FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1. Name and Address of Company

Inscape Corporation (“**Inscape**” or the “**Company**”)
67 Toll Road
Holland Landing, Ontario
L9N 1H2

ITEM 2. Date of Material Change

November 8, 2021

ITEM 3. News Release

A news release was issued by the Company on December 8, 2021 through the facilities of GlobeNewsWire with respect to the material change and filed on SEDAR. A copy of the news release is attached hereto as Schedule A.

ITEM 4. Summary of Material Change

The Company entered into an agreement for the sale and leaseback of its Holland Landing Facility at 67 Toll Road, East Gwillimbury, Ontario.

ITEM 5. Full Description of Material Change

The Company entered into an agreement (the “**Agreement**”) dated November 8, 2021 (the “**Effective Date**”) for the sale and leaseback (the “**Proposed Transaction**”) of the Holland Landing Facility at 67 Toll Road, East Gwillimbury, Ontario (the “**Property**”) to a third party purchaser (the “**Purchaser**”). The purchase price is CDN$32,750,000.

Pursuant to the Agreement, the Purchaser, had thirty (30) days from the Effective Date to conduct physical and other inspections and tests, studies and investigations relating to the Property as it deemed necessary. If the Purchaser, in its sole, absolute and arbitrary discretion, was not satisfied with the condition of the Property and its investigation and studies of the Property and the economic feasibility of the Property, then the Agreement would become null and void and be terminated (the “**Property Condition Precedent**”).

On December 8, 2021, the Purchaser confirmed that the Property Condition Precedent was satisfied, and the Agreement remained in effect. The Purchaser has provided a deposit of CDN$1,500,000 (the “**Deposit**”) to be credited toward the purchase price on closing of the Proposed Transaction. In the event the Agreement is terminated by reason of the default of the Purchaser, the Deposit, together with all interest, will be retained by the Company as liquidated damages in full satisfaction of all other rights and remedies the Company may have against the Purchaser in respect of or arising from the Agreement.

On Closing, the Parties will enter into a lease (the "**Lease**") whereby the Company will lease back the Property from the Purchaser for a term of ten (10) years, with two (2) extension options of five (5) years each, substantially on terms and conditions agreed to by the parties.

If all of the remaining closing conditions are satisfied or fulfilled, the Proposed Transaction is expected to close on or before January 24, 2022. The Proposed Transaction is not conditional on financing. There can be no assurance that the conditions precedent will be met and that the Proposed Transaction will be completed as proposed or at all.

ITEM 6. Reliance on Subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

ITEM 7. Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

ITEM 8. Executive Officer

For further information, please contact:

Name: Jon Szczur, Chief Financial Officer
Telephone: 905-952-4102

ITEM 9. Date of Report

December 8, 2021

SCHEDULE A

News Release

inscape

FOR IMMEDIATE RELEASE

Inscape announces entering into an agreement for the sale and leaseback of the Holland Landing Facility

December 8, 2021: Inscape Corporation ("**Inscape**" or the "**Company**") (TSX: INQ), is pleased to announce that the Company has entered into an agreement (the "**Agreement**") dated November 8, 2021 (the "**Effective Date**") for the sale and leaseback (the "**Proposed Transaction**") of the Holland Landing Facility at 67 Toll Road, East Gwillimbury, Ontario (the "**Property**") to a third-party purchaser (the "**Purchaser**"). The purchase price is CDN$32,750,000.

Pursuant to the Agreement, the Purchaser, had thirty (30) days from the Effective Date to conduct physical and other inspections and tests, studies and investigations relating to the Property as it deemed necessary. If the Purchaser, in its sole, absolute, and arbitrary discretion, was not satisfied with the condition of the Property and its investigation and studies of the Property and the economic feasibility of the Property, then the Agreement would become null and void and be terminated (the "**Property Condition Precedent**").

On December 8, 2021, the Purchaser confirmed that the Property Condition Precedent was satisfied, and the Agreement remained in effect. The Purchaser has provided a deposit of CDN$1,500,000 (the "**Deposit**") to be credited toward the purchase price on closing of the Proposed Transaction. In the event the Agreement is terminated by reason of the default of the Purchaser, the Deposit, together with all interest, will be retained by the Company as liquidated damages in full satisfaction of all other rights and remedies the Company may have against the Purchaser in respect of or arising from the Agreement.

On Closing, the Parties will enter into a lease (the "**Lease**") whereby the Company will lease back the Property from the Purchaser for a term of ten (10) years, with two (2) extension options of five (5) years each, substantially on terms and conditions agreed to by the parties.

If all of the remaining closing conditions are satisfied or fulfilled, the Proposed Transaction is expected to close on or before January 24, 2022 (the "**Closing**"). The Proposed Transaction is not conditional on financing. There can be no assurance that the conditions precedent will be met and that the Proposed Transaction will be completed as proposed or at all.

"The pending completion of this transaction is consistent with our strategic plan and is another material step in our efforts to improve operations and the financial profile of Inscape" commented Eric Ehgoetz, CEO.

About Inscape

Since 1888, Inscape has been designing products and services that are focused on the future, so businesses can adapt and evolve without investing in their workspaces all over again. Our versatile portfolio includes systems furniture, storage, and walls – all of which are adaptable and built to last. Inscape's wide dealer network, showrooms in the United States and Canada, along with full service and support for all our clients, enable us to stand out from the crowd. We make it simple. We make it smart. We make our clients wonder why they didn't choose us sooner.

Cautionary Note regarding Forward Looking Statements

This press release contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, the closing of the Proposed Transaction and the terms and condition of the Lease and forward-looking statements include but are not limited to the impact of the Proposed Transaction on the Company's strategic plan, operations and financial profile. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "estimates", "intends", "anticipates" "contemplates", "projects" or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "should", "would", "might", or "will be taken", "occur", or "be achieved" or the negative such as "does not believe" or other variations thereof or comparable terminology. Forward-looking information is based on the reasonable assumptions, estimates, analysis, and opinions of management made at the date that such statements are made. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including those risk factors identified in the Company's annual information form and management's discussion and analysis. Forward-looking information is based on the reasonable assumptions, estimates, analysis, and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Management cautions readers that the assumptions relative to the future events, several of which are beyond Management's control, could prove to be incorrect, given that they are subject to certain risk and uncertainties, and that actual results may differ materially from those projected. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Company can give no assurance that such expectations will prove to be correct. Factors which could cause results or events to differ from current expectations include, among other things: (i) the satisfaction of the conditions precedent; (ii) the terms and conditions of the Lease; (iii) completion of the Proposed Transaction by the parties; and (iv) the impact of the Proposed Transaction on the Company's strategic plan, operations, and financial profile. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. The reader is cautioned not to place undue reliance on forward looking information.

For more information, visit myinscape.com.

Contact Jon Szczur
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