

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

**Item 1. Name and Address of Company**

FTC CARDS INC.  
1130 - 1055 West Hastings Street  
Vancouver, British Columbia  
V6E 2E9

**Item 2. Date of Material Change**

December 30, 2020

**Item 3. News Release**

News Release dated January 6, 2021 was disseminated via Stockwatch and filed on SEDAR on January 6, 2021.

**Item 4. Summary of Material Change**

The Company announced that it has effected the sale of its wholly-owned subsidiary, Syspoints Servicos de Informatica Ltda., formerly FTC Cards Processamento e Serviços de Fidelização Ltda. (“FTC Cards Brazil”) pursuant to the terms of a sale agreement dated effective September 30, 2020 (the “Sale Agreement”).

**Item 5. Full Description of Material Change**

**5.1 Full Description of Material Change**

The Company announced that it has effected the sale of its wholly-owned subsidiary, Syspoints Servicos de Informatica Ltda., formerly FTC Cards Processamento e Serviços de Fidelização Ltda. pursuant to the terms of a sale agreement dated effective September 30, 2020.

Pursuant to the Sale Agreement, all of the issued and outstanding capital in FTC Cards Brazil, which constituted all, or substantially all, of the assets of the Company, was sold to Arie Halpern (the “Purchaser”), a controlling shareholder of the Company, in exchange for (i) the Company being released from all obligations relating to US\$140,000 in funds formerly advanced by the Purchaser to the Company in order to advance the business operations of the Company and FTC Cards Brazil, and (ii) the sum of \$10.00 in cash (the “Transaction”). The Transaction closed on December 30, 2020.

The Transaction was approved by the shareholders of the Company at the annual general and special meeting of the Company held on November 5, 2020 (the “Meeting”). The Transaction, which constituted a related party transaction, was subject to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, which mandated that the Transaction be subject to approval of a majority of the minority shareholders voting at the Meeting. Any shares held by the Purchaser and his associates and joint actors were excluded from the calculation of shareholder approval.

As a result of completing the Transaction, the Company no longer has active business operations or material assets other than cash. The Company has reduced its costs and staffing to a minimum sustainable level to continue operations and now intends to explore potential strategic alternatives, and will update shareholders of any material developments. There can be no assurance that these efforts will result in a transaction being pursued, entered into, or consummated.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

**Item 7. Omitted Information**

None.

**Item 8. Executive Officers**

The following representative of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Ross Wilmot  
Tel: 1-888-367-9062  
rosswilmot@shaw.ca

**Item 9. Date of Report**

DATED at Vancouver, BC, this 8<sup>th</sup> day of January, 2021.