SMARTCARD MARKETING SYSTEMS, INC. AND SUBSIDIARY
20c Trolley Square Wilmington,
Delaware, 19806

Transfer Agent:	Manhattan Transfer Agent, Registered under the Exchange Act 38 Sheep Pasture Road Port Jefferson, New York 11777
Trading Symbol:	SMKG
CIK:	0000900475
SIC Code:	8900

As of May 10, 2022, the number of shares outstanding of our Common Stock booked was: **472,369,839**

As of April 27th, 2021, the number of shares outstanding of our Common Stock booked was: 468,536,506

As of December 31st, 2019, the number of shares outstanding of our Common Stock booked was: 442,792,840

As of December 31st, 2020, the number of shares outstanding of our Common Stock booked was: 468,536,506

Year End to December 31st, 2021
Audited Financial Statement

www.smartcardmarketingsystems.com

Report of Independent Registered Public Accounting Firm

To the shareholders and the board of directors of Smart Card Marketing Systems, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Smart Card Marketing Systems, Inc. as of December 31, 2021 and 2020, the related statements of operations, stockholders' equity (deficit), and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations and has a significant accumulated deficit. In addition, the Company continues to experience negative cash flows from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/S/ BF Borgers CPA PC
BF Borgers CPA PC

We have served as the Company's auditor since 2020
Lakewood, CO
May 11, 2022

MARKET & BUSINESS DISRUPTER

SmartCard Marketing Systems Inc (OTC:SMKG) FinTech and PayTech industry leader in specialized e-commerce, cloud and mobility applications to the global banking, telecom and retail markets. SMKG is an entrepreneurial boutique technology company, providing business intelligence and digital transformation strategies with a proprietary portfolio of applications and wireframes for banking, enterprises, retail e-wallets, digital id, blockchain, crypto issuing, nft, e-KYC, digital workforce, events & media management, edtech, tele-med and transit-booking industries. For more info visit **www.smartcardmarketingsystems.com** or visit our business applications marketplace at **www.Emphasispay.com**.

CORPORATE OFFICES AND LOCATIONS:

Since the beginning of the COVID-19 Pandemic the company terminated its open monthly membership with the Regus Offices in Canada, USA and India. The company's team works remotely from their home locations. Our main focus of operations is through our hosted solutions with AWS and Azure which supports our cloud technology platforms in production environments for client trainings, demo's and proof of concept purposes**.**

THE COVID -19 PANDEMIC

The digital transformation and virtualization of businesses globally has been accelerated by Governments drastically faced with many unknown challenges from the start of 2020. There has never been a time where every Country in the world has cut through all regulatory tape to allow the opportunities for business continuity through digital acceptance of e-processes, digitized protocols and contactless transacting because of social distancing and recurring lockdowns.

SmartCard Marketing Systems Inc (OTC:SMKG) now on an accelerated track of deployments and opportunities, which prior COVID19 was only a matter of time before these same barriers would be regulated and broaden the company's already global opportunity for growth.

The company is working with regulatory agencies and financial service providers in multiple Countries to be compliant as a local provider to that regions network. This strategy allows for easier technology adoption by customers and channel partners.

OVERVIEW

SmartCard Marketing Systems Inc OTC:SMKG a fintech & paytech company specializes in digital transformation applications with business intelligence processes for industry specific clients. The company develops its own proprietary suite of e-commerce, cloud and mobility applications with embedded payments and blockchain protocols for "Branding As Your Own" customer deployment's. The company's proprietary portfolio is marketed through its own marketplace Emphasispay.com and with enterprise partners.

HISTORICAL:

Since the beginning of 2015 the company focused on 2 distinct channels of business development;

1) The Development and commercialization of its leading platforms for the Paytech and Fintech global markets; leading the offering the Genorocity.com & Mtickets.events platforms
2) Strategic partnerships to develop an alternative payments solution for Banks & Telecom Acquirers/Issuers of Cards (Credit, Debit or Loyalty) as an acceptance point for emulating payment and reward transactions, processing & settlement.

The first partnership entered into with Contact Innovation in North America in late **2014 and early 2015** resulted in the technology development for the Check21 Act servicing the need for Remote Deposit Capture (RDC) which was commercially deployed trial stages in late May of 2015 with the first joint client ICICI Bank of India (its Canadian subsidiary across 14 branches and select corporate clients). The platform solution as a cloud based host was branded **www.check21saas.com** and now the success of our deployment is allowing us to market to customers internationally. Concurrently to the development of Check21Saas.com the company designed and developed **Genorocity.com** and shortly after **Mtickets.events.**

Throughout 2016 and 2017 the company ambitiously sought to expand the technology portfolio to meet the new changes in global markets for business process applications and meet the foreseeable demand coming in the financial, workforce and retail markets for intelligent business applications ready to deploy.

In 2018 - 2019 management continued to develop its payment infrastructure and worked with clients to commercialize its solutions strengthening its position in the financial services segment. *We are transforming the company from a direct merchant services provider to enabling a channel of portfolio merchants for Banks & Telecoms*. This transition has allowed SmartCard to position itself as a technology host & support Processors and Industry Consultants building relationships with Banks, Credit Unions and partnering with payment providers globally.

For 2020, the company released 3 SAAS platforms to meet the needs of concerns raised by the COVID-19 Pandemic which created further opportunities in EdTech, Telemedicine & Pre-screening security technologies. Our response to this was the release of Eschool.systems, Phaces.io and Doctor-Vid platforms which are having great success with opportunities in cloud products distribution in India and the SARC regions.

In 2021, the main focus of the company was to develop and implement blockchain protocols and utilities with the existing framework of embedded payments. Furthermore, the company worked with Government agencies in India, Philippines and China to meet local operating requirements for faster deployments and technology adoption by customers.

FINANCIAL HIGHLIGHTS FOR 2019 AND 2020

- New client and partner OriginatorX in Asia. $500k USD equity for 50% of equity at current market evaluation and capitalization of $1m USD.
- New client and partner Xpay World in Asia. $1.2m USD equity for 7% of equity at current market evaluation and capitalization of $35m USD.
- The company is invested in a tech firm start-up in India with a 60% equity share
- Conversions and booking of debt significantly reducing medium and long-term debt.
- Expansion into to financial marketplace in India with Articul8te and Granularchain.com for EKYC by Video and Permission based digital-id key management. The company is working with 3 of top 10 financial insurance underwriters in the country on both platforms as a solution for Digital ID & Processing.
- New digital integration partnerships with Visa Everywhere and Discover Card US

Partnerships with two AI firms, Onplan of the USA in the Restaurant sector and Enablefunding of Australia in the Fintech Startup sector.

<u>Below is a breakdown of the past three years of operations and how our services have been segmented.</u>

	2019 Processing	2019 Consulting / Development	2019 Licensing	2019 Other	Total	
Contact Innovation (CICI Bank)	31,894				38,478	17.8
Xpay World (1.2M / 5yr / 20K/month)			240,000		120,000	55.4
Other (Various)		30,558			57,965	26.8
					216,443	100.0

	2020 Processing	2020 Consulting / Development	2020 Licensing	2020 Other	Total	
Contact Innovation (CICI Bank)	6,959				6,959	1.8
Xpay World (1.2M / 5yr / 20K/month)			240,000		240,000	61.3
OriginatorX			75,000		75,000	19.1
Other (Various)		64,722	5,000		69,722	17.8
					391,681	100

	2021 Processing	2021 Consulting / Development	2021 Licensing	2021 Other	Total	
Contact Innovation (CICI Bank)	23,683				23,683	5.8
Xpay World (1.2M / 5yr / 20K/month)			240,000		240,000	59.2
Other (Various)		126,729	15,000		141,729	35.0
					405,412	100

RECENT NEWS HIGHLIGHTS 2021

- The Company releases its Granularchain.com, creating Digital key on the Blockchain for Financial Institutions
- The Company releases Genorocity.com with newly added employee tracking and virtual cards for the blockchain
- Integration to Cybersource Visa and Visa Direct completed
- Launch of Axepay Inc. multiple new global FX partners onboarding in now more than 55 Countries including China, servicing 190Countries plus territories and 40 currencies with a unique offering for funds transfers into China via Union Pay and Banks in Mainland China.
- Acquisition of source code library of Ai Chat Bot technology
- Partnership with Xcoop of LATAM for Cross-border expansion
- Special focus on developing ekyc and ekyb network for aml monitoring engine for payments and blockchain
- Compliance and business registrations in India, Philippines and LATAM

PREVIOUS MAJOR HIGHLIGHTS – 2019

The company releases **Emphasispay.com** the business applications marketplace for the proprietary solutions of SmartCard Marketing Systems Inc (OTC:SMKG). The combined CRM and CMS platform is the company's marketing strategy to build its satellite partners network and target large enterprise merchants.

