ANNOUNCE EXECUTION OF DEFINITIVE AGREEMENT WITH RESPECT TO CHANGE OF BUSINESS TRANSACTION

Toronto, Ontario / February 6, 2024 / Universal PropTech Inc. (TSXV: UPI) ("**UPI**" or the "**Company**") and Xemoto Media Ltd. ("**Xemoto**") are pleased to announce that they have entered into an acquisition agreement dated February 6, 2024 (the "**Acquisition Agreement**") between UPI, Xemoto and 1000615911 Ontario Inc. ("**Subco**"), a wholly-owned subsidiary of UPI, which sets forth the terms and conditions of the change of business transaction between UPI and Xemoto (the "**COB**"). Upon completion of the COB, the combined entity (the "**Resulting Issuer**") will continue to carry on the business of Xemoto and will have its shares listed on the Canadian Securities Exchange (the "**CSE**").

Acquisition Agreement

Under the terms of the Acquisition Agreement, the COB will be completed by way of a three-cornered amalgamation whereby Subco will amalgamate with Xemoto pursuant to Section 174 of the *Business Corporations Act* (Ontario) to form one single corporation.

Pursuant to the COB, (i) holders of Xemoto common shares ("Xemoto Shares") will receive 0.225 of a common share in the capital of UPI (each whole share being a "**UPI Share**") for each Xemoto Share (the "**Exchange Ratio**") held; and (ii) all outstanding securities convertible into Xemoto Shares shall be exchanged, based on the Exchange Ratio, for equivalent securities to purchase UPI Shares on substantially similar terms and conditions.

Immediately prior to or concurrently with closing of the COB, UPI is expected to change its name to "BrandPilot AI Inc." Following completion of the COB, the Resulting Issuer will hold all of Xemoto's assets and conduct the business of Xemoto under the BrandPilot AI Inc. name.

It is expected that, upon completion of the COB, the Resulting Issuer will have approximately 94,035,110 Resulting Issuer Shares issued and outstanding (each, a "**Resulting Issuer Share**") on an undiluted basis. Upon completion of the COB, it is expected that: (i) the former shareholders of Xemoto will hold approximately 47.7% of the Resulting Issuer Shares; and (ii) the former shareholders of UPI will hold approximately 52.3% of the Resulting Issuer Shares, on an undiluted basis. On a pro-forma basis, it is anticipated that the Resulting Issuer will have approximately \$2 million in cash available upon the completion of the COB.

Completion of the COB will also be subject to a number of other conditions including, but not limited to, closing conditions customary to transactions of the nature of the COB, requisite Xemoto shareholder approval, approvals of all regulatory bodies having jurisdiction in connection with the COB, including the delisting of UPI from the TSX Venture Exchange (the "**TSXV**") and the conditional approval of the CSE to list the Resulting Issuer Shares. There can be no assurance that the COB will be completed as proposed or at all.

Certain UPI Shares to be issued pursuant to the COB are expected to be subject to restrictions on resale or escrow under the policies of the CSE, including the securities to be issued to principals, which will be subject to the escrow requirements of the CSE.

The transaction contemplated herein represents a COB for UPI under the policies of the TSXV. The COB is not a non-arm's length transaction and is not subject to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. There are no non-arm's length parties of UPI that are insiders of Xemoto.

Investors are cautioned that, except as disclosed in the listing statement to be prepared in connection with the COB, any information released or received with respect to the COB may not be accurate or complete and should not be relied upon. Trading in the securities of UPI should be considered highly speculative.

Directors and Officers of the Resulting Issuer

Upon completion of the COB, the board of directors of the Resulting Issuer is expected to consist of seven directors and the management of the Resulting Issuer is expected to consist of 4 officers, all of whom will be nominated by Xemoto. The existing directors and officers of UPI will resign at or prior to closing of the COB. It is expected that at closing of the COB, the following individuals will constitute the board and management of the Resulting Issuer:

