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*This offering is only made by prospectus. A copy of the prospectus (the “**prospectus**”) dated February 23, 2021, containing important detailed information relating to the securities described in this document has been filed with the securities regulatory authority in each of the provinces of Canada (other than Québec). No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*A copy of the prospectus is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.*

*The securities of the Corporation (as defined below) 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 legislation and may not be offered or sold in the United States, or to or for the account or benefit of a U.S. Person, except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities legislation or pursuant to an exemption therefrom. The prospectus and this document each do not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States.*

## **ALL \$ AMOUNTS IN U.S. DOLLARS**

***Terms not defined herein have the meanings ascribed in the prospectus.***

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| <b>Issuer:</b>                | VM Hotel Acquisition Corp. (the “ <b>Corporation</b> ” or “ <b>we</b> ” or “ <b>us</b> ” or “ <b>our</b> ”). The Corporation is a newly organized special purpose acquisition corporation incorporated under the laws of the Province of British Columbia for the purpose of effecting, directly or indirectly, an acquisition of one or more businesses or assets, by way of a merger, amalgamation, arrangement, share exchange, asset acquisition, share purchase, reorganization, or any other similar business combination involving the Corporation (the “ <b>qualifying acquisition</b> ”). |
| <b>Sponsors:</b>              | VM HA Sponsor Corp. and VM HA Sponsor LP (together, the “ <b>Sponsors</b> ”).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Offering:</b>              | 10,000,000 Class A restricted voting units (each, a “ <b>Class A Restricted Voting Unit</b> ”).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Offering Amount:</b>       | \$100,000,000.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Offering Price:</b>        | \$10.00 per Class A Restricted Voting Unit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Units:</b>                 | <p>Each Class A Restricted Voting Unit consists of one Class A restricted voting share (a “Class A Restricted Voting <b>Share</b>”) and one-half of a share-purchase warrant (each whole share purchase warrant, a “<b>Warrant</b>”).</p> <p>Upon the closing of the qualifying acquisition, each Class A Restricted Voting Share (unless previously redeemed) will be automatically converted into one Common Share (a “<b>Common Share</b>”).</p>                                                                                                                                                |
| <b>Over-Allotment Option:</b> | The Underwriters will have an option to purchase up to an additional 1,500,000 Class A Restricted Voting Units at the Offering Price, exercisable in whole or in part at any time until 30 days from the Closing Date to cover any over-allotments, if any, and for market stabilization purposes.                                                                                                                                                                                                                                                                                                 |

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**Warrants:**

The Warrants will become exercisable 65 days after the completion of the qualifying acquisition. Each whole Warrant will entitle the holder thereof to purchase one Class A Restricted Voting Share (and following the closing of the qualifying acquisition, one Common Share) at an exercise price of \$11.50, subject to adjustments as described herein. Warrants may be exercised only for a whole number of shares. No fractional shares will be issued upon exercise of the Warrants. If, upon exercise of the Warrants, a holder would be entitled to receive a fractional interest in a share, we will, upon exercise, round down to the nearest whole number of shares to be issued to the Warrant holder.

The Warrants will expire at 5:00 p.m. (Toronto time) on the day that is five years after the completion of our qualifying acquisition or may expire earlier if a qualifying acquisition does not occur within the Permitted Timeline or if the expiry date is accelerated.

Once the Warrants become exercisable, we may accelerate the expiry date of the outstanding Warrants (excluding the Warrants forming part of the Class B Units (described below) but only to the extent still held by the Sponsors at the date of public announcement of such acceleration and not transferred prior to the accelerated expiry date, due to the anticipated knowledge by the Sponsors of material undisclosed information which could limit their dealings in such securities) by providing 30 days' notice, if and only if, the closing price of the Common Shares equals or exceeds \$18.00 per Common Share (as adjusted for stock splits or combinations, stock dividends, Extraordinary Dividends, reorganizations and recapitalizations and the like) for any 20 trading days within a 30-trading day period.