The Campaign focuses on the theme **"Brand As Your Own"** showcasing the opportunity to financial Institutions and Global Enterprises the potential of deploying their own specialized industry marketplace.

Note: The Brand As Your Own strategy allows customers to license and white label specific or the entire portfolio to their merchant portfolio.

MANAGEMENT DISCUSSIONS AND ANALYSIS 2021

Financial Results, Year Ended December 31st, 2021 Compared to the Year Ended December 31st, 2020

The Year ending December 31st, 2021 marked an ongoing path toward digital transformation for the company, as many steps were taken to reduce or maintain expenditures during the unknown of Covid-19, focus on standard operating practices with clients and partners to curve the company's direction into commercial deployments.

It was management's ongoing decision to minimize capital financings to improve the capitalization and expenditures normally required through large investments.

We continued to focus on developing our lines of business with the added direction toward blockchain innovation and working with partners to deliver ready to deploy cloud and mobility applications with flexible architecture to monetize on rapid deployments with customizable wireframes.

Our strategy to focus in India and Asia will have great upside with significant clients and partners now collaborating on the Company's platforms for their merchant and customer deployments.
The company's portfolio of partners and customers is continuously expanding and no longer dependent on our prior portfolio which is still an active base and growing in revenues and partnerships.

New strategic alliances have been entered to integrate the platforms with 2 major card networks, both Visa Everywhere and Discover US have aligned with the company to integrate their Network Tokens and Gateways as part of a digital strategy to member institutions globally.

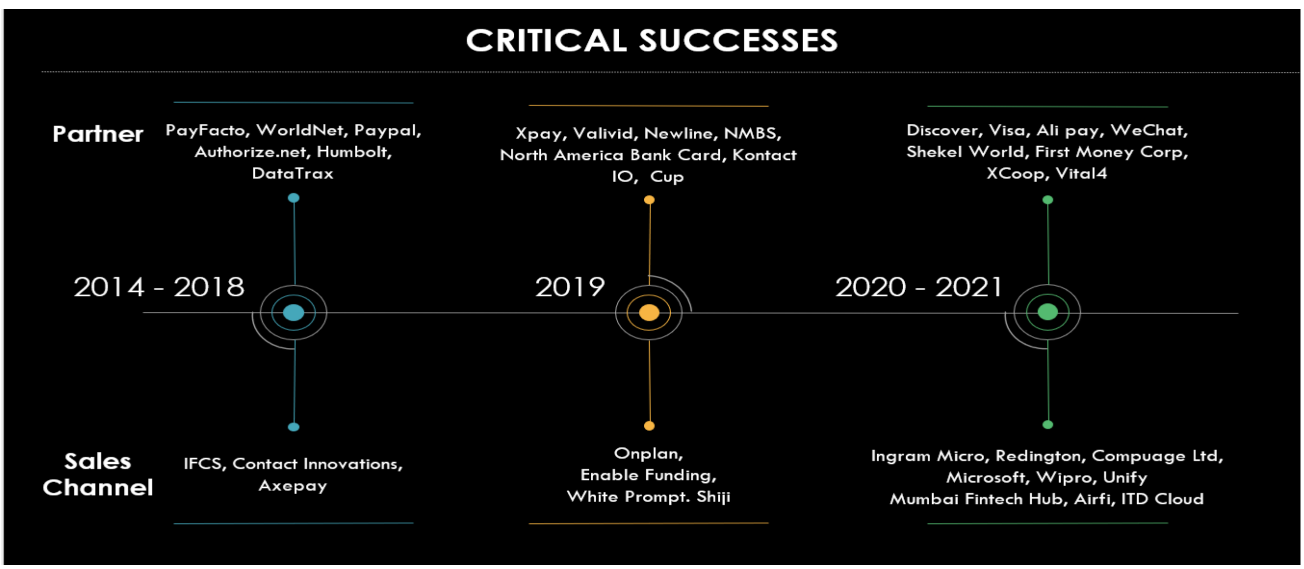
The company has been affected by the COVID-19 pandemic due to the inability to travel and the volatility in the financial markets.

The company allocated significant resources to up list in 2021 to OTCQB status and is pursuing an s1 registration statement following the end of year audit on filings with the SEC to qualify thecompany as a reporting issuer.. The company continues to be optimistic it will receive approval, be a compliant Reporting Issuer and complete financing to secure the next 12 months and reduce operating risk and cashflow requirements.

UTILITIES INTRODUCED THROUGHOUT 2019 AND 2020:

- Permission based Blockchain technology
- Beacon and Lisnr Frequency Technology
- Generated unique user and merchant KEYS with QR codes
- D-signature and Document Tokenization
- Single or two way SMS Authentication
- API’s for internal usage, Partners & Vendors
- Visa Cybersource & Visa Direct gateway
- Discover card Network SRC Tokens
- Facial Recognition
- Contact Tracking and Tracing
- Crypto Token Issuing

PRODUCT PARTNERS TIMELINE



Management Outlook for 2020 with concerns regarding the COVID-19 Pandemic and recent events explained.

The company faced many challenges like so many other companies and individuals globally in dealing with this crisis that has impacted all channels of business. The new normal and the day-to-day challenges and concerns because of the multiple lockdowns occurring in key markets where we are focused on and especially domestically. During this period all travel for the company was restricted and all employees worked remotely from home.

In a strategic effort to deal with the pandemic we focused on key integrations with global players such as Visa Everywhere, Alipay and WeChat Pay integrations. We also focused on working with key market leaders in Cloud and Mobility to develop a distribution strategy for our platforms.

We realized that we had to evaluate our book of business, deals and projects and forecast what they would look like toward the end of the year. At this time we are optimistic that we are in a great position going forward with our digital transformation technology platforms and that we will have greater opportunities as Governments move to digital acceptance and a massive scale globally.

MARKET OPPORTUNITY & CHALLENGES:

Digital has been accelerated by COVID-19 on a global level. We have learned that we can be completely distanced & disconnected from Financial Transactions, Face-to-Face meetings, Events & Shopping Experiences. The simplest of tasks has been derailed & altered altogether. Ex. In branch banking, Grocery Shopping & Traveling.

- Compliance with Onboarding Individuals & Businesses accounts derailed
- Global Security concerns at all time high cause of increase in online Transactions
- FX Transactions & Cross-border transaction at more risk today

(Ongoing Lockdowns, Uncertainty accesses to the Govt. offices creates a very difficult scenario for companies & individuals to complete required regulatory mandates)

THE ECHO EFFECT:

Digitization of Debt, Equity & Assets is being completely disrupted by blockchain, Tokenization, Crypto & new methods of engagement. Treasury & Regulatory Compliance needs enhanced tools & cyber security driving Digital IDs required for the Onboarding & Transaction experience.

