

Carebook enters into Definitive Agreement to go private with its Majority Shareholder UIL Limited

- Offer of \$0.10 in cash per share, representing a 122% premium
- Board has unanimously agreed to support and recommends that minority shareholders approve the transaction
- Company's second largest shareholder, owning 57.6% of the shares voting in respect of the necessary minority approval, has agreed to support the transaction

MONTREAL, QC – January 3, 2025 – Carebook Technologies Inc. ("**Carebook**" or the "**Company**") (TSXV: CRBK), a leading Canadian provider of innovative digital health solutions, and UIL Limited ("**UIL**"), the largest shareholder of the Company, are pleased to announce that they have entered into an arrangement agreement dated January 2, 2025 (the "**Arrangement Agreement**") pursuant to which UIL will acquire all of the common shares (the "**Common Shares**") in the capital of Carebook, other than those Common Shares already owned by UIL or its affiliates and associates, by way of a plan of arrangement (the "**Arrangement**"). Pursuant to the Arrangement, holders of Common Shares, other than those Common Shares already owned by UIL or its affiliates and associates, will receive \$0.10 per Common Share (the "**Consideration**"). The Arrangement is expected to close in the first quarter of 2025, subject to the satisfaction of customary closing conditions.

The Consideration represents a premium of approximately 122%, to the closing price of the Common Shares of \$0.045 on the TSX Venture Exchange (the "**TSXV**") on January 2, 2025, the last trading day prior to the announcement of the Arrangement. There is no financing condition for the Arrangement.

The signing of the Arrangement Agreement and the approval of the Arrangement followed the unanimous approval of the board of directors of the Company (the "**Board**") (with Alasdair Younie abstaining) following the unanimous recommendation of a committee of independent directors (the "**Special Committee**") of the Board.

"This transaction, with its significant cash premium, represents a positive outcome for Carebook and delivers immediate liquidity for our shareholders" said Michael Peters, Chief Executive Officer of Carebook. "As a private company, Carebook will have the flexibility and resources to continue to implement its strategic vision without the added financial and administrative burden of remaining a reporting issuer in what remains a challenging capital markets environment. We look forward to this exciting next step in Carebook's evolution."

Transaction Details

Pursuant to the terms of the Arrangement Agreement, UIL will acquire all of the Common Shares in the capital of Carebook, other than those Common Shares already owned by UIL or its affiliates and associates, for \$0.10 per Common Share in cash.

Holders of the outstanding stock options of Carebook (the "**Options**") will receive, for each Option held, an amount in cash equal to the Consideration less the applicable exercise price in respect of such Option, less any applicable withholdings, and if such amount is zero or negative, no amount shall be payable.

The Arrangement Agreement contains customary non-solicitation provisions prohibiting Carebook from soliciting competing acquisition proposals, as well as "fiduciary out" provisions that allow the Company to consider and accept a superior proposal, subject to a "right to match" provision in favor of UIL. The Arrangement Agreement provides for an expense reimbursement fee payable by the Company to UIL if the Arrangement Agreement is terminated in certain circumstances. The Arrangement Agreement also provides for payment by UIL to the Company of an expense reimbursement fee, if the Arrangement Agreement is terminated in certain other specified circumstances.

The Arrangement will be completed pursuant to a court-approved plan of arrangement under section 192 of the *Canada Business Corporations Act* and is subject to satisfaction of customary closing conditions for transactions of this nature, including court approval and the approval of the shareholders of Carebook, as further set out below. Immediately following the completion of the Arrangement, the Common Shares will be delisted from the TSXV and it is anticipated that the Company will make an application to cease to be a reporting issuer, following the approval of which, the Company will no longer be subject to the reporting requirements of applicable Canadian securities legislation.

Completion of the Arrangement is subject to court approval and various closing conditions, including the approval of at least (i) two-thirds (66 2/3%) of the votes cast by shareholders present in person or represented by proxy at the special meeting of the shareholders to be called to approve the Arrangement (the "**Special Meeting**") (each holder of Common Shares being entitled to one vote per Common Share) and (ii) the approval of a simple majority of the holders of Common Shares present in person or represented by proxy at the Special Meeting, excluding the votes of UIL and its affiliates and associates and any other shareholders required to be excluded for purposes of the "minority approval" requirement under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") in the context of a "business combination" (the "**Minority Shareholders**"). Further details regarding applicable voting requirements will be contained in a management information circular to be filed on SEDAR+ at www.sedarplus.com and mailed to Carebook's shareholders in connection with the Special Meeting to approve the Arrangement.