**Founders' Shares:**

Prior to the closing, the Sponsors and certain of the Corporation's directors, John Andrew, Tracy Sherren and Charles Suddaby (collectively, our "**Founders**") along with certain third parties intend to purchase an aggregate of 2,970,000 Class B Shares of the Corporation for an aggregate purchase price of \$25,000, or approximately \$0.0084 per Class B Share (also referred to herein as the "**Founders' Shares**"). Up to a maximum of 382,500 Founders' Shares held by our Sponsors are subject to relinquishment to the extent that the Over-Allotment Option is not exercised by the Underwriters. The Founders' Shares outstanding after giving effect to the Offering and at the conclusion of the Over-Allotment Option period will represent 20% of the issued and outstanding shares of the Corporation (including all Class A Restricted Voting Shares and Class B Shares, but assuming no exercise of the Warrants). The Founders' Shares are identical to the Class A Restricted Voting Shares included in the Class A Restricted Voting Units being sold in this Offering.

The Founders and each third party subscribing for Founders' Shares will agree not to transfer any of such securities until after the closing of the qualifying acquisition, other than transfers required due to structuring of the qualifying acquisition or unless otherwise permitted by the Exchange. Any Class A Restricted Voting Shares purchased by such parties would not be subject to the restrictions set out in such agreements. VM HA Sponsor LP will retain voting control over the Founders' Shares purchased by certain third parties pursuant to voting control agreements entered into with such third parties.

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**Class B Units:**

Simultaneously with the consummation of the Offering, the Sponsors along with certain third parties intend to purchase an aggregate of 350,000 Class B units of the Corporation (each, a “**Class B Unit**”) at a purchase price of \$10.00 per Class B Unit for a total purchase price of \$3,500,000 assuming no exercise of the Over-Allotment Option. The Sponsors have also agreed that if the Over-Allotment Option is exercised by the Underwriters in full or in part, they will purchase from the Corporation an additional number of Class B Units (up to a maximum of 30,000 Class B Units) at a price of \$10.00 per Class B Unit in an amount such that the aggregate gross proceeds from the sale of such additional Class B Units is equal to 2.00% of the gross proceeds realized by the Corporation pursuant to the exercise of the Over-Allotment Option.

Each third party subscribing for Class B Units will agree not to transfer any of such securities until after the closing of the qualifying acquisition, other than transfers required due to structuring of the qualifying acquisition or unless otherwise permitted by the Exchange. Any Class A Restricted Voting Shares purchased by such parties would not be subject to the restrictions set out in such agreements. VM HA Sponsor LP will retain voting control over the Class B Shares forming part of the Class B Units purchased by certain third parties pursuant to voting control agreements entered into with such third parties.

**Class A Restricted Voting Units Outstanding:**

There will be 11,500,000 Class A Restricted Voting Units outstanding following Closing, assuming the full exercise of the Over-Allotment Option and 10,000,000 Class A Restricted Voting Units outstanding if there is no exercise of the Over-Allotment Option.

**Warrants Outstanding:**

5,175,000 Warrants if there is no exercise of the Over-Allotment Option (5,000,000 Warrants forming part of the Class A Restricted Voting Units to be sold to the public and 175,000 Warrants forming part of the Class B Units).

5,940,000 Warrants if the Over-Allotment Option is exercised in full (5,750,000 Warrants forming part of the Units to be sold to the public and 190,000 Warrants forming part of the Class B Units).

**Target Acquisition:**

The Corporation’s efforts to identify a qualifying acquisition will focus on the hotel and resort properties sector. We intend to execute a qualifying acquisition which will aggregate a portfolio of hotel and resort properties and/or related assets and/or businesses. However, we are not limited to a particular industry or geographic region for purposes of completing our qualifying acquisition.