SMKG DISRUPTING MARKET:

SMKG accelerates Digitization & Virtualization with the largest & most scalable portfolio of business intelligent solutions to fast-track deployment, minimize CAPEX, & offers best-in-breadth cyber security encapsulating transaction through blockchain remaining totally agnostic. The Focus is E-Commerce, Cloud, & Mobility Infrastructures with embedded payments and blockchain protocols.

OUR TECH SUITE OF PROPRIETARY INDUSTRY APPLICATIONS:

SMKG offers the largest Proprietary white-labeled specialized Industry Application portfolio of FinTech & PayTech applications enabling Payments. Making us a critical accelerator in Digital Transformation for Banks, Financial Institutions & Enterprises with a Ready-to-Deploy, highly scalable & customizable suite of applications. We deploy these solutions directly with Financial Institutions & through our Network Channel Partners with specialized industry expertise.

DEVELOPMENT STAGE

Platform	Software (%)	Mobile App (%)
Genorocity http://www.genorocity.com	99	95
Mtickets.events http://www.mtickets.events	99	95
Check21SaaS http://www.check21saas.com http://www.checkvalet.com	99	NA
QR.guru http://www.qr.guru http://myshopping.guru http://www.prizescan.guru	85	95
Onroute.Tech http://www.onroute.tech	90	90
Distributer Email https://distributer.email	95	NA
Atelier Social https://atelier.social	95	NA
Granularchain http://granularchain.com	95	NA
Articul8te http://articul8te.com	90	95
Profilr.social http://profilr.social	95	NA
Mytravel.menu http://www.mytravel.menu	90	85
Menu.events http://menu.events	90	85

Eschool System https://eschool.systems	90	NA
Doctor Vid http://doctor-vid.com	95	NA
Phaces.io http://phaces.io	90	NA
OriginatorX http://originatorx.com	95	NA
iJobs.shop http://www.ijobs.shop	95	95
Axepay https://axepay.com	90	NA

STRATEGY OF DEVELOPMENT COSTS:

During the course of the year, the company worked with new ISV (Independent software vendors) to integrate their utilities into the platforms of the company's technology suite. This strategy increases the ability for customers to stay in current compliance and monitor and participate with current trends such has resulted by the pandemic. This past year we integrated and developed unique integrations with ISV's such as Jet Webinar, Biometric Facial Recognition and Valvid for EKYC digital in multiple of our platforms:

- Axepay
- Granularchain
- Profilr
- Phaces
- Articul8te
- Emphasispay

In addition, partnerships with Visa Everywhere were a major undertaking of development with total delivery a global scale deployment for major Visa members globally, enhancing our ability to sell our solutions to Banks and FI Members. This was a majority of our focus as it was a key driver which took up allocated resources to the extent of 40% of development, 20% design and testing.

- Genorocity
- Granular
- Axepay

PARTNERSHIP STRATEGIC DEVELOPMENT:

In some cases, as part of MOA's and POC's with partner channels and customers we will allocate up to 10% of yearly budget time if we feel a project is valuable and can create a significant return of ROI. We worked on projects customizing our solutions for a Philippines transit projects and Singapore related Airlines company.

- Onroute.tech
- Mytravel.menu

INTERNAL OPERATIONAL SOLUTIONS:

The company develops through its outsourced development partners the SmartCard Marketing site, keeping it current and in compliance, as well ongoing maintenance and development of the company marketplace Emphasispay.com

The solution requires an estimate of 5% of overall resource time as it is an essential platform for our channel partners and customers to access critical materials and information about the company's technology suite.

We split the allocation of development and integration based on sales opportunity activities and partnership channel opportunities that will seek the best structured opportunity for recurring revenues from transactions.

THE NEXT WAVE OF BUSINESS

Web 3.0
Web 3.0 is the third generation of internet services for websites and applications that will focus on using a machine-based understanding of data to provide a data-driven, machine learning (ML), Big Data, decentralized ledger technology (DLT), Artificial Intelligence and Semantic Web. The ultimate goal of Web 3.0 is to create more intelligent, connected and open websites.

Banking 4.0
Banking 4.0 is defined by four primary characteristics.
- It require Banks and Financial Insititutions to adopt a more customer-centric approach to banking.

At the core of Bank 4.0 is a redefining of how financial services fits into the lives of the consumers, businesses and organisations that use those services. Technology is inevitably redefining that and in doing so is not just reducing friction and making delivery more seamless, it's finding ways to reframe financial services

Metaverse:
The metaverse is a digital reality that combines aspects of social media, online gaming, augmented reality (AR), virtual reality (VR), & cryptocurrencies to allow users to interact virtually. Augmented reality overlays visual elements, sound, and other sensory input onto real-world settings to enhance the user experience. In contrast, virtual reality is entirely virtual and enhances fictional realities.

DEFI:
Decentralized finance (DeFi) is an emerging financial technology based on secure distributed ledgers similar to those used by cryptocurrencies. The system removes the control banks and institutions have on money, financial products, and financial services.

Tokenomics:
In the Crypto Issuing space, The term Tokenomics refers to the economic model for the utility of the Cypto Coin or Crypto Token.

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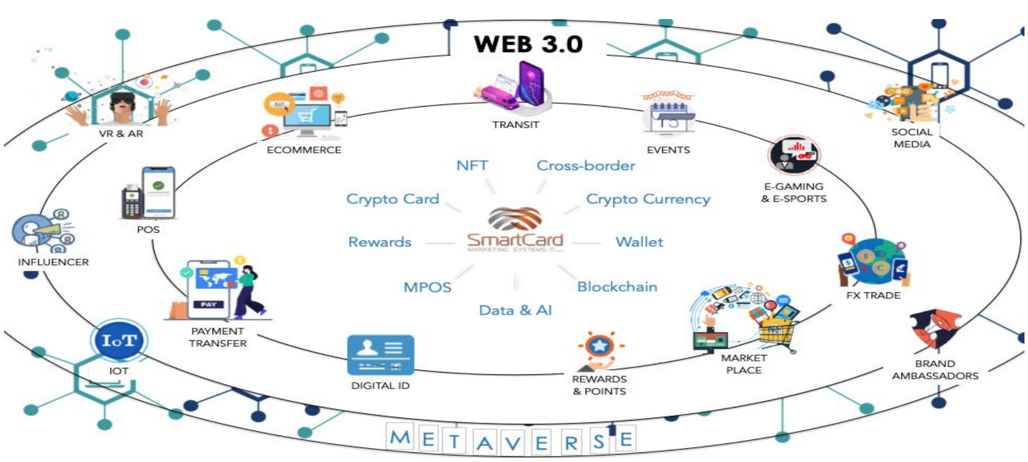

FORWARD LOOKING ANALYSIS 2021

We see a great demand for our laggers above in the 75% because of the need for digital transformation in many industries including those have almost completely stopped, specifically in E-commerce, Contactless and remote access business processing solutions.

Our 50% increase group is seeing a superior rise as Digital ID, Cross-border FX Treasury and the robust growth of Blockchain is in high demand,

In addition, recent channel partnerships and achievements with Visa, IDBRT India, Mumbai Fintech Govt, are accelerating the demand of our applications. We feel very confident that in the next 6 months as borders and travel opens our platform overall will enjoy significant success in multiple sectors requiring digital transformation and sustainability solutions**.**

MANAGED PARTNERSHIPS

The company also under its managed partnership structures has acquired directly under a management control of Intellectual property or by way of leveraging the company's Intellectual property as capital in exchange for equity in shares compensation exchange with a negotiated value.

The value of our IP is exponential and provided a bridge for partners and financial institutions to enable their portfolio of mixed merchants, treasury clients and customers.

Case1) OriginatorX -The company also negotiated with CapchainX to takeover their IP of their Intellectual Property for Fungible and Non-Fungible Token Issuing technology. We believe this tech is the fundamental future of the Fintech Market and Art digital market. We set a simplified valuation based on their investment and time value in the technology rebranded OriginatorX, and combined with the company's technology solutions further enhances superior market value leading up 12 to 18 months further ahead in our strategy and combined IP.