Brandon Mina, Chief Executive Officer and Director

Brandon Mina is the current CEO of Xemoto. Mr. Mina is also Founder, President and CEO of Pirate Creative Co., a boutique marketing agency. Mr. Mina has spent the last decade crafting innovative global media and marketing strategies using his data-driven decision-making skills to drive remarkable results for brands and advertising agencies. Prior to joining Xemoto, Mr. Mina led a consultancy firm where he leveraged innovative growth tactics by executing strategies across healthcare, insurance and entertainment industries. His professional experience also includes: Chief Marketing Officer of Motion 20, an award-winning video production company, and Kaizoku Co., a marketing services company, and various sales and marketing positions at Ontario Mutuals, Best Buy and Boundless Marketing. Mr. Mina holds an MBA from the University of London, and an honour's Bachelor of Arts degree in communication and multimedia from the University of McMaster.

Jeremy Goldman, Chief Operating Officer and Director

Mr. Goldman has dedicated over two decades to venture-stage technology and finance. Mr. Goldman's distinguished leadership journey encompasses roles such as CFO of Sensei Labs Inc., CEO at Vaster Inc., COO/CFO at Kooltra, Consultant at Shoplogix, President/CCO at Foundation Markets Inc., and 20+ years in venture stage technology and finance. Mr. Goldman holds an MBA from York University's Schulich School of Business and is a Chartered Financial Analyst.

Kyle Appleby, Chief Financial Officer and Executive VP of Finance

Mr. Appleby spent the first 10 years of his career working in public accounting where he worked in both audit and advisory practices and dealt primarily with private companies and investment funds. In 2007, Mr. Appleby left the world of public accounting to focus on providing management, accounting and financial services to public companies across a variety of industries including cannabis, agriculture,

technology, mining, crypto-currency, and others. Mr. Appleby is the Founder and CFO Advantage Inc., a company that provides chief financial officer, and other financial accounting, reporting and compliance services to companies in various industries. Accordingly, Mr. Appleby has been the CFO for numerous companies listed in Canada, US and London, and has extensive experience in financial reporting, providing strategic direction and leadership, IPOs, fund raising, and corporate governance. He holds a Bachelor of Economics and is a member in good standing of the Chartered Professional Accountants of Ontario.

Adam Szweras, Executive Chairman

Adam Szweras, the Executive Chairman of Xemoto, is also the founder and chairman of Foundation Markets Inc., a Toronto merchant bank and exempt market dealer, and a member of the Securities law group of Toronto law firm, Fogler, Rubinoff LLP. Mr. Szweras was called to the Bar of Ontario in 1996 and has successfully led Foundation Markets Inc. since its establishment in 2006. His law and banking practices focus on financings and going public transactions, where Mr. Szweras represents several mid-market public companies and assists companies in listing on the Toronto Stock Exchange, the TSXV, and the CSE. He has also represented brokerage firms as legal counsel and has helped numerous clients with their mergers and acquisitions and cross border transactions.

Through Foundation Markets, Mr. Szweras has helped to raise funds for emerging companies. Mr. Szweras sits on the board of Aurora Cannabis and has sat the board of directors of numerous other companies including Harborside Inc., Water Ways Technologies and Quinsam Capital. Mr. Szweras obtained his LLB from Osgoode Hall Law School in June 1994 and previously attended York University.

Andres Tinajero, Director

Mr. Tinajero has over 20 years of business experience, having supported a broad range of industries, including mining, manufacturing and technology. During the same period, he has served as CFO and Vice President of Finance of several medium sized public companies across Canada. Mr. Tinajero holds a Bachelor of Business degree from San Francisco University and a Master of Business Administration from ITESM University. He is a member of the Canadian Institute of Chartered Professional Accountants, the Certified Practicing Accountants of Australia, and a certified member of the Institute of Corporate Directors.

Brian Presement, Director

Mr. Presement brings over 25 years of expertise in technology and telecommunications, specializing in recurring revenue models. He has held distinguished roles as the Founder, President, and CEO of Unite Communications Corp, the only telecommunications company listed on the Globe and Mail's top 500 fastest growing Canadian companies, the visionary behind TextMeAnywhere, a proprietary web application that transforms a business landline, VoIP, or toll-free numbers into a textable numbers, and was a Co-Founder and Director at Plexus Cybermedia Inc., which has since integrated into Ext. Marketing Inc. Mr. Presement holds a Bachelor of Arts degree in communications from York University.