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**Make Whole:**

Prior to the Closing, and pursuant to the Make Whole Agreement and Undertaking, our Sponsors will agree that (A) in the event of the liquidation of the escrow account upon the occurrence of the automatic redemption by the Corporation of the Shares resulting from the inability of the Corporation to complete a qualifying acquisition within the Permitted Timeline, or on a liquidation and cession of the business of the Corporation (“**Winding-Up**”), or (B) in the event of an extension to the Permitted Timeline, or the completion of a qualifying acquisition, it will be liable to us if and to the extent any claims by any third party (other than our auditors) for services rendered or products sold to us, or a prospective qualifying acquisition target with which we have entered into, or discussed entering into a transaction agreement, reduce the amount of funds in the escrow account to below the lesser of (i) \$10.00 (as adjusted for stock splits or combinations, stock dividends, Extraordinary Dividends, reorganizations and recapitalizations and the like) per Class A Restricted Voting Share, or (ii) such lesser amount per Class A Restricted Voting Share held in the escrow account as of the date of the full or partial liquidation of the escrow account, as applicable, due to reductions in the value of the assets held in escrow (other than due to the failure to obtain waivers from such third parties), in the case of both (i) and (ii), less the amount of interest which may be withdrawn to pay taxes, except as to any claims by a third party who executed a waiver of any and all rights to seek access to the escrow account, and except as to any claims under our indemnity of the Underwriters against certain liabilities.

We believe the likelihood of our Sponsors having to indemnify us is limited because we will endeavor to have all or substantially all vendors and prospective qualifying acquisition targets as well as other entities execute agreements with us waiving any right, title, interest or claim of any kind in or to monies held in the escrow account. However, we cannot assure investors that our Sponsors would be able to satisfy those obligations, and we have not asked our Sponsors to reserve for such eventuality. Moreover, in the event that an executed waiver is deemed to be unenforceable against a third party, our Sponsors will not be responsible to the extent of any liability for such third-party claims. We have not asked our Sponsors to reserve for such eventuality.

In the event of an extension to the Permitted Timeline, an automatic redemption, or a Winding-Up, whereby the taxes payable pursuant to Part VI.1 of the *Income Tax Act* (Canada) (the “**Tax Act**”) would cause the amounts paid per share from the escrow account to redeeming holders of Shares to be less than the initial \$10.00 invested (as adjusted for stock splits or combinations, stock dividends, Extraordinary Dividends, reorganizations and recapitalizations and the like), our Sponsors will, pursuant to the Make Whole Agreement and Undertaking, be liable to the Corporation for an amount required in order for the Corporation to be able to pay \$10.00 (as adjusted for stock splits or combinations, stock dividends, Extraordinary Dividends, reorganizations and recapitalizations and the like) per Class A Restricted Voting Share to redeeming holders of Class A Restricted Voting Shares (but in no event more than the Part VI.1 taxes that would be owing by the Corporation where the amount paid to redeem each applicable Class A Restricted Voting Share would be \$10.00 (as adjusted for stock splits or combinations, stock dividends, Extraordinary Dividends, reorganizations and recapitalizations and the like) per Class A Restricted Voting Share). Other than as described herein, our Sponsors will not be liable to the Corporation for any other reductions to the escrow account that would cause the Corporation to pay less than \$10.00 per Share to redeeming holders, including any amount on account of non-resident withholding tax applicable to any deemed dividends that arise on any redemptions.

Our Sponsors are permitted to make direct payments or contributions to the escrow account in the manner they determine, for indemnity purposes or otherwise. We have not asked our Sponsors to reserve for such eventuality.

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**Permitted Timeline:**

Our qualifying acquisition must occur within the Permitted Timeline (being 18 months from the Closing Date, or 21 months from the Closing Date if we have executed a letter of intent, agreement in principle or definitive agreement for a qualifying acquisition within 18 months from the Closing Date but have not completed the qualifying acquisition within such 18-month period). Such Permitted Timeline, however, could be extended to up to 36 months with shareholder approval of only the holders of Class A Restricted Voting Shares, by ordinary resolution, with the approval of the Corporation's board of directors. We are not limited to only one qualifying acquisition, but to the extent we undertake more than one, they are expected to be completed concurrently within the Permitted Timeline and would be subject to the same shareholder vote at the shareholders' meeting, if required under applicable law.