Case2: Xpay World - We set up a license structure value for the company's IP portfolio for Financial Institutions and use this modelling to negotiate equity participation in the tech company Xpay World. They had a financing round which had preset the value of their company in which we then negotiated with our IP vs their Equity. This further strengthens our good will as it shows the value through expert partners globally which we can value multiple models.

SUBSEQUENT EVENTS 2021

In the early part of 2021, the company entered into an agreement to acquire 100% of the source code portfolio of an India Tech co start-up. The transaction was for $25k USD paid over a period of 1 year in tranches by month. In addition, 1,5m shares of common stock of SMKG at pps of $0.033 USD

The company Xpay world in Singapore a minority interest ownership of SMKG was approved its Payment Facilitator license PF for the Philippines, both VISA and Mastercard in USD and Philippines Peso processing.

The success of the implementation of the OriginatorX installation was completed and deployed with the team of engineers on the AWS instance allowing for commercialization of Fungible and Non-Fungible Tokens issuing.

The partnership of Axepay Inc is having substantial interest with multiple Visa member Banks with regards to Treasury with the End points access to VISA Direct in Asia and the USA, which the company has a very high expectancy of transactions throughout mid-year 2021 and ongoing.

Furthermore, the company entered into Mid Market relationships with 2 US Firms in New York to lead the company's capital raise.

SMARTCARD MARKETING SYSTEMS, INC.
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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SMARTCARD MARKETING SYSTEMS, INC.

CONSOLIDATED BALANCE SHEETS

	December 31, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	$ 48	$ 92
Accounts receivable, net	182,245	72,045
Total current assets	182,293	72,137
Investments	1,200,000	1,700,000
Intangible assets, net	408,679	480,515
Total assets	$ 1,790,971	$ 2,252,652
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	$ 2,551,741	$ 1,962,139
Convertible promissory note payable	470,659	407,812
Total current liabilities	3,022,400	2,369,951
Deferred revenue	1,025,000	1,265,000
Total liabilities	4,047,400	3,634,951
Stockholders' deficit:		
Common stock, $0.001 par value, 500,000,000 shares authorized, 472,369,9389 and 468,536,506 shares issued and outstanding as of December 31, 2021 and 2020	472,370	468,537
Additional paid-in capital	5,688,741	5,577,762
Accumulated deficit	(8,417,539)	(7,428,598)
Total stockholders' deficit	(2,256,429)	(1,382,300)
Total liabilities and stockholders' deficit	$ 1,790,971	$ 2,252,652

Approved on behalf of the board:

Massimo Barone, CEO
Smartcard Marketing Systems, Inc.

Michele (Mike) Tasillo, CFO
Smartcard Marketing Systems, Inc.

See accompanying notes, they are integral to these consolidated financial statements.

SMARTCARD MARKETING SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2021	Year Ended December 31, 2020
Revenues	$ 405,412	$ 448,681
Operating expenses:		
General and administrative	889,580	2,024,077
Sales and marketing	1,173	14,140
Research and development	3,600	-
Loss on impairment of investment	500,000	-
Total operating expenses	1,394,353	2,038,218
Loss from operations	(988,941)	(1,589,537)
Other income (expense):		
Interest expense	-	(146,500)
Other income	-	-
Total other income (expense), net	-	(146,500)
Provision for income taxes	-	-
Net income (loss)	$ (988,941)	$ (1,736,037)
Weighted average common shares outstanding - basic and diluted	470,464,360	442,857,680
Net income (loss) per common share - basic and diluted	$ (0.002)	$ (0.004)

Approved on behalf of the board:

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Smartcard Marketing Systems, Inc.

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SMARTCARD MARKETING SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
Balances at December 31, 2019	442,792,840	$ 442,793	$ 4,234,181	$ (5,692,561)	$ (1,015,587)
Conversion of notes payable into shares	2,076,999	2,077	96,580	-	98,657
Conversion of accounts payable into shares	20,666,667	20,667	339,333	-	360,000
Issuance of common shares for services	3,000,000	3,000	761,167	-	764,167
Benefecial conversion feature	-	-	146,500	-	146,500
Net loss	-	-	-	(1,736,037)	(1,736,037)
Balances at December 31, 2020	468,536,506	468,537	5,577,762	(7,428,598)	(1,382,300)
Issuance of common shares for services	500,000	500	14,500	-	15,000
Issuance of common shares for software acquired	1,500,000	1,500	48,000	-	49,500
Conversion of notes payable into shares	1,833,333	1,833	48,479	-	50,312
Net loss	-	-	-	(988,941)	(988,941)
Balances at December 31, 2021	472,369,839	$ 472,370	$ 5,688,741	$ (8,417,539)	$ (2,256,429)

Approved on behalf of the board:

Massimo Barone, CEO
Smartcard Marketing Systems, Inc.

Michele (Mike) Tasillo, CFO
Smartcard Marketing Systems, Inc.

See accompanying notes, they are integral to these consolidated financial statements.

SMARTCARD MARKETING SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2021	Year Ended December 31, 2020
Cash flows from operating activities:		
Net income (loss)	$ (988,941)	$ (1,736,037)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Amortization	184,346	6,561
Bad debt (other income)	-	496,632
Shares issued for services	15,000	764,167
Loss on impairment of investment	500,000	-
Beneficial conversion feature	-	146,500
Changes in operating assets and liabilities:		
Accounts receivable	(110,200)	6,445
Accounts payable and accrued liabilities	589,602	475,299
Deferred revenue	(240,000)	(315,000)
Net cash used in operating activities	(50,192)	(155,434)
Cash flows from investing activities:		
Software development costs	(63,010)	(65,610)
Net cash provided by investing activities	(63,010)	(65,610)
Cash flows from financing activities:		
Proceeds from convertible notes payable	115,159	235,000
Repayments of convertible loans	(2,000)	(13,983)
Net cash provided by financing activities	113,159	221,016
Net change in cash and cash equivalents	(43)	(28)
Cash and cash equivalents at beginning of year	92	120
Cash and cash equivalents at end of year	$ 48	$ 92
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ -	$ -
Cash paid for interest	$ -	$ -
Supplemental disclosure of non-cash investing and financing activities:		
Issuance of common shares for software acquired	$ 49,500	$ -
Investments	$ -	$ 500,000
Loans payable converted into shares	$ 50,312	$ 98,657
Accounts payables converted into shares	$ -	$ 360,000

Approved on behalf of the board:

Massimo Barone, CEO
Smartcard Marketing Systems, Inc.

Michele (Mike) Tasillo, CFO
Smartcard Marketing Systems, Inc.

See accompanying notes, they are integral to these consolidated financial statements.

1. NATURE OF OPERATIONS

Smart Card Marketing Systems, Inc. (the "Company") consist of Smart Card Marketing Systems, Inc. and its wholly owned subsidiary VelocityMWallet Technology LLC.

Smart Card Marketing Systems, Inc. is a Fintech advisory corporation formed under the laws of Delaware as a solutions provider to the payments industry, delivering cloud-based EMV Host Acquiring and Issuing solutions to banks, telecoms and enterprises. The Company's in-house lab offers customers proprietary software solutions, including:

- Generocity.com, a coupon and incentive platform for the retail and events industry.
- Check21SAAS.com, a Remote Deposit Check solution for X9 clearing.

VelocityMWallet Technology LLC is a Delaware limited liability company which also provides proprietary software solutions, such as VelocityMWallet.com, a transaction payment ecosystem for alternative payment solutions and processing.

