

**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

February 5, 2024

Item 3 News Release

The press release attached as Schedule "A" was released on February 5, 2024 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

February 5, 2024

Schedule "A"

Ciscom Corp. Exceeds Earn-Out Target Growth Under 1883713 Ontario Inc. (inclusive of Prospect Media Group Ltd.) Share Purchase Agreement for 2023 & Announces Stock Option Grants

Toronto, Ontario - (February 5, 2024) - Ciscom Corp. (CSE: CISC) (OTCQB: CISC) ("Ciscom" or "the Company") is pleased to announce that further to its press release dated January 17, 2024, announcing preliminary unaudited revenue, it has exceeded the gross profit Earn-Out target for 2023 established pursuant to the 1883713 Ontario Inc. share purchase agreement (the "SPA") dated September 30, 2022. The Company is also pleased to announce the grant of stock options to certain officers and employees.

Issuance of Common Shares

The SPA for 1883713 Ontario Inc. and Prospect Media Group Ltd. ("PMG") includes an Earn-Out Consideration up to \$900,000 payable in Ciscom common shares at \$0.45 per share (2,000,000 Ciscom common shares). As defined in the 2022 audited consolidated financial statements, for 2023, if PMG's gross profit increased by \$600,000 or more in 2023, the Earn-Out of \$900,000 would be maximized.

Ciscom is pleased to report that at December 31, 2023, based on the unaudited financial results for 2023, the gross profit increase was over \$1,000,000, thus exceeding the Earn-Out target by over \$400,000, to the benefit of the shareholders. Consequently, the Earn-Out Consideration is maximized at \$900,000. As a result, once the 2023 audited consolidated financial statements will be filed, where the gross profit growth will be confirmed, the Company will issue 2,000,000 Ciscom common shares at the set value of \$0.45 per share to the vendors of 1883713 Ontario Inc.

Issuance of Stock Options

On February 5, 2024, the Company issued 650,000 stock options to directors and employees. The stock options are exercisable at \$0.17 per share (1 option equals 1 common share) for a period of 5 years. Of the 650,000 stock options, 150,000 stock options vest immediately and 500,000 stock options vest over a 2-year period as per the following vesting schedule:

- 166,666 on February 5, 2024;
- 166,666 on January 31, 2025; and,
- 166,667 on January 31, 2026.

"The Board is pleased to recognize performance and stewardship of its management over the last 2 years as we faced several challenges yet delivered a strong revenue growth. The team is stronger than ever and will further position PMG as the leader in its industry. The Board looks forward to



working with the broader team, increasing our client centric focus, leading to continued growth”, said Michel Pepin, Ciscom’s President & CFO.

The Company’s consolidated financial statements are currently being audited by SRCO Professional Corporation. The consolidated audited financial statements are expected to be filed by the end of April 2024.

About Ciscom

Ciscom Corp. is a Canadian company investing, acquiring, and managing companies in the Information and Communication Technology (ICT) sector. Potential acquisition targets are entrepreneurs seeking equity, transition, or that do not have a defined succession plan. Target companies are generally substantial Small and Medium size Enterprises (“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

Michel Pepin

President & CFO

mpepin@ciscomcorp.com

@CiscomCorp

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. Forward-looking statements include statements and information regarding the anticipated audited financial results, future expectations of growth and profits, future grants of equity incentive awards, the future plans for the Company, and other forward-looking information.

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: general commercial risks inherent to operating non-manufacturing businesses; the capital requirements of the Company and ability to maintain adequate capital resources to carry out its business activities; the ability to identify ICT target acquisitions and complete such transactions on an economic basis or at all, and successfully integrate those business; the ability to convert the potential in the pursued business opportunities to tangible benefits to the Company or its shareholders; risks of a material adverse change to the Company's assets or revenue; stock market volatility and capital market valuation; the ability of the Company to continue as a going concern; dependence on key personnel; the Company's early stage of development; potential losses on investments; unstable and potentially negative economic conditions; fluctuations in interest rates; competition for investments within the ICT sector; maintenance of client relationships; maintaining a listing on the Canadian Securities Exchange; risks related to potential dilution in the event of future financings; no previous public market for the shares; volatility of the market price for the Company's securities; audit risk; litigation risk and risk of future legal proceedings; reliance on key personnel; jurisdictional and regulatory risk; lack of operating cash flow; volatility; additional funding requirements; adverse general economic conditions; competition; conflicts of interest; the early stage of Ciscom's business; income tax matters; availability and terms of financing;



rising costs related to inflation; and effects of market interest on price of securities and potential dilution; and those factors detailed in the Company's prospectus dated June 5, 2023 and other public documents filed under Ciscom's profile at www.sedarplus.ca. Ciscom has also assumed that no significant events occur outside of Ciscom's normal course of business.

Ciscom cautions that the foregoing list of factors is not exhaustive. In addition, although Ciscom has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, or intended. When relying on Ciscom's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Ciscom has assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this press release represents the expectations of Ciscom as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Ciscom does not undertake to update this information at any particular time except as required in accordance with applicable laws.