**Qualifying Acquisition Value & Voting Requirements:**

The fair market value of the qualifying acquisition (or the aggregate fair market value of the Corporation's combined qualifying acquisitions, if there is more than one) must, unless exemptive relief is obtained from the Exchange, not be less than 80% of the assets held in the escrow account at the time the agreement is entered into (excluding the Deferred Amount (as defined below) and applicable taxes payable on interest and other amounts earned in the escrow account).

The fair market value of the target business will be determined by our board of directors based upon one or more valuation methods generally accepted by the financial community (potentially including, without limitation, actual and potential sales, earnings, cash flow and book value).

The qualifying acquisition must be approved by a majority of our directors unrelated to the qualifying acquisition.

**Redemption Rights for Holders of Shares:**

We will provide holders of our Class A Restricted Voting Shares with the opportunity to redeem all or a portion of their Shares, provided that they deposit their shares for redemption prior to the deadline specified by the Corporation, following public disclosure of the details of the qualifying acquisition and prior to the closing of the qualifying acquisition, of which prior notice had been provided to the holders of the Shares by any means permitted by the Exchange, not less than 21 days nor more than 60 days in advance of such deadline, in each case, with effect, subject to applicable law, immediately prior to the closing of our qualifying acquisition, for an amount per share, payable in cash, equal to the *pro-rata* portion (per Class A Restricted Voting Share) of: (A) the escrowed funds available in the escrow account at the time immediately prior to the redemption deposit deadline, including interest and other amounts earned thereon; less (B) an amount equal to the total of (i) any applicable taxes payable by the Corporation on such interest and other amounts earned in the escrow account, and (ii) actual and expected expenses directly related to the redemption, each as reasonably determined by the Corporation, subject to the limitations described in the prospectus. For greater certainty, such amount will not be reduced by the amount of any tax of the Corporation under Part VI.1 of the Tax Act or the Deferred Amount (as defined below) per Share held in escrow. If approval of the qualifying acquisition is otherwise required under applicable law, holders of Shares shall have the option to redeem their Shares irrespective of whether they vote for or against, or do not vote on, the qualifying acquisition at any shareholders' meeting.

Notwithstanding the foregoing redemption right, each holder of Class A Restricted Voting Shares, together with any affiliate of such holder or other person with whom such holder or affiliate is acting jointly or in concert, will not be permitted to redeem a number of Shares that is more than 15% of the aggregate number of Shares issued and outstanding following the Closing. This limitation will not apply in the event a qualifying acquisition does not occur within the Permitted Timeline, or in the event of an extension to the Permitted Timeline.

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**Proceeds Held in Escrow:**

Upon Closing, an aggregate of \$100,000,000 (or \$115,000,000 if the Over-Allotment Option is exercised in full), or \$10.00 per Unit sold to the public, will be held by TSX Trust Company, as escrow agent (the “**Escrow Agent**”), in an escrow account at a Canadian chartered bank or subsidiary thereof (the “**Escrow Account**”), in accordance with the Escrow Agreement to be entered into between the Corporation and the Escrow Agent. These proceeds include \$3,500,000 (or \$4,025,000 if the Over-Allotment Option is exercised in full) representing the Deferred Amount (as defined below) payable upon consummation of our qualifying acquisition. Up to 30% of the Deferred Amount (as defined below) may be allocated at our sole discretion to other regulated entities that assist us in identifying and consummating the qualifying acquisition.