2. GOING CONCERN

The Company has evaluated whether there are certain conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated profits since inception, has sustained net losses of 988,941 for the year ended December 31, 2021, and has incurred negative cash flows from operations for the years ended December 31, 2021 and 2020. As of December 31, 2021, the Company had an accumulated deficit of $8,417,539, limited cash of $48 and a working capital deficit of $2,840,107. These factors raise substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern for the next twelve months is dependent upon its ability to generate sufficient cash flows from operations to meet its obligations, which it has not been able to accomplish to date, and/or to obtain additional working capital from related and third-parties. Through the date the consolidated financial statements were available to be issued, the Company has been financed by its primary shareholder and third-party investors. No assurances can be given that the Company will be successful in these efforts. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities as a result of this uncertainty.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America ("GAAP"). The Company's fiscal year is December 31.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company's wholly-owned subsidiary, VelocityMWallet Technology LLC. All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of the Company's consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The Company bases its estimates on historical experience, known trends and other market-specific or other relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates when there are changes in circumstances, facts and experience. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company generally maintains balances at financial institutions that management believes to be of high credit quality, in amounts that may exceed federally insured limits. The Company has not experienced any losses related to its cash and cash equivalents and does not believe that it is subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships. At December 31, 2021 and 2020, all of the Company's cash and cash equivalents were held at two accredited financial institutions.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

Fair Value Measurements

Certain assets and liabilities of the Company are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1—Quoted prices in active markets for identical assets or liabilities.

- Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.

- Level 3—Unobservable inputs that are supported by little or no market activity that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

Fair-value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2021 and 2020. The carrying values of the Company’s assets and liabilities approximate their fair values.

Accounts Receivable

Accounts receivable are derived from products and services delivered to customers and are stated at their net realizable value. Each month, the Company reviews its receivables on a customer-by-customer basis and evaluates whether an allowance for doubtful accounts is necessary based on any known or perceived collection issues. Any balances that are eventually deemed uncollectible are written off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. As of December 31, 2020, the Company recorded bad debt expense of $496,632 to write off receivables deemed uncollectible.

Intangible Assets

Intangible assets consist of capitalized software development costs. The Company accounts for costs incurred to develop software for internal use in accordance with Financial Accounting Standards Board (“FASB”) *ASC 350-40 “Internal-Use Software”*. As required by ASC 350-40, the Company capitalizes the costs incurred during the application development stage, which include costs to design the software configuration and interfaces, coding, installation, and testing.

Costs incurred during the preliminary project stage along with post-implementation stages of internal use software are expensed as incurred. Capitalized development costs are amortized over a period of three years. Costs incurred to maintain existing product offerings are expensed as incurred. The capitalization and ongoing assessment of recoverability of development costs requires considerable judgment by management with respect to certain external factors, including, but not limited to, technological and economic feasibility, and estimated economic life.

Software development costs are amortized over a useful life of 5 years.

Impairment of Long-Lived Assets

The Company evaluates the recoverability of its property, equipment, and other long-lived assets in accordance with FASB ASC 360 *"Property, Plant and Equipment"*, which requires recognition of impairment of long-lived assets in the event the net book value of such assets exceed the estimated future undiscounted cash flows attributable to such assets or the business to which such intangible assets relate. If the sum of the expected cash flows, undiscounted, is less than the carrying amount of the asset, an impairment loss is recognized as the amount by which the carrying amount of the asset exceeds its fair value. As of December 31, 2021 and 2020, no impairment was recorded.

Revenue Recognition

ASC Topic 606, "Revenue from Contracts with Customers" establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers.

Revenues are recognized when control of the promised goods or services are transferred to a customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements: 1) identify the contract with a customer; 2) identify the performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to performance obligations in the contract; and 5) recognize revenue as the performance obligation is satisfied.

Consulting, licensing and processing fee revenues are recognized when the services are provided under the terms of client agreements as the performance obligations are satisfied. Payments received in advance of providing services are recorded as deferred revenue and amortized to revenue as services are performed.

Advertising and Promotion

Advertising and promotional costs are expensed as incurred.

Convertible Instruments

U.S. GAAP requires companies to bifurcate conversion options from their host instruments and account for them as free-standing derivative financial instruments according to certain criteria. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. An exception to this rule is when the host instrument is deemed to be conventional as that term is described under applicable U.S. GAAP.

When the Company has determined that the embedded conversion options should not be bifurcated from their host instruments, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption.

Income Taxes

The Company uses the liability method of accounting for income taxes as set forth in ASC 740, *Income Taxes*. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is unlikely that the deferred tax assets will not be realized. We assess our income tax positions and record tax benefits for all years subject to examination based upon our evaluation of the facts, circumstances and information available at the reporting date. In accordance with ASC 740-10, for those tax positions where there is a greater than 50% likelihood that a tax benefit will be sustained, our policy will be to record the largest amount of tax benefit that is more likely than not to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where there is less than 50% likelihood that a tax benefit will be sustained, no tax benefit will be recognized in the consolidated financial statements.

Net Loss per Share

Net earnings or loss per share is computed by dividing net income or loss by the weighted-average number of common shares outstanding during the period, excluding shares subject to redemption or forfeiture. The Company presents basic and diluted net earnings or loss per share. Diluted net earnings or loss per share reflect the actual weighted average of common shares issued and outstanding during the period, adjusted for potentially dilutive securities outstanding. Potentially dilutive securities are excluded from the computation of the diluted net loss per share if their inclusion would be anti-dilutive. As of December 31, 2021, there were an estimated 15,666,667 potentially dilutive securities outstanding due to the Company's convertible notes (see Note 5).

Recently Adopted Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. This ASU requires a lessee to recognize a right-of-use asset and a lease liability under most operating leases in its balance sheet. The ASU is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Company is currently evaluating the impact on its consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective, accounting standards could have a material effect on the accompanying consolidated financial statements. As new accounting pronouncements are issued, the Company will adopt those that are applicable under the circumstances.

4. INVESTMENTS

In 2019, the Company entered into an agreement to license its technology to XPay World in exchange for 7% of its equity. The Company valued the transaction, approximating the fair value of the investment, at $1,200,000. The Company recorded the corresponding deferred revenue accordingly. The Company recognizes the revenue over the estimated useful life of the technology of 5 years.

In 2020, the Company entered into an agreement to license its technology to OriginatorX in exchange for 50% of its equity. The Company valued the transaction, approximating the fair value of the investment, at $500,000. The Company recorded the corresponding deferred revenue accordingly. The Company recognizes the revenue over the estimated useful life of the technology of 5 years. As of December 31, 2021, the fair value of the investment was concluded to be indeterminable, and the Company recorded an impairment of $500,000 pertaining to the investment. As of December 31, 2021, the carrying value of the investment was $0.

5. CONVERTIBLE NOTES

During 2021, the Company issued an aggregate of 1,833,333 shares of common stock pursuant to conversion of notes payable totaling $50,312. During 2020, the Company issued an aggregate of 2,076,999 shares of common stock pursuant to conversion of notes payable totaling $98,567.

In 2021, the Company entered into convertible promissory note agreements totaling $115,159 in proceeds. In 2020, the Company entered into a convertible promissory note for gross proceeds of $235,000. The note is convertible at conversion price of $0.015 per share. As such, a beneficial conversion feature of $146,500 was recognized which was recorded to interest expense in the consolidated statements of operations.

In 2021 and 2020, the Company repaid $2,000 and $13,983, respectively, of outstanding convertible notes payable.

All outstanding convertible notes have short-term maturities or are in default as of December 31, 2021, and therefore are recorded as current liabilities in the consolidated balance sheets.

6. STOCKHOLDERS' EQUITY

As of December 31, 2020, the Company had 500,000,000 authorized shares of common stock.

During 2020, the Company issued an aggregate of 2,076,999 shares of common stock pursuant to conversion of notes payable totaling $98,567. The Company also issued 20,666,667 shares of common stock pursuant to conversion of accounts payable of $360,000.