MedTech Investment, L.P., the second largest shareholder of the Company, has entered into an irrevocable voting and support agreement (the "**Support Agreement**") with UIL whereby it has agreed to, among other things, vote all of the Common Shares held by it and its affiliates (collectively, the "**Supporting Shareholders**") in favour of the special resolution to approve the Arrangement at the Special Meeting (the "**Arrangement Resolution**") and against any resolution or transaction which would in any manner prevent or delay the Arrangement. The 24,032,996 Common Shares subject to the Support Agreement represent approximately 57.6% of the Common Shares held by Minority Shareholders and therefore represent the necessary majority with respect to the required minority approval described above. The Support Agreement also provides that the Supporting Shareholders will not, for a period of six months following the date of the Support Agreement, and notwithstanding its termination, enter into a voting support agreement or similar agreement, commitment or understanding pursuant to which to tender or vote their Common Shares with any other person in respect of a competing acquisition proposal.

The Arrangement is expected to close in the first quarter of 2025, subject to the satisfaction of customary closing conditions.

Copies of the Arrangement Agreement and of the management information circular for the Special Meeting will be filed with Canadian securities regulators and will be available on the SEDAR+ profile of Carebook at www.sedarplus.com. Carebook's shareholders are urged to read those and other relevant materials when they become available.

Fairness Opinion

BDO Canada LLP ("**BDO**"), the financial advisor of the Special Committee of the Board, has delivered an oral opinion (the "**Fairness Opinion**") to the Special Committee that, as of January 2, 2025, and subject to the assumptions, limitations and qualifications to be set forth in BDO's written fairness opinion that will be included in the management information circular that will be sent to the shareholders of the Company in connection with the Special Meeting, the Consideration to be received by the Minority Shareholders pursuant to the Arrangement Agreement is fair, from a financial point of view, to the Minority Shareholders. The management information circular will also include factors considered by the Special Committee and the Board and other relevant information.

The Arrangement is exempt from the formal valuation requirement of MI 61-101 as no securities of the Company are listed on a specified stock exchange.

Unanimous Approval of Carebook Special Committee and Board of Directors

The Special Committee has unanimously recommended that the Board approve the Arrangement Agreement and unanimously recommends that the Board recommend that the Minority Shareholders vote in favour of the Arrangement Resolution at the Special Meeting. The Board, after receiving the unanimous recommendation of the Special Committee, has unanimously (with Alasdair Younie, one of the principals of UIL and a director of the Company, having recused himself from the meeting) determined that the Arrangement is in the best interest of the Company and unanimously recommends that Minority Shareholders vote in favour of the Arrangement Resolution at the Special Meeting.

In addition, all of the directors and executive officers of the Company, who collectively exercise control or direction over approximately 0.53% of the Common Shares have entered into support and voting agreements pursuant to which they have agreed, subject to the terms thereof, to vote all of their Common Shares in favour of the Arrangement Resolution at the Special Meeting.

UIL Early Warning Disclosure

UIL, together with its affiliates, currently beneficially owns or has control or direction over, directly or indirectly, 61,046,167 Common Shares, representing approximately 59.4% of the currently issued and outstanding Common Shares. Following completion of the Arrangement, UIL and its affiliates will own or have control or direction over, directly or indirectly, 100% of the Common Shares in the capital of Carebook.

This disclosure is issued pursuant to National Instrument 62-104 – *Take-Over Bids and Issuer Bids*, which also requires an early warning report to be filed containing additional information with respect to the foregoing matters. A copy of the early warning report will be made available on SEDAR+ under

Carebook's issuer profile at www.sedarplus.com and may be obtained upon request from UIL by contacting Alastair Moreton at the contact information below.