Subject to applicable law and the Exchange rules, as further described herein, none of the funds held in the escrow account will be released from the escrow account, until the earliest of: (i) the closing of our qualifying acquisition within the Permitted Timeline, (ii) a redemption (on the closing of a qualifying acquisition or on an extension of the Permitted Timeline, each as provided herein) of, or an automatic redemption of, Class A Restricted Voting Shares, and (iii) a Winding-Up. Proceeds held in the Escrow Account may also be used to satisfy the requirement of the Corporation to pay taxes on the interest or certain other amounts earned on the escrowed funds (including, if applicable, under Part VI.1 of the Tax Act arising in connection with the redemption of the Class A Restricted Voting Shares), and for payment of certain expenses. For greater certainty, the aggregate \$25,000 and approximately \$900,000 of initial net proceeds from the issuance of the Founders’ Shares and the Class B Units, respectively, to our Founders, the Sponsors and certain third parties prior to and simultaneously with the Closing will not be held in escrow and may be used to fund our general ongoing expenses.

The Corporation intends to invest the proceeds deposited into the escrow account only in U.S. dollar denominated instruments which evidence obligations issued or fully guaranteed by the Government of Canada or the Government of the United States of America (or U.S. cash) and, for greater certainty, includes U.S. dollar denominated bank accounts with a Canadian Schedule 1 chartered bank.

The escrowed funds will be held following the Closing to enable the Corporation to (i) satisfy redemptions made by holders of Shares (including in the event of a qualifying acquisition or an extension to the Permitted Timeline, or in the event a qualifying acquisition does not occur within the Permitted Timeline), (ii) fund the qualifying acquisition with the net proceeds following payment of any such redemptions and the Deferred Amount, and/or (iii) pay taxes on amounts earned on the escrowed funds and certain permitted expenses. Such escrowed funds and all amounts earned thereon, subject to such obligations and applicable law, will be assets of the Corporation. These escrowed funds will also be used to pay the Deferred Amount (as defined below) in the amount of \$3,500,000 (or \$4,025,000 if the Over-Allotment Option is exercised in full), which (subject to availability, failing which any shortfall shall be made up from other sources) will be payable by the Corporation to the Underwriters upon the closing of our qualifying acquisition, and in such case will be paid according to the Escrow Agreement and the BCMA. Up to 30% of the Deferred Amount (as defined below) may be allocated at our sole discretion to other entities that assist us in identifying and consummating a qualifying acquisition. The per share amount we will distribute to holders of Shares who properly redeem their shares will not be reduced by the Deferred Amount we will pay to the Underwriters.

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| <b>Form of Offering:</b> | Initial public offering by way of a long-form prospectus filed in all provinces of Canada, except Québec. Private placement in the United States to “qualified institutional buyers” pursuant to Rule 144A of the U.S. Securities Act and similar exemptions under applicable state securities laws, and internationally, as permitted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Trading:</b>          | The Corporation has applied to list the Class A Restricted Voting Units, Class A Restricted Voting Shares and the Warrants (including the Warrants forming part of the Class A Restricted Voting Units and the Class B Units and the Warrants that may be sold pursuant to the exercise of the Over-Allotment Option), on the Toronto Stock Exchange (the “ <b>Exchange</b> ”). It is anticipated that the Class A Restricted Voting Units will separate into Shares and Warrants 40 days following the Closing Date (or, if such date is not an Exchange trading day, the next Exchange trading day), subject to the Corporation fulfilling all of the listing requirements of the Exchange, including the distribution of the Class A Restricted Voting Units to a minimum number of public holders. However, no fractional Warrants will be issued and only whole Warrants will trade. |
| <b>Eligibility:</b>      | Eligible for RRSPs, RRIFs, RESPs, TFSAs and RDSPs on the Closing Date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Underwriters:</b>     | Echelon Wealth Partners Inc. (“ <b>Echelon</b> ”) and Stifel GMP (together, the “ <b>Underwriters</b> ”).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Underwriting Fee:</b> | 2% paid on Closing.<br><br>3.5% fee received pursuant to a BCMA upon closing of a qualifying acquisition (the “ <b>Deferred Amount</b> ”).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Closing Date:</b>     | On or about March 01, 2021.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

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