



BUILDING A BIG DATA AND MARTECH POWERHOUSE

CSE: CISC, OTCQB: CISCF

November 2024

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Entrepreneurs are in need of succession plans

Ciscom creates opportunities Wealth Transfer for with Small and Medium Businesses (SME)

In Canada, there are over 300,000 Boomer owned businesses, employing under 20 people. Source: Statistics Canada

\$31 Billion:
Estimated Net Worth transfers in
the next 10 years

Source: Statistics Canada



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Ciscom invests in established businesses:

- Sales/revenue of \$5M to \$30M
- Gross profit \$2.5M+
- 4+ years history
- Growth minded
- Profitable
- Cash flow positive

Ciscom is publicly traded

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ADTECH & MARTECH SECTOR

“The AdTech market is projected to grow from USD \$579.4 billion in 2023 to USD \$1,496.2 billion by 2030, at a compound annual growth rate (CAGR) of 14.5%”

MarketsandMarkets report

“The USA AdTech market size was estimated at USD \$276.3 billion in 2023 and is projected to grow at a CAGR of 11.4% from 2024 to 2030.”

Grand View Research



OUR SEGMENTS FOCUS

- Big Data Analytics
- Digital/Online/Offline Advertising, Marketing & Communications
 - All forms – broad market
 - Social Media
 - Content Management
- Business Intelligence
- Artificial Intelligence (AI) Driven SaaS Platforms
- Application Programming Interface (API)

OUR ADVANTAGE

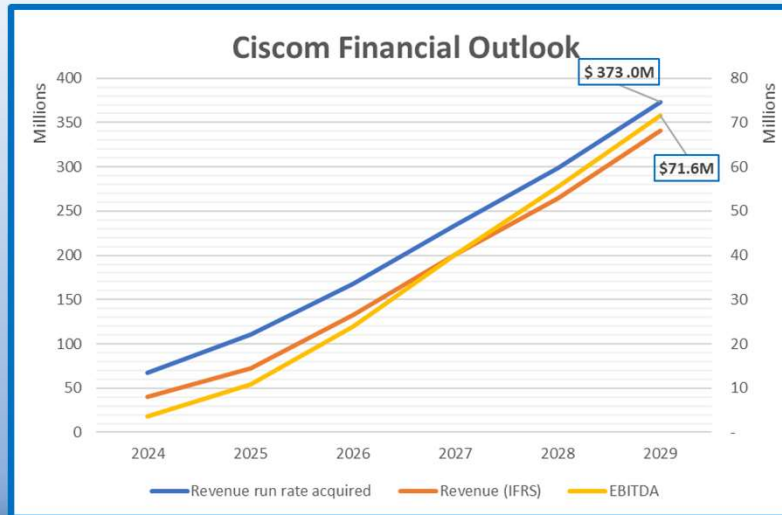
CISCOM IS BECOMING A SIGNIFICANT MARKET FORCE THROUGH:

- Mergers & Acquisitions
- Attractive wealth transfers/successions
- Harnessing talent, smarts and agility of independent entrepreneurs
- Exponentially enhancing individual contributions
- Uniting forces to create an AdTech/MarTech powerhouse with delivery proficiency and big data expertise
- Empowering Investee Businesses



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OUR PROFITABLE GROWTH OBJECTIVES



2023

- Revenue of \$35.2M (audited)
- Cash-adjusted EBITDA of \$1.8M

2024 to 2029

- Averaging 3 acquisitions per year starting in 2025
- Targets averaging \$15M to \$20M in revenue p.a.
- Margin improvement through consolidation and cost synergies
- 2029:
 - Sales of \$341.0M (IFRS)
 - EBITDA of \$71.6M

Please refer to forward looking statements at the end of the presentation



SHAREHOLDER VALUE CREATION



OUR PERFORMANCE

➤ SELF-FUNDED:

- Operations are cash flow positive
- Positive cash EBITDA and Net Income

➤ GROWTH CAPITAL:

- Acquisitions
- Acceleration of Strategic Plan
- Seeking Private Placement
 - Accordion facility
 - Follow-up capital is of definitive interest
- Credit facilities