Jillian Bannister, Director

Ms. Bannister has over two decades of expertise in financial services marketing. For the past 13-years, Ms. Bannister has been CEO of Ext. Marketing Inc., and prior to that held senior marketing and sales roles

at an early stage fintech company and Franklin Templeton Investments. Ms. Bannister has obtained a master's degree in international relations from the London School of Economics, and a Bachelor of Arts degree from Western University.

Randall Craig, Director

Mr. Craig brings over three decades of expertise in digital strategy, marketing, and technology to the table. Currently CEO of Pinetree Advisors Inc., and the Braintrust Professional Institute, both marketing strategy and digital technology consulting firms, and, a marketing strategy and digital technology consultant, Mr. Craig's previous leadership stints include being the CEO of 108 Ideaspace Inc., SVP at Sapiens Americas, CEO at Internet Marketing Associates Inc., and leadership roles at KPMG. Mr. Craig has achieved the following professional designations: *CFA*, *FCMC*, and *CSP*, and holds an MBA from the Rotman School of Management at the University of Toronto, as well as an honours degree in business administration from the Ivey Business School at Western University.

Name Change

On closing of the COB, the Resulting Issuer is expected to change its name to BrandPilot AI Inc., subject to receipt of UPI shareholder approval.

Summary of Insiders of the Resulting Issuer other than Directors and Officers

To the knowledge of the directors and officers of UPI and Xemoto, as the COB is currently contemplated, no person other than directors and officers of the Resulting Issuer will directly or indirectly beneficially hold a controlling interest in the Resulting Issuer.

Listing Statement

In connection with the COB, UPI intends to file on SEDAR+ (www.sedarplus.ca) a disclosure document which will contain details regarding the COB, UPI, Xemoto and the Resulting Issuer.

Additional Information

Additional terms of the COB were previously disclosed in the press release of UPI dated September 27, 2023, available under UPI's SEDAR+ profile at www.sedarplus.ca.

Investors are cautioned that any information released or received with respect to the COB in this news release may not be complete and should not be relied upon.

For further information, please contact:

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About Xemoto

Xemoto is the only influencer marketing platform focused on helping publicly traded companies and businesses in highly regulated and complex industries better connect with customers. Its proprietary digital technology is uniquely designed to engage investor, business-to-business and business-to-consumer audiences.

Xemoto's easy-to-navigate automated platform, data-driven insights and commitment to agility ensures that clients can not only execute campaigns quickly but evaluate results efficiently through real-time insights into campaign performance.

With more than 420 influencers across 785 social media channels and groups, reaching 80+ million followers, Xemoto uses best practices to create brand-safe content with compliance-savvy creators to deliver a strong return on investment for its customers.

Learn more at: www.xemotomedia.com, [LinkedIn](#), [Instagram](#), [TikTok](#), [Twitter](#)

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- Or to –

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Cautionary Note

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities to be issued in connection with the COB have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Completion of the COB is subject to a number of conditions, including but not limited to, applicable regulatory approval and shareholder approval. The COB cannot close until the required shareholder approval is obtained. There can be no assurance that the COB will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or listing statement to be prepared in connection with the COB, any information released or received with respect to the COB may not be accurate or complete and should not be relied upon. Trading in the securities of UPI should be considered highly speculative.

The TSXV has in no way passed upon the merits of the COB and has neither approved nor disapproved the contents of this news release.

Cautionary Statement Regarding Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to the proposal to complete the COB and associated transactions. Any such forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans" and similar expressions. Readers are cautioned not to place undue reliance on forward-looking statements. Statements about, among other things, the expected terms of the COB, shareholder approval, Xemoto's strategic plans and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the COB will occur or that, if the COB does occur, it will be completed on the terms described above. UPI and Xemoto assume no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These risks and uncertainties include, but are not limited to the financial markets generally, the results of the due diligence investigations to be conducted in connection with the COB, the ability of the Company to complete the COB or obtain requisite regulatory shareholder approvals. As a result, the Company cannot guarantee that the COB will be completed on the terms described herein or at all. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this news release are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

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

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