

**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

May 13, 2024

Item 3 News Release

The press release attached as Schedule "A" was released on May 13, 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

May 13, 2024

Schedule "A"

Ciscom Reports Steady Financial Growth in First Quarter of 2024

Toronto, ON, May 13, 2024 – CISCOM Corp. (CSE: CISC) (OTCQB: CISCF) ("**Ciscom**" or "**the Company**"), which actively invests in, acquires, and manages companies within the Information and Communication Technology (ICT) sector, is pleased to announce that it has filed its condensed consolidated financial statements and management discussion and analysis for the three month period ended March 31, 2024, under its corporate profile on www.sedarplus.ca. Ciscom delivered consistent growth and results including positive cash flows from operations for the quarter ended March 31, 2024 (Q1 2024).

In Q1 2024, Ciscom's revenues increased to \$7.4 million, up 1.6% from \$7.3 million for the same period the prior year. Gross profit for the same period stood at \$1.4 million, a 7.4% increase from \$1.3 million for the same period the prior year, with gross margins improving to 19.2% from 18.2%. This improvement, amounting to a 5.7% year-over-year increase, reflects the successful retirement of low-margin projects and the realization of cost synergies through efficient procurement and operational initiatives, a notable achievement in a challenging economic landscape.

The Company achieved a cash-adjusted operating profit (EBITDA) of \$0.253 million in Q1 2024, compared to EBITDA of \$0.146 million in Q1 2023, marking a significant year-over-year improvement of \$0.239 million. This performance attests to the effectiveness of Ciscom's cost reduction initiatives, which have saved \$625k annually across various operational areas.

Ciscom reported a net loss of \$0.259 million for Q1 2024, improving from a net loss of \$0.575 million in Q1 2023. The Company also carries significant non-cash expenses totaling \$0.402 million, including share-based compensation, intangible assets amortization and provision for loan loss, among others. Nonetheless, the operations generated positive cash flows of \$0.675 million in Q1 2024.

Ciscom continues to be in good standing with its banking partners, reflecting the Company's solid and rigorous financial management and governance. Looking ahead, Ciscom is poised for further growth, with a focus on client-centric services and a commitment to operational excellence.

"Amid economic challenges, our strategic initiatives have not only maintained but enhanced our service quality. As markets begin to favor smaller capital entities, we are well-positioned to leverage these opportunities for strategic acquisitions. Our commitment to innovation and excellence continues to drive our competitive advantage and shareholder value," stated Michel Pepin, President & CFO and Director of Ciscom Corp.

Shareholdings

As previously disclosed, on March 8, 2024, the Company formally alerted the Ontario Securities Commission ("OSC") of its concerns regarding DLT Resolution Inc.'s ("DLT") alleged share ownership as both unqualified and unlawful, raising serious concerns about the accuracy of DLT's public disclosures. The Company strongly disputed reported ownership and also highlighted that DLT had failed to comply with the necessary regulations, and SEDI reporting requirements, all of which are crucial for shareholder protection.

On May 3, 2024, DLT issued a news release announcing that it was unwinding in full the share exchange it had initiated and that it currently does not own any (zero) shares in Ciscom.

Non-IFRS Measures

This news release contains non-IFRS financial measures, in particular, EBITDA, calculated as total operating income (loss), excluding depreciation and amortization, stock-based compensation, other non-cash expenses. The closest comparable IFRS measure is total operating income (loss). Such measures are standard practices for emerging companies with significant non-cash items as part of management disclosures.

The Company believes that this measure provides 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 this financial measure is important in evaluating the Company's performance, it is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS.

For a full definition of non-IFRS financial measures used herein to their nearest IFRS equivalents, please see the section entitled "Non-IFRS Financial Measures" in the Company's MD&A for the three months period ended March 31, 2024.

About Ciscom Corp.

Ciscom actively invests in, acquires, and manages market leading companies within the Information and Communication Technology (ICT) sector, targeting SMEs with proven profitability. This approach allows entrepreneurs to monetize their equity and continue contributing, enhancing shareholder value through acquisitions. As a leader in omni-media, particularly in data-driven marketing, Ciscom, through its subsidiaries, optimizes advertising spend across platforms, ensuring high ROI and customer engagement. Strategic ICT acquisitions bolster service offerings and shareholder value, marking Ciscom as an emergent force in the data driven and technology market. Ciscom became an issuer in June 2023 on the CSE and October 2023 on the OTCQB. Ciscom has two subsidiaries, namely Market Focus Direct and Prospect Media Group.

For more information, visit <http://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. Forward-looking statements include statements and information regarding the anticipated audited financial results, anticipated implementation and shareholder ratification of the Plan, future expectations of growth and profits, future grants of equity incentive awards, future payments of dividends, 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 businesses; 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.