	31-Dec-22 (12 months) (Audited)	31-Dec-23 (12 months) (Audited)	YTD 30Sep24 (9 months) (Not Audited)
<i>in \$millions</i>			
Growing Revenue Base	\$14.8	\$35.2	\$25.9
Gross Profit	\$2.3	\$6.9	\$4.7
Gross Profit Growth	N/A	200.5%	13.0%
EBITDA (cash-based)	-\$0.37	\$1.34	\$1.12
EBITDA increase (cash-based)	N/A	\$1.71	\$0.69
Net Income (cash-based)	-\$0.26	\$0.94	\$0.88
Net Income increase (cash-based)	N/A	\$1.44	\$0.76

Please refer to forward looking statements at the end of the presentation

OUR ISSUED & OUTSTANDING SHARES

Issued & Outstanding

➤ Total shares issued:	53,563,833	100.0%
➤ Free trading shares:	35,554,700	66.4%
➤ Escrowed/restricted shares:	18,009,133	33.6%

➤ Public Share Float

➤ Insiders' ownership

- **Stock Options** (avg strike price of \$0.27, last maturity June 2029): 3.373M
- **Warrants** (strike price of \$1.00, last maturity February 2026): 0.483M
- **Performance Warrants** (strike price of \$0.25, last maturity May 2025): 0.500M

➤ Self-Funded:

- Operations are cash flow positive
- Positive cash EBITDA and Net Income

➤ Growth Capital:

- Acquisitions
- Acceleration of Strategic Plan
- Seeking Private Placement
 - Accordion facility
 - Follow-up capital is of definitive interest
- Credit facilities

AdTech & MarTech Valuation Multiples

“... the median EV/Revenue multiple for AdTech companies eaching 2.7x in Q4 2024.”

Source: [Ycharts \(finerva.com\)](https://ycharts.com/finerva.com)

“... In Q4 2023, the median EV/EBITDA multiple for AdTech companies was 14.2x.”

Source: [Ycharts \(finerva.com\)](https://ycharts.com/finerva.com)

Applying these multiples to Ciscom's 2023 results, market valuation would be:

EV/Revenue (gross profit): \$18.6M

EV/EBITDA (cash adjusted): \$19.0M

Adding an acquisition with Revenue of \$4.0M and an EBITDA of \$750k*:

EV/Revenue (gross profit): \$29.4M

EV/EBITDA (cash adjusted): \$29.7M

MARTECH

AdTech
2024 Valuation Multiples
finerva

CISC current market cap: ~\$5.0M
(undervalued, significant upside)



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* Please refer to forward looking statements at the end of the presentation

ECONOMIC ENVIRONMENT



5 MAJOR REASONS TO INVEST IN SMALLER CAP ISSUERS (SCI) NOW:

- The movement or rotation of investment to SCI is just getting started
- Interest rates are coming down – significantly increasing net profit and cash flows
- SCI have better earnings growth potential
- SCI are undervalued in the market – averaging 23% lower multiples vs larger cap issuers
- Money is flowing back to SCI – more liquidity favors growth

BUILDING SHAREHOLDER VALUE

FACTORS INFLUENCING MARKET CAPITALIZATION (VALUATION):

➤ Fundamentals:

- ✓ ➤ Growing Revenue
- ✓ ➤ High Client Retention
- ✓ ➤ Employee Engagement
- ✓ ➤ Low Staff Turnover
- ✓ ➤ Growing profits
- ✓ ➤ Growing cash flows
- ✓ ➤ Investing in tomorrow
- ✓ ➤ Industry leadership

➤ External Factors:

- ~ ➤ Mixed economic environment
- ✓ ➤ New IR/promotional campaign
- ✓ ➤ Positive public image of Ciscom and its Management
- ✗ ➤ Prolonged period of artificial negative pressure on stock



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BUILDING SHAREHOLDER VALUE

FACTORS INFLUENCING THE MARKET CAPITALIZATION (VALUATION):

➤ Market Sentiments:

- ✓ ➤ General Perception
- ✓ ➤ Board Experience
- ✓ ➤ Management Expertise
- ✓ ➤ Financial Performance
- ✓ ➤ Growing Cash Flows
- ✓ ➤ Right time, right place
- ✓ ➤ Business model



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BUILDING OUR SHAREHOLDER VALUE

CISCOM IS:

- Forward Looking
- Building from Strength
- Entering a New Market Cycle
- Acquiring Businesses
- Delivering on its Mandate
- Positioned for Value Creation



