

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Reporting Issuer

Subscribe Technologies Inc. (the “Company”)
804 – 750 West Pender Street
Vancouver, BC V6C 2T7

Item 2: Date of Material Change

August 23, 2019.

Item 3: News Release

A news release was issued and disseminated on August 28, 2019 and filed on SEDAR (www.sedar.com).

Item 4: Summary of Material Changes

The Company announced the 100% asset acquisition of GamerVPN.com and BladeVPN.com Virtual Private Network services in an all cash transaction.

Item 5: Full Description of Material Change

The Company announced the 100% asset acquisition of GamerVPN.com and BladeVPN.com Virtual Private Network services in an all cash transaction.

VPNs (Virtual Private Networks) maintain your security, privacy and online freedom while using the internet by masking and hiding your computer and mobile device IP addresses and encrypting the data you send or receive.

VPN gives you additional protection when you do anything on the internet from email to visiting websites to using a banking app on your smartphone. It will hide your browsing history, mask your physical location and reduce the risks of identity theft, especially in Public WIFI areas.

GamerVPN.com is a robust international service designed to allow fast and secure VPN connections to any online game, like Fortnite, League of Legends, CS:GO, DOTA 2, PUBG, etc. There are many technical reasons why our network is especially suited to be a game VPN network, such as low-latency servers and VPN Obfuscation techniques.

BladeVPN.com is a premium VPN provider specializing in high-quality, unlimited VPN Servers worldwide for both individuals and business customers. VPN servers are in 30 countries including the United States, Australia, United Kingdom, Canada, Russia, Germany, Hong Kong and Brazil among others.

Both services are highly scalable and additional proprietary servers can be added as well as third party servers to facilitate future growth demands.

Both GamerVPN and BladeVPN are fully operational and ecommerce enabled. VPN services start at \$5.99 billed monthly or \$69.45 billed annually and are compatible with Android, iOS, Linux, Mac and Windows devices.

The global VPN market is expected to grow from its current value of over USD \$17 billion to over USD \$54 billion by 2024 and is anticipated to grow at a CAGR of more than 15% over the forecast timespan; according to a new research report by Global Market Insights, Inc. The VPN market is propelled by the rising number of advanced and complex cybersecurity threats, privacy issues and regional censorship issues.

The emergence of trends such as BYOD (bring your own device) is also driving the growth of the VPN market. Allowing employees to connect their own devices such as smartphones, tablets, laptops and USB drives to the company network leads to a significant increase in security concerns and vulnerabilities. This makes organizations more vulnerable to data thefts and provides unauthorized access to sensitive information. VPN allows organizations to encrypt their data on the employee's device. It also scans devices for malware or trojans to shield the company's sensitive data from any unauthorized access.

North America is the leader in the VPN Market with a 35% share in 2017. The increasing number of cyber-attacks on organizations across various business sectors fosters the market growth. A rapid surge in the number of cyber-attacks has been witnessed in the region. Approximately 31% of the organizations have experienced cyber-attacks on operational technology infrastructure in 2017. This is encouraging organizations to adopt secure and advanced solutions to protect their data. Moreover, the high internet penetration and wide adoption of the smartphones in the region are also promoting the use of VPN solutions.

The Asia Pacific VPN Market is projected to attain a growth rate of over 20% during the forecast timeline. The market is driven by the increasing penetration of smartphones and other internet-enabled devices in the region. Furthermore, the digitalization activities in the region and the rapid adoption of the cloud and digital mobility solution among SMBs also augment the demand for VPN solutions.

Also behind the market growth is the sheer number of individual VPN users, which has been increasing at breakneck speed. Those in restricted countries and emerging markets lead the pack. Internet users make up the bulk of VPN users, significantly contributing to the market's growth.

Recent statistical reports indicated:

- A quarter of global Internet users report using VPN every day or nearly every day (go-globe.com).
- Asia Pacific (30%), Latin America (23%) and the Middle East (19%) lead in VPN use (globalwebindex.com).
- Thailand (24%) and Indonesia (22%) users are most likely to use VPN to access entertainment content (globalwebindex.com).
- Younger generations (16- to 24-year-olds) and males (62%) top VPN user groups (statista.com).

Leading research and advisory company Gartner predict a strong growth of SaaS technologies reaching revenue figures of \$85 billion by the end of 2019. The growth comes at 17.8 percent increase from previous years and accounts for a majority proportion in the public cloud revenues forecasted to reach \$278 billion by the year 2021. The overall growth of the SaaS industry will remain consistent through these years as more companies adopt SaaS solutions for a variety of business functions, not limited to core engineering and sales applications as seen during the early years of Salesforce popularity. The SaaS cloud application services market segment will reach \$113.1 billion in 2021, up by almost twice from the 2017 revenues of \$58.8 billion.

Customers are increasingly adopting the subscription-based pricing model to satisfy growing IT needs within limited IT budgets. Established enterprises are also responding by embracing the 'as-a-Service' business model to satisfy these needs.

Included in the arm's length acquisition are proprietary cross-platform VPN source code, cross-platform VPN app, accounts database, domain names, business processes, business relationships and partnerships among other components. No valuation was made on the target acquisitions and were purchased for a non-material cash amount due to negligible revenue.

About Software-as-a-Service (SaaS)

Software-as-a-Service is a fast emerging, cloud-based business model allowing companies to offer services worldwide, and grow their user base exponentially, with scale, and modest relative additional operating costs to do same.

About Subscribe Technologies

Subscribe Technologies (CSE: SAAS, OTCQB: SRBBF, Frankfurt: 6GQ) develops, partners with, acquires, and invests in cloud-based software as a service (SAAS) solutions for small and medium sized enterprises (SMEs).

To learn more about Subscribe Technologies, please visit www.subscribe.tech.com.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

None.

Item 8: Executive Officer

For further information, please contact:

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Item 9: Date of Report

August 28, 2019.