In 2020, the Company issued 3,000,000 shares of common stock for services performed. The fair value of $764,167 was included in general and administrative expenses in the consolidated statements of operations.

During 2021, the Company issued an aggregate of 1,833,333 shares of common stock pursuant to conversion of notes payable totaling $50,312.

In 2021, the Company issued 500,000 shares of common stock for services performed. The fair value of $15,000 was included in general and administrative expenses in the consolidated statements of operations.

In 2021, the Company issued 1,500,000 shares of common stock for the acquisition of software for a fair value of $49,500, which was capitalized as intangible assets.

7. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 5, 2022, the date the consolidated financial statements were available to be issued. Based on this evaluation, no material events were identified which require adjustment or disclosure in these consolidated financial statements, other than those disclosed above.

REVENUES

For the Year ended December 31st, 2021, revenues were $405,412 as compared to $448,681 in 2020, a decrease of 10%. The decrease was primarily due to lesser consulting and license fees as we impaired our investment of OriginatorX. The implementation and launch of important contracts and projects will continue to grow in the next quarters.

GROSS MARGIN

For the Years ended December 31st, 2021 and 2020, there was no cost of sales.

GENERAL AND ADMINISTRATIVE EXPENSES

For the Years ended December 31st, 2021 and 2020, general and administrative expenses were $1,394,353 and $2,038,218, respectively. This decrease is due primarily to a decrease in consulting and professional fees, partially offset by the 2021 impairment expense.

SALES AND MARKETING EXPENSES

The Company had promotional expenses of $1,173 and $14,140 during the years ended December 31st, 2021 and 2020, respectively. The company concentrated its marketing via social media networks and channel partners.

NET LOSS

Net loss for the year ended December 31st, 2021 totaled $988,941 as compared to $1,736,037 in 2020.

Related Party Transactions **-** No related party transactions other than management contracts.

Software Development **-** In the year ended December 31st, 2021, the Company also invested an additional amount of $63,010 into product development.

GOING CONCERN

The Company sustained continued operating losses during the years ended December 31st, 2021 and 2020. The Company's continuation as a going concern is dependent on its ability to generate sufficient cash flows from operations to meet its obligations, in which it has not been successful, and/or obtaining additional financing from its shareholders or other sources, as may be required.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern; however, the above condition raises substantial doubt about the Company's ability to do so. The consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

Management is endeavoring to increase revenue-generating operations. While priority is on generating cash from operations through the sale of the Company's products, management is also seeking to raise additional working capital through various financing sources, including the sale of the Company's equity and/or debt securities, which may not be available on commercially reasonable terms if at all. If such financing is not available on satisfactory terms, we may be unable to continue our business as desired and our operating results will be adversely affected. In addition, any financing arrangement may have potentially adverse effects on us and/or our stockholders.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31st, 2021, the company had loans payable totaling $470,659.

In the year ended December 31st, 2021, the Company was advanced proceeds of $115,159 from convertible notes.

The company repaid $2,000 in loans during the year ended December 31st, 2021.

At December 31st, 2021, the Company had cash on hand of $48 and receivables of $182,245. We may be required to raise additional funds, particularly with the Covid19, clients and projects deposits were deferred to assist customers facing critical issues, if we are unable to generate positive cash flow as a result of our operations. We estimate that based on current plans and assumptions, that our cash will not be sufficient to satisfy our cash requirements under our present operating expectations, without further financing, for up to 12 months. We estimate that based on our current capital resources we can maintained our planned operations for six months. In order to continue as a going concern, develop a reliable source of revenues, and achieve a profitable level of operations the Company will need, among other things, additional capital resources. Management’s plans to continue as a going concern include raising additional capital through borrowings and the sale of common stock. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, it may contain undue restrictions on our operations, in the case of debt financing, or cause substantial dilution for our stockholders, in case of an equity financing.

Our capital requirements going forward will consist of financing our operations until we are able to reach a level of revenues and gross margins adequate to equal or exceed our ongoing operating expenses. Other than the notes payable discussed above, borrowings from our bank and the production credit facility with our suppliers, we do not have any credit agreements or other sources of liquidity immediately available to us.

Given estimates of our Company's future operating results and our credit arrangements with our suppliers, we are currently forecasting that we will need to secure additional financing to obtain adequate financial resources to reach profitability. As of the date of this report, we estimate that the cash necessary to implement our current business plan for the next twelve (12) months is approximately $2,000,000.

Based on our need to raise additional funds to implement our business plans for the next twelve months, we have included a discussion concerning the presentation of our financial statements on a going concern basis in the notes to our financial statements. We will be required in the near future to issue debt or sell our Company's equity securities in order to raise additional cash, although there are no firm arrangements in place for any such financing at this time. We cannot provide any assurances as to whether we will be able to secure the necessary financing, or the terms of any such financing transaction if one were to occur. The failure to secure such financing could severely curtail our plans for future growth or in more severe scenarios, the continued operations of our Company.

CAPITAL EXPENDITURES

Our current plans do call for our Company to expend significant amounts for capital expenditures for the foreseeable future beyond relatively insignificant expenditures for office furniture and information technology related equipment and employees as it is part of the requirement to build the infrastructure needed to support the current growth. At the same time, we will continually be evaluating the production processes of our third (3rd) party contract manufacturers to determine if there are investments, we could make in their processes to achieve manufacturing improvements and significant cost savings. Any such desired investments would require additional cash above our current forecast requirements.

INTERNATIONAL TEAM EXPANSION

The company has 5 sales Advisors for India, Asia, USA and has now added the UK and Greece. They are responsible for managing clients, events and coordinating with the SmartCard Marketing Systems head office management. The launch of Granularchain.com, Articul8te.com, Axepay.com and Profilr.social has been widely accepted within the financial industry in both Asia and India where we are excited about the opportunities currently underway for the end of this year.

LEGAL

The company is working with attorney William Eilers of the Eilers Law group on the completion of the Reg A+ filings with the US Securities Exchange. The company transitioned from a Tier 2 to a Tier 1 offering to adapt to classifications and approval by the SEC for both its offering and admissibility as a Reporting Issuer.
The next steps for the company upon approval of the Reg A+ Tier1 offering is for approval by the Canadian Securities Regulations to get approval of the company's securities to trade in Canada. To further advance the company's filings and to facilitate the observance letter with the SEC the company hired an external CPA and analyst with expertise in filings. The additional advantage of filing the regulation A+ allows the company to achieve full reporting status and upgrade to OTCQB status with the approval of the OTC Markets Group.

Since January of 2019 the company was notified that it's shareholder Primeline HK has been in its own internal dispute between shareholders. At this time the company has reserved treasury for the issuance of the capital investment of 110,000,000 million shares at a price conversion of $0.045 USD. Further to the termination by Veritaspay of ongoing contracts, the Company reduced by cancelling 67m Shares in value compensation termination of the agreement. There is a potential liability for the 67m shares for a possible period of 2 to 7 years from the termination date of the agreement.

OFFICERS AND DIRECTORS

Company Officers:

Full Legal Name	Position
Massimo Barone	CEO
Michele Tasillo	CFO
Paolo Continelli	COO

Use the following key for Committee Membership: A - Audit Committee Member
N – Nominating Committee Member
C – Compensation Committee Member

Chairman:

Full Legal Name	Independent Director (Y/N)	Committee Membership (A/N/C)
Massimo Barone	N	ANC

Members of the Board of Directors:

Full Legal Name	Independent Director (Y/N)	Committee Membership (A/N/C)
Paolo Continelli	N	N
Michele Tasillo	N	A
Gina Leslie	Y	ANC
Gary L. Repchuk	Y	ANC

ANNUAL EXECUTIVE COMPENSATION

As of the date for all services rendered in all capacities to us for the period for the past 7 years.