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MANAGEMENT AND DIRECTORS

➤ Solid and Experienced Management / Board of Directors

- Michel Pepin, CPA, CA: President & CEO (director)
- Paul Gaynor: Board Chair (director)
- Dave Mathews: President PMG/MFD (director)
- Eric Klein, CPA, CA, CBV: President Klein Advisory Services (ind. director)
- Stephen Lautens, JD: Lawyer (ind. director)
- Angel Valov: Capital market investors (ind. director)
- Frank Linhart, CPA, CMA: Chief Financial Officer
- Ciscom has a number of advisors providing advices on a large range of areas

CONTACT Us



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APPENDICES: METHODOLOGY & SUCCESS FORMULA



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OUR WORKINGS

- Ciscom buys SMEs (small and medium size enterprises)
 - Pays attractive, yet lower multiples in relation to being private, size and silo operations
- Purchase price is cash plus shares, inclusive of earn-out
 - Tailored to each transaction
 - Keeps acquisition price lower
 - Provides the entrepreneur/seller with a second upside (share appreciation)
- Acquisitions remain a stand-alone entity – preserving successful cultures is essential
- Ciscom is a long-term investor
- Identify cost efficiencies and synergies
- Orderly transition plan for the selling entrepreneur (if desired)

OUR PERFORMANCE ACCELERATORS

- The Entrepreneur/Founder continues to manage with Ciscom's support framework
- Governance matrix and delegation of authority
 - Business Plan; Banking and borrowing; Real estate, legal, audit, insurance
 - Budget & Capex; Senior staffing; M&A
- Management deep/diversified collective of talent
 - Sales, business development and marketing
 - Operations; Human Resources; Finance and Tax; Banking
 - Strategic advisory and implementation
- Procurement pooling and cost synergies/savings
 - Real estate; Legal (all levels); IT services; HR services; Finance/Tax
 - Procurement; Insurance; COGs
 - Operations
 - New business development and Cross-selling opportunities



OUR LEVERAGES & SYNERGIES

- Accelerate growth by providing Cisco products and services from each operation, including:
 - Sales staffing and new business development
 - Cross-selling clients on the different products & services offerings
 - Geographic expansion opportunities
- Minimizing costs through shared services and CoE (Centres of Excellence)
 - Finance & Accounting
 - Human Resources
 - IT Support & Infrastructure
 - Procurement



OUR SUCCESSES

- Closed 2 acquisitions to date (wholly-owned):
 - Market Focus Direct (MFD) on August 31, 2021
 - Prospect Media Group (PMG) on Sept 30, 2022
- Significant leverage and synergies implemented – front and back end
- Cash flow transactions (LBO)
- Low on-going capital expenditures
- Experienced management with established track records

PROSPECT.

“With our complementary businesses, CISCOM is set to take on a leadership role in the Ad/MarTech sector. As an entrepreneur, I’ve now got the best of both worlds!”
Dave Mathews, Founder, President of PMG

MARKET
FOCUS
DIRECT

“I sold my business, but I’m also buying into something bigger with a great upside”
Paul Gaynor, Founder of MFD

FOR ENTREPRENEURS DIVESTING

- Provide an attractive exit to entrepreneurs/owners
- Pay a solid market multiple of EBITDA (fair valuation/purchase price)
- Considerations are cash and shares of a public company
- Entrepreneurs' decision to stay or to retire after a defined transition period
- Business remains whole and continues to operate as is – no change in staff, no moves, no rebranding
- Senior/top managers can participate through share options in Ciscam





APPENDICES: FINANCIALS



Q3 YTD F2024 SALES & GROSS PROFIT

	YTD September 30, 2024 versus 2023 and 2022						
	Actual 2024	Actual 2023	Actual 2022	2024 to 2023		2024 to 2022	
				\$	%	\$	%
Sales	25,887,712	21,464,404	2,086,543	4,423,308	20.6%	23,801,169	1140.7%
Cost of Sales	4,725,994	4,181,841	391,852	544,153	13.0%	4,334,142	1106.1%
Gross Margin	18.3%	19.5%	18.8%	12.3%	-1.2%	18.2%	-0.5%

