

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

Item 1 Name and Address of Company

Ciscom Corp.
20 Bay St., Suite 1110
Toronto, Ontario M5J 2N8

Item 2 Date of Material Change

December 5, 2023

Item 3 News Release

The press release attached as Schedule "A" was released on December 5, 2023 by a newswire company in Canada.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule "A".

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule "A".

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Michel Pepin
President & CFO
mpepin@ciscomcorp.com

Item 9 Date of Report

December 12, 2023



Business Update from Ciscom Corp. Chair, Paul Gaynor

Toronto, Ontario - (December 5, 2023) - Ciscom Corp. (CSE: CISC) (OTCQB: CISCF) ("Ciscom" or "the Company") and Paul Gaynor, Ciscom's new Chair, are pleased to provide a business update.

Q3 2023 Solid Financial Performance

As reflected in the Q3 2023 MD&A, Ciscom's Q3 2023 earnings report showed a strong performance, in light of a contracting economy. Sales and operating profit (on a cash basis) increased year-over-year. This is an evidence of the resiliency of the business, our staff engagement, and the strong leadership provided by Michel Pepin, President and CFO of Ciscom and Dave Mathews, President and Managing Director of Prospect Media Group/Market Focus Direct ("PMG/MFD").

Under the leadership of Messrs. Pepin and Mathews, on a proforma basis (including PMG in the 2022 comparative numbers), sales for the first nine months increased by 1.5%, and gross profit increased 5.5%. As the majority of the Company's revenues come from the retail sector, which has been impacted by the current economic conditions, the sales increase is a clear sign of the added value PMG/MFD provides to their clients. The outlook for 2023 full year indicates a year-over-year gross profit growth of 9.6%.

During 2023, the Company implemented cost synergies through improved/streamlined processes and better utilization of resources. As Ciscom is an acquisition business, one of the key measures of its performance is operating profits on a cash basis.

On a cash basis, for the nine months ended September 30, 2023, the Company had a normalized operating profit (EBITDA) of \$986k versus a net operating loss of \$379k for the same period in 2022, a significant improvement of \$1,365k year-over-year. Considering the sectors currently serviced, the fourth quarter is, by far, the strongest quarter every year and the Company is set to post record sales and gross profit.

Industry Leadership

PMG/MFD are positioned to significantly benefit from the ongoing changes in the Canadian media landscape, including the closure of Metroland Media Group newspapers. While the Company offers a strong portfolio of digital media services, retailers have been scrambling to fill the void for cost effective and optimized print media delivery that will complement their current marketing campaigns, including digital, broadcast and OOH. PMG/MFD's big data and performance focused analytical tools identify key consumer audiences for retail advertising campaigns, guiding clients to effectively target high opportunity consumers through an integrated media strategy, thereby optimizing advertising campaigns and media investment. This creates notable growth opportunities to support existing clients, as well as attract new clients that require strategic repositioning to maintain market presence.

Acquisitions

Ciscom is in discussions for its 3rd acquisition. The Company is catering to two very large business pools. The first is the succession segment: those businesses/entrepreneurs that want to transition and have no effective succession plan. The second addresses younger entrepreneurs: those that have built a successful business and now recognize their need for support to achieve the next level of growth and performance. Both are very large segments in the Canadian landscape with significant opportunities for Ciscom.

Board of Directors

The Company is fortunate to have an ethical board of directors which takes its fiduciary responsibilities very seriously. One of the first actions Paul Gaynor took, as the new Chair of the Company, was to call an AGM/Special Shareholders Meeting. As board members own a significant percentage of the Company's shares, they are invested, dedicated and exercise great diligence in their approach to decision making while ensuring its financial performance. They have a single agenda and only have the Company and its shareholders' best interests in mind.

Share Price

The Company cannot comment on its share price and the elements influencing it. Suffice to say that the enterprise value is not reflected in the current market capitalization. According to Finerva 2023 research in the AdTech sector (www.finerva.com), the Company's enterprise value should be 2 times revenues (sales) which would put the valuation at between \$65M and \$70M. Consequently, with substantive continued growth, positive results/earnings and a 3rd acquisition, the Company is optimistic about its near and long-term future.

Conclusion

Through its management leadership, Ciscom is uniquely positioned to further build an impressive data tech powerhouse creating solid sustainable returns for all its shareholders.

About Ciscom

Ciscom Corp. is a Canadian company investing, acquiring, and managing companies in the ICT sector. Potential acquisition targets are entrepreneurs seeking equity, transition, or that do not have a defined succession plan. Target companies are generally substantial SMEs and have a proven track record/history of profitability.

With this approach Ciscom enables owners/founders to crystalize their equity, while remaining active in the business. Consequently, acquisitions are immediately accretive to shareholders' value. For more information, please visit www.ciscomcorp.com

CONTACT INFORMATION

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Cautionary Statement

This news release contains certain statements that constitute forward-looking statements as they relate to Ciscom and its management. Forward-looking statements are not historical facts but represent management's current expectation of future events and can be identified by words such as "believe", "expects", "will", "intends", "plans", "projects", "anticipates", "estimates", "should", "continues" and similar expressions. Although management believes that the expectations represented in



such forward-looking statements are reasonable, there can be no assurance that they will prove to be correct or will come to pass.

By their nature, forward-looking statements include assumptions and are subject to inherent risks and uncertainties that could cause actual future results, conditions, actions, or events to differ materially from those in the forward-looking statements. The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: the timing of the Meeting, and the voting results thereof; reliance on key personnel; shareholder and regulatory approvals; jurisdictional risk; risks of future legal proceedings; lack of operating cash flow; volatility; additional funding requirements; adverse general economic conditions; competition; conflicts of interest; the early stage of Ciscom's business; inflation and fluctuations in interest rates; income tax matters; availability and terms of financing; rising costs related to inflation; effect of market interest on price of securities and potential dilution, all of which are addressed in greater detail in the Company's prospectus dated June 5, 2023 and filed under Ciscom's profile at www.sedarplus.ca. Except as expressly required by applicable securities laws, Ciscom assumes no obligation to update or revise any forward-looking statements.

Non-IFRS Measures

This news release contains non-IFRS financial measures; the Company believes that these measures provide investors with useful supplemental information about the financial performance of its business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating its business. Although management believes these financial measures are important in evaluating the Company's performance, they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. These non-IFRS financial measures do not have any standardized meaning and may not be comparable with similar measures used by other companies. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. These non-IFRS financial measures should not be viewed as alternatives to measures of financial performance determined in accordance with IFRS. Moreover, presentation of certain of these measures is provided for year-over-year comparison purposes, and investors should be cautioned that the effect of the adjustments thereto provided herein have an actual effect on the Company's operating results. EBITDA is a non-IFRS measure. The EBIDTA figure is defined as net income (loss), excluding interest, taxes, depreciation and amortization.