Massimo Barone, Paul Continelli and Michele Tasillo, are engaged by the Company under Management Operating Contracts. entered into in January 2014 for a period of 5 years and was renewed in January 2019 for an additional 5 years between Smartcard Marketing Systems Inc.

Mr. Barone and Mr. Continelli's engagement are defined collectively by a Management Operating Contract between Variance Strategy LLC, a limited liability corporation by which they are the principles. Under the terms of the Variance Strategy agreement, Mr. Barone and Mr. Continelli are engaged to act as CEO/Chairman and Co-Chairman, respectively, for a term of 5 years commencing January 2019. Under the new term Variance is paid an annual management fee of $300,000 with a 4.5% increase per year, with certain performance related bonuses relating to capital raises, acquisitions, mergers and reaching defined milestones.
(The previous engagement 2014 was $250,000 with a 4,5% increase per year),

Mr. Tasillo's management contract was entered in January 2014 for a period of 4 years and was renewed January 2018. He is paid an annual management fee of $80,325, with certain performance related bonuses relating to capital raises, acquisitions, mergers and reaching defined milestones.
(The previous engagement 2014 was $70,000 with a 3,5% increase per year),

As of date no other bonus/stock/awards/options or other compensations have been issued.

	2014	2015	2016	2017	2018	2019	2020	2021
Variance Strategy	$250,000	$261,250	$273,006	$285,291	$298,130	$300,000	$313,500	$327,608
Massimo Barone, CEO	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Paolo Continelli, COO	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mike Tasillo, CFO	$ 70,000	$ 72,450	$ 74,986	$ 77,610	$ 80,325	$ 83,137	$ 86,047	$ 89,059
Lee Tang/Aspec, CSO	$ -	$ 84,000	$ 84,000	$ 84,000	$ 84,000	$ 84,000	$ 84,000	$ 84,000
Gary L. Repchuk	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Gina Leslie	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Dharmesh Vora	$ -	$ -	$ -	$ -	$ 24,600	$ 24,600	$ 24,600	$ 49,600

PROPRIETARY TECHNOLOGY ASSETS

The company continues its strategic portfolio development of assets of which now accounts for over 14 platforms. These industry specific platforms currently meet the industry demands globally for the following sectors;

Technology	Status	Published
Genorocity.com	Completed	Yes
Check21SAAS	Completed	Yes
Mtickets.events	Completed	Yes
Granularchain .com	Completed	Yes
Profilr.social	Completed	Yes
Mytravel.menu	Completed	Yes
Onroute.tech	Completed	Yes
Distributer.email	Completed	Yes
Ijobs.shop	Completed	Yes
Menu.events	Completed	Yes
Qr.guru	Completed	Yes
Emphasispay.com	Completed	Yes
Articul8te.com	Completed	Yes
Axepay	Completed	Yes

PROPRIETARY DOMAIN NAMES

Over the year, the Company accumulated an important stock of Domains names in its main markets and in relation with its technology assets. This include a list of over 230 industry specific domains which is used to optimize the company's SEO and to influence marketing channel opportunities.

ABOUT EMPHASISPAY.COM MARKETPLACE:

The Emphasispay marketplace is the company's business channel for new opportunities and a distinguishing line of business for Partners, Resellers, & ISV's to work with their merchants and projects.

Our CRM & CMS solutions center platform is the proprietary solution of SmartCard Marketing Systems Inc. this agnostic platform enables the company to market and manage sales and support opportunities, webinar's and trainings. In addition, the company has developed its own scheduling and messaging solution center in order to manage clients. The advantage point is also the ability to white label the platform for VARs & Distributers to seamlessly introduce and manage client opportunities throughout their networks and merchants.

THE NETWORK EFFECT

SMKG has various embedded & integrated partnerships that enables our network to grow multifold. These partners are integrated on our applications & we leverage their network. This provides a larger audience for seamless deployment of our E-Commerce, Cloud & Mobility Solutions. With our portfolio strategy our focus is to enable large members like Visa & Discover, whose member Banks having large Merchant & Customers data pool accelerate growth.

THE NETWORK EFFECT: SALES, DISTRIBUTERS & PARTNERS

With Over 100,000 Sales Representatives, the importance of these Partners is their key roles in Cloud & Mobility infrastructures globally in IoT, M2M, SmartCity, Banking, WorkForce, Transit, Edu-Tech, Tele-

Medicine, Pharma, Retail & Manufacturing Units. Our Distributers & Partners have a vast existing sales-ecosystem & reach across multi-region & territories. We know that these key industry players hold important existing client relationships & has sought out our portfolio to leverage.

- Wipro Ltd: A US $8B company. Represents SMKG in EU, Middle East & Africa Region with 188,000 Employees. (A1 Telecom - Austria, ITHRA - Saudi Arabia)

- Mumbai Fintech Hub: A Government Initiative promotion of Fintech in India. SMKG represents MFH globally to enable a link for Investors, Vendors, Partners, Fintech (80+), Technology Companies, Indian Banks & FI's. (PWC, Quotientica)

- Compuage India Ltd: 12500+ online & offline retailers, resellers & system integrators in SAARC Region.

- Redington Ltd: 80+ offices in India & SAARC Region, Middle East, Africa, South East Asia with 37,500 Channel Partners & Resellers.

- Ingram Micro: 17000+ Registered partners / Resellers across Indian Subcontinent.

Mumbai Fintech Hub (India):

- Smartcard Marketing Systems Inc. (OTC: SMKG) is affiliate partners with Mumbai Fintech Hub for the Government of Maharashtra India's "FinTech Investments and Deals Program" globally.
- The FinTech Investments and Deals Program ("Program") is supported by industry, ecosystem players, and MahaIT (India) through Mumbai Fintech Hub to catalyse funding access and strategic partnerships between FinTechs, investors, and partners. It would be a continuous matchmaking digital platform with 3-4 sprints every year and 2 investment summits to celebrate success stories and facilitate networking.
- The Program will host a democratized digital investment platform encompassing buy side (PE / VC / Angel / Financial Institutions), sell side (FinTech start-ups) and strategic partners (customers / channel partners / capability partners).

Visa Everywhere Initiative:

- We work on the Visa Direct and Visa Cybersource as a payment gateway developer
- Selected in a Partner Spotlight in July 2020 for the companies to look out for digital disruption
- Been selected as top 3 organizations for Visa Everywhere Initiative in India for our Permission based digital ID key and onboarding solution with Video eKYC

Gbazzar (Guyana):

- Smartcard Marketing Launches its Generocity Platform in Guyana creating a digital Retail platform and wallet with a suite of features for Mall, Hotel & Entertainment Property, Theme Parks, Enterprises, Franchisers and more; Coupons, Cards, Loyalty points, Social-media, Offer Showcase, Promoted offers, Proximity, Beacon Tech for both Web & Mobile Applications with payment gateways.
- The platform enables mobile & Virtual wallets, Card Management Module and provides a payment gateway for the Guyana and the Islands.