Sales up 20.6% or \$4.4M F2024 to PY

Gross Profit up 13.0% or \$0.54M F2024 to PY

- Organic growth
 - New clients
 - Cross-selling products & services
- Increased Gross Profit
 - Added volumes
 - Leveraging

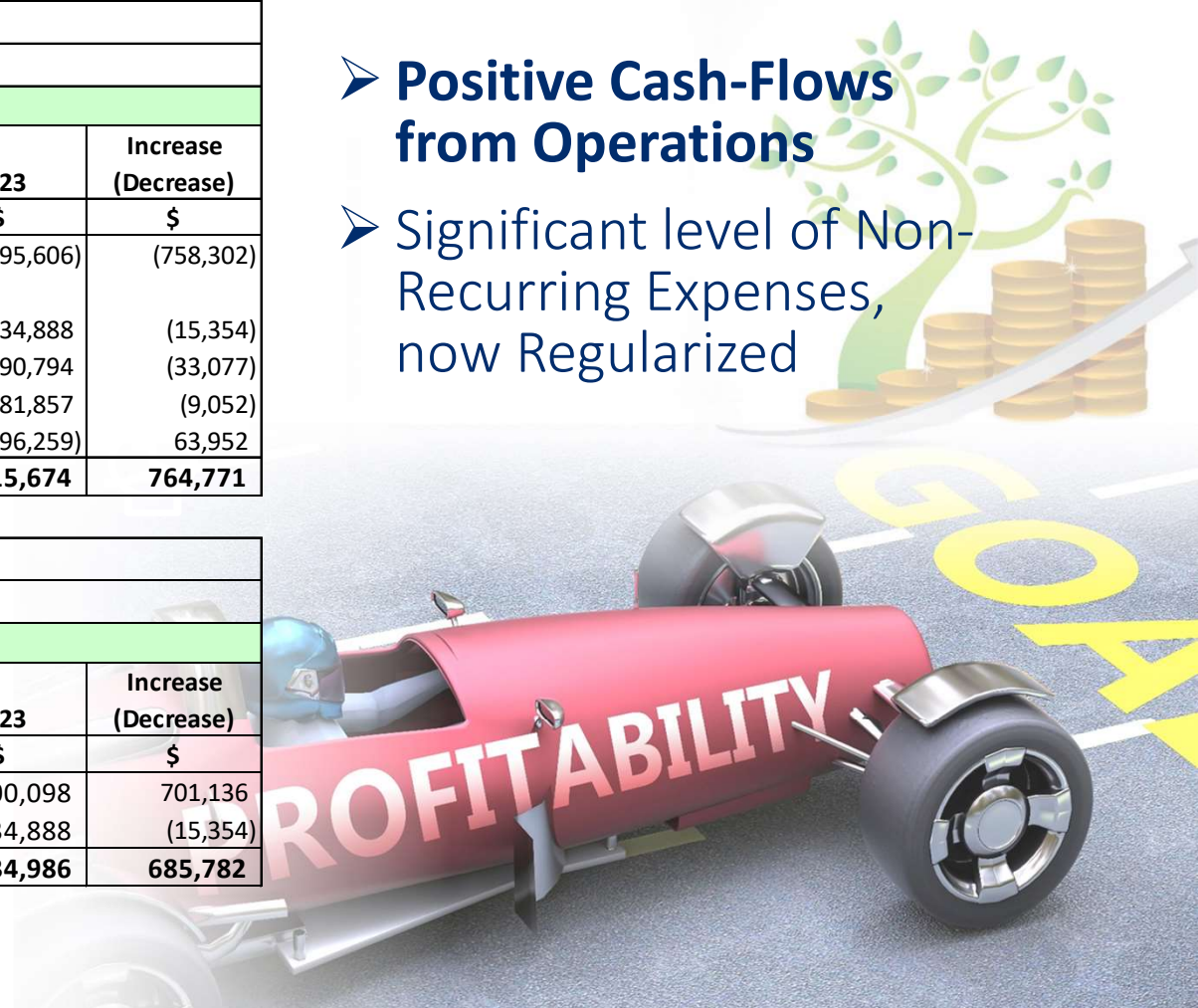


Q3 YTD F2024 RESULTS – CASH BASIS

Non-IFRS Information and Measures			
Adjusted Net Income (Net Loss) - Cash Basis			
For the 9 months ended September 30			
	2024	2023	Increase (Decrease)
	\$	\$	\$
Net Loss	(337,304)	(1,095,606)	(758,302)
Non-Cash Items			
Share-based compensation	119,534	134,888	(15,354)
Finance charges (non-cash)	157,717	190,794	(33,077)
Amortization & Depreciation	1,172,805	1,181,857	(9,052)
Income taxes	(232,307)	(296,259)	63,952
Adjusted Net Income (Net Loss) - Cash Basis	880,445	115,674	764,771