UIL has its registered office located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The Company's head office is located at 2045 Stanley St Montreal, Quebec H3A 2V4 Canada. For further information and/or a copy of the related early warning report to be filed on SEDAR+ under the Company's profile at www.sedarplus.com, please contact the Corporate Secretary of UIL by phone at: +44 1372 271486, or by email at: alastair.moreton@icm.limited.

Advisors

BDO Canada LLP is acting as financial advisor to the Special Committee, and Stikeman Elliott LLP is acting as legal advisor to the Special Committee and the Company.

Norton Rose Fulbright Canada LLP is acting as legal advisor to UIL on the proposed transaction.

About Carebook Technologies

Carebook's digital health platform empowers its clients and more than 5.0 million members to take control of their health journey. During 2021, the Company completed the acquisitions of InfoTech Inc., a global leader in health and productivity risk management, and CoreHealth Technologies Inc., owner of an industry-leading wellness platform. In combination, these companies create a comprehensive digital health platform that includes both assessment tools and the technology to deliver complementary solutions. Carebook's shares trade on the TSXV under the symbol "CRBK".

About UIL

UIL Limited is a Bermuda exempted closed end investment company whose investment objective is to maximise shareholder returns by identifying and investing in investments worldwide where the underlying value is not fully recognised. Its ordinary shares are admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange and they have a secondary listing on the Bermuda Stock Exchange. UIL's portfolio is managed by ICM Limited and ICM Investment Management Limited and as at 30 November 2024 it had gross assets of £244m.

Forward Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking information**") within the meaning of applicable securities laws in Canada. This information includes, but is not limited to, statements concerning our objectives, our strategies to achieve those objectives, as well as statements made with respect to management's beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "expects", "estimates", "outlook", "forecasts", "projection", "prospects", "intends", "anticipates", "believes", or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. In addition, any statements that

refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances. Forward-looking information in this news release includes, among other things, statements relating to Carebook's business in general; statements relating to the Arrangement, the parties' ability to complete the transactions contemplated by the Arrangement Agreement and the timing thereof, including the parties' ability to satisfy the conditions to the consummation of the Arrangement, the receipt of the required shareholder approval and court approval and other customary closing conditions, the possibility of any termination of the Arrangement Agreement in accordance with its terms, and the expected benefits to the Company and its shareholders of the Arrangement.

Risks and uncertainties related to the transaction contemplated by the Arrangement Agreement include, but are not limited to: the possibility that the Arrangement will not be completed on the terms and conditions, or on the timing, currently contemplated, and that it may not be completed at all, either due to a failure to obtain or satisfy, in a timely manner or otherwise, required shareholder and court approvals and other conditions to the closing of the Arrangement, or for other reasons; the risk that competing offers or acquisition proposals will be made; the negative impact that the failure to complete the Arrangement for any reason could have on the price of the Common Shares or on the business of the Company; UIL's failure to pay the Consideration at the closing of the Arrangement; the ability of the Company or UIL to pay any expense reimbursement fee under the Arrangement Agreement, should any such fee become payable; significant disruptions to the business of Carebook, including loss of clients or employees due to transaction related uncertainties, industry conditions or other factors; risks relating to employee retention; the risk of regulatory changes that may materially impact the business or the operations of Carebook; the risk that legal proceedings may be instituted against Carebook; risks related to the diversion of management's attention from Carebook's ongoing business operations while the Arrangement is pending; and other risks and uncertainties affecting Carebook, including those described in the Company's management discussion and analysis for the year ended December 31, 2023, as well as in other filings and reports Carebook may make from time to time with the Canadian securities authorities.

Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in forward-looking information. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking information. No forward-looking statement is a guarantee of future results. Accordingly, you should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this news release represents the Company's expectations as of the date of this news release (or as of the date such forward-looking information is otherwise stated to be made) and is subject to change after such date. However, the Company disclaims any intention, obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events, or otherwise, except as required under applicable securities laws in Canada. All of the forward-looking information contained in this news release is expressly qualified by the foregoing cautionary statements.

This announcement is for informational purposes only and does not constitute an offer to purchase or a solicitation of an offer to sell, or an offer to sell or a solicitation of an offer to purchase, any securities of Carebook.

SOURCE Carebook Technologies Inc.

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