

**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**

October 29, 2024

**Item 3      News Release**

The press release attached as Schedule "A" was released on October 29, 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 & Chief Executive Officer  
[mpepin@ciscomcorp.com](mailto:mpepin@ciscomcorp.com)

**Item 9      Date of Report**

October 29, 2024

## Schedule "A"

### **Ciscom Continues Impressive Revenue Growth Through the Third Quarter of 2024**

Toronto, ON, October 29, 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 with a specialty in AdTech and MarTech, is pleased to announce that it has filed its interim condensed consolidated financial statements and management discussion and analysis for the nine-month period ended September 30, 2024. The financial statements, available on [www.sedarplus.ca](http://www.sedarplus.ca), show that Ciscom delivered impressive organic growth and results including positive cash flows from operations for the first three quarters ended September 30, 2024 (Q3 2024).

Ciscom is pleased to report that its revenue increased through Q3 2024 to \$25.9 million, up \$4.4 million or 20.6% from \$21.5 million for the same period the prior year.

"Delivering an impressive 20% organic revenue growth in 2024 over the same nine-month period last year is substantial by itself," reported Michel Pepin, President, CEO and Director of Ciscom Corp. "It is particularly impressive that this was done in a difficult economy where retailers are still facing strong head wind. Again, this is a testimony to the quality and expertise of our team, led by Dave Mathews, and robust client relationships developed through the years that we are able to withstand economic challenges and a changing market landscape."

The Company's Q3 2024 financial statements show that for the first three quarters of 2024 gross profit increased to \$4.7 million, up \$0.5 million or 13.0% from \$4.2 million for the same period the prior year. Gross margins remained stable.

Ciscom achieved a cash-adjusted operating profit (EBITDA) of \$1.1 million for the nine months of 2024, a significant increase of \$0.7 million (158%) when compared to the EBITDA of \$0.4 million for the same period in 2023. This performance is in part due to the effectiveness of Ciscom's cost reduction initiatives, which have saved \$0.6 million annually across various operational areas.

For the first nine months of 2024, Ciscom reported a net loss of \$0.3 million, an improvement of \$0.8 million compared to a net loss of \$1.1 million for the same period in 2023. Cash adjusted net income for the nine-month period ended September 30, 2024 was \$0.9M an increase of \$0.8 million (661%) versus \$0.1 million for the same period in 2023. The significant non-cash expenses totaling \$1.2 million through Q3 2024, include share-based compensation, intangible assets amortization and deferred charges. Nonetheless, Ciscom's operations generated positive cash flows of \$1.4 million in the first nine months of 2024.

"With a lower cost of funds and capital markets opening for smaller capital entities, Ciscom is well-positioned to leverage these opportunities and deliver on its acquisitions mandate. We are focused and driving our competitive advantage in our mission to build shareholder value," reported Michel Pepin.

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

#### **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 September 30, 2024.

### **About Ciscom Corp.**

Ciscom actively invests in, acquires, and manages market leading companies within the Information and Communication Technology (ICT) sector, with a specialty in AdTech and MarTech, 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 any anticipated investing in or acquisition of additional companies in the ICT sector, the anticipated development or trend of the capital markets and the size of corporate entities such markets may favour, any expected opportunities which may become available to Ciscom and the ability or choice of Ciscom to avail itself thereof, any expected competitive advantage which Ciscom may have, any expected increase of or change in shareholder value, any expected continuance of Ciscom's relations with its banking and other business partners and any expected maintenance of the quality thereof, the quality and continuance of Ciscom's financial management and governance standards, expectations of operational excellence, expectations of optimized advertising spend, high returns on investments for customers and high levels of customer engagement, 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, interest rate and debt market volatility; changing capital market valuations; 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; 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](http://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.