Non-IFRS Information and Measures			
Adjusted EBITDA - Cash Basis			
For the 9 months ended September 30			
	2024	2023	Increase (Decrease)
	\$	\$	\$
EBITDA	1,001,234	300,098	701,136
Non-Cash Items in Operating Expenses	119,534	134,888	(15,354)
Adjusted EBITDA (Operating Loss) - Cash Basis	1,120,768	434,986	685,782

- **Positive Cash-Flows from Operations**
- Significant level of Non-Recurring Expenses, now Regularized



F2023 SALES & GROSS PROFIT

Gross Profit up 200.5% for F2023 to prior year

Consolidated IFRS

	For the 12-month period ended December 31		Year-over-year	
	2023	2022	Variance	
	\$	\$	\$	%
Sales	35,160,166	14,766,407	20,393,758	138.1%
Cost of Sales	28,254,303	12,468,249	15,786,054	126.6%
Gross Profit	6,905,863	2,298,159	4,607,704	200.5%
Gross Margin	19.6%	15.6%	4.1%	26.2%

Combined Pro-forma (PMG & MFD)

	For the 12-month period ended December 31		Year-over-year	
	2023	2022	Variance	
	\$	\$	\$	%
Sales	35,160,166	33,835,559	1,324,606	3.9%
Cost of Sales	28,254,303	27,981,682	272,621	1.0%
Gross Profit	6,905,863	5,853,877	1,051,985	18.0%
Gross Margin	19.6%	17.3%	2.3%	13.5%

➤ Acquisition and organic growth

- New clients
- Cross-selling products & services

➤ Increased Gross Profit

- Added volumes
- Leveraging

➤ Improved Margin

- Procurement synergies
- Exited unprofitable accounts



F2023 RESULTS – CASH BASIS

Non-IFRS Information and Measures			
Adjusted EBITDA (Operating Loss) - Cash Basis			
For the 12 months ended December 31			
	2023	2022	Increase (Decrease)
	\$	\$	\$
EBITDA	386,017	(698,291)	1,084,308
Non-Cash Items in Operating Expenses	957,016	327,961	629,055
Adjusted EBITDA (Operating Loss) - Cash Basis	1,343,033	(370,330)	1,713,363

Non-IFRS Information and Measures			
Non-Recurring Cash Expenses included in Results			
For the 12 months ended December 31			
	2023	2022	Increase (Decrease)
	\$	\$	\$
Professional fees	207,596	597,058	(389,462)
Re-organization costs	237,000	-	237,000
Total Non-Recurring Cash Expenses in Results	444,596	597,058	(152,462)

➤ Positive Cash-Flows from Operations

➤ Significant level of Non-Recurring Expenses



FORWARD LOOKING STATEMENTS

Certain statements in this disclosure may constitute “forward-looking” statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

When used in this presentation, such statements use such words as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, and other similar terminology. These statements reflect the Corporation’s current expectations regarding future events and operating performance and speak only as of the date of this presentation.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. Risk of not being able to find target acquisitions on an economically viable or at all. Lack of debt and/or equity financing to support closing on acquisitions. Reliance on key personnel. Rising interest rates.

A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed below. For example, disclosures may contain forward-looking statements pertaining to the following subject matter: capital expenditure programs; supply and demand for the Corporation’s products and services and industry activity levels; target company acquisitions; go public transaction; income tax considerations; and, treatments under governmental regulatory regimes. Financial reporting and disclosure may contain non-IFRS financial measures and ratios, such as Notice to Reader (NTR) financial statements, organic growth, revenue growth from acquisitions, comparable growth, EBITA, EBITDA, adjusted EBITDA, adjusted EPS, free cash flow and net debt, which are not recognized measures of financial performance or liquidity under IFRS.

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