IDBRT:

- The Institute for Development & Research in Banking Technology is a Reserve Bank of India Initiative for Research & innovation. Partners to enable design & implementation on Digital Transformation. (5G, Rural Switch Deployment)

Axepay:

- With Axepay - Smartcard Marketing Systems Inc. is working in multiple regions making us payment gateways for ASEAN and Africa region.
- Cross-Border FX Payment Rails for 42 Countries + AML (230 Countries) + China Businesses & Individuals
- Unified Payment Solution (Upto 33M Customers)
- Enabling Sending, Receiving & Top-up Treasury + Card Networks + Crypto, FIAT & Coin Exchanges + E-commerce, E-Billing & E-Escrow

Xpay:

- PCI Compliant Remote Hosts + PF License (PH)
- EMV PoS Device Certification
- MPoS ready
- Blockchain AI

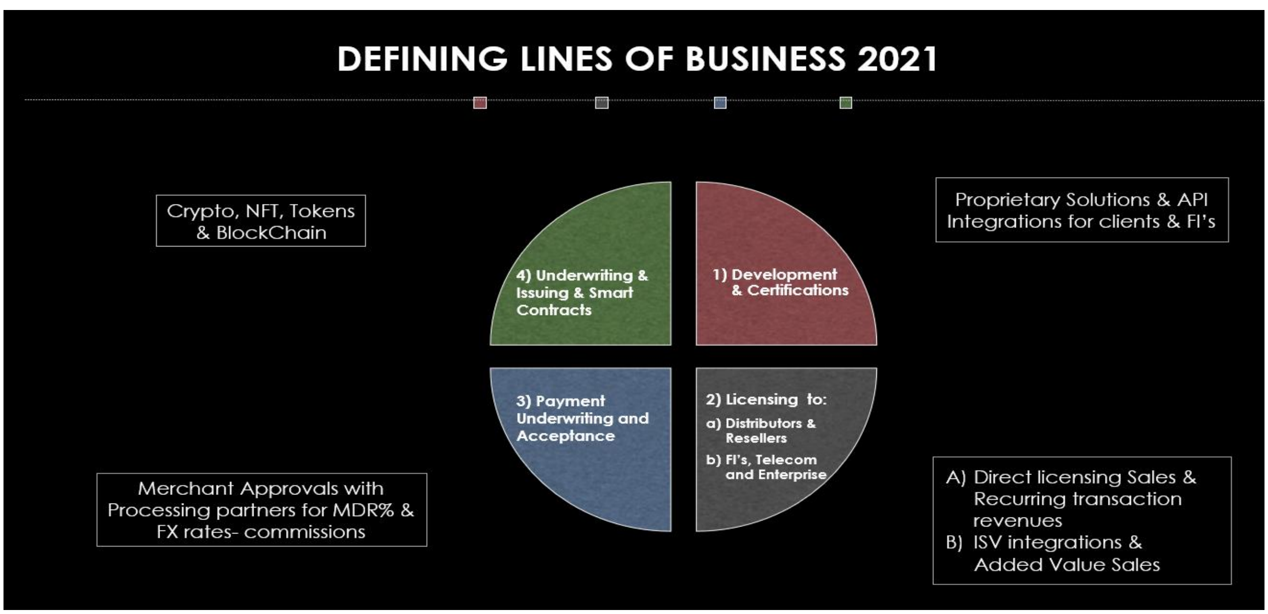
OriginatorX:

- Fungible / Non-Fungible (NFT) Issuing Assets & Debt Tokens
- Underwriting of Assets or Debt
- Issuing Ethereum
- SmartContracts +Smart Auctions
- Auditing
- Listing

OUR INFRASTRUCTURE (✔) & FUTURE PROJECTS (!):

Our Infrastructure & Future installations enables our partners to leverage our hosted solution amplifying their deployments across the continents. The largest complexity milestone for SMKG to deliver Sales & Support to pair up with it Sales Network effect is to localize Cloud & Mobility Infrastructure in key Countries supporting regulatory requirements keeping data & security domestic by providing PCI Compliant turnkey ready to deploy for our Partners & Customers.

AWS (NORTH AMERICA), AWS (PHILIPPINES), AWS (INDIA)



MARKET SIZE OPPORTUNITY STATS: 2021 – 2025

Our Specialized Industry Applications Combined Market Valuations Opportunity of $ 205.8 Trillion for 2021 to 2025

Platform	Industry	Snap shot
Articul8te	CRM	CRM market is now worth about $44.64 billion USD By 2025, the market is projected to nearly double once again, reaching $80 billion
iJobs.Shop	Jobs Market	The #Global Recruitment Software Market will grow by USD 683.80 mn during 2020-2024
Onroute.Tech	Transit Management	The global smart transportation market size is expected to grow from USD 94.5 billion in 2020 to USD 156.5 billion by 2025, at a Compound Annual Growth Rate (CAGR) of 10.6% during the forecast period
Mtickets Events	Events Management	Global virtual events market size was valued at USD 77.98 billion in 2019 and is expected to grow at a compound annual growth rate (CAGR) of 23.2% from 2020 to 2027
Check 21 SaaS	Banks	Amid the COVID-19 crisis, the global market for Intelligent Electronic Devices estimated at US$12.4 Billion in the year 2020, is projected to reach a revised size of US$17.5 Billion by 2027, growing at a CAGR of 5.1% over the analysis period 2020-2027
OriginatorX	ERC20 Tokens	Net worth of the ERC20 token ecosystem is roughly $2.5 billion larger than the $26.7 billion Ethereum valuation the combined total of all the ERC20 market caps measured $29.2 billion, while Ethereum’s valuation is measured at $26.7 billion on July 13, 2020
Profilr Social	Lead Investigation	The global social media analytics market size is expected to grow from USD 3.6 billion in 2020 to USD 15.6 billion by 2025, at a Compound Annual Growth Rate (CAGR) of 34.1%
QR Guru	eCommerce	The global ecommerce market had sales reaching $3.5 trillion and represented 14% of the total share of global retail salesby the end of 2020, global ecommerce sales will reach $4.2 trillion and make up 16% of total retail sales
Menu Events	Menu Management at Events	The global restaurant management software market is projected to reach USD 6.94 billion by 2025
My Travel Menu	Transit Menu Management	The global market for catering services is expected to reach $616.24 billion by 2023 while growing at a constant CAGR of 4.5 percent.

Distributer Email	Email Management	The global digital marketing software market size was valued at USD 43.8 billion in 2019 and is expected to register a CAGR of 17.4% from 2020 to 2027
Granularchain	Onboarding	Document capture software market is poised to grow by USD 3.58 bn during 2020-2024, progressing at a CAGR of 12%
	Digital ID Key	Digital Identity Solutions Market to grow at 16% CAGR to reach US $33 billion by 2025
	Video eKYC	The global e-KYC market anticipated to reach USD 1,015.36 Million by 2026. The anticipated CAGR for the e-KYC market is around 22% from 2020 to 2026
	Documents Vault	Globally, the digital vault market is expected to grow from USD 451.63 million in 2018 to USD 873.81 million by 2023, at a CAGR of 14.1% during the forecast period, 2018–2023
Doctor Vid	Tele Medicine	The global digital market size is expected to expand from $140 billion in 2018 to $ 380 billion in 2024
Phaces.io	Facial Recognition	The global facial recognition market size was valued at USD 3.4 billion in 2019 and is anticipated to expand at a CAGR of 14.5% from 2020 to 2027
Eschool System	Online Learning	The global online education market is projected to witness a CAGR of 9.23% during the forecast period to reach a total market size of US$319.167 billion in 2025, increasing from US$187.877 billion in 2019
Genorocity	Market Place	Before COVID-19, we had forecast that global retail would expand by 4.4%, to $26.460 trillion in 2020. For ecommerce, those figures had been 18.4% growth and $4.105 trillion in sales. However, with decreased retail forecast by over 10 % points and ecommerce forecast by 2 percentage points. This reduced overall outlook for retail ecommerce sales by $190.79 billion
Axepay	Forex Management	2020 forex market, the average volume traded per day is $6.6 Trillion.
	Digital Payment	The transaction value of global mobile payments market was USD 3714. 5 billion in 2019, and it is expected to reach a value of USD 12,407. 5 billion by 2025, registering a CAGR of 23. 8% over the forecast period 2020 - 2025
	eCommerce	The global ecommerce market had sales reaching $3.5 trillion and represented 14% of the total share of global retail salesby the end of 2020, global ecommerce sales will reach $4.2 trillion and make up 16% of total retail sales

FINANCIAL ESTIMATES:

Forecast: FI's & Enterprises, Merchants & Customers Onboarding

TARGET***: For each Financial Institution we estimate a minimum average size of 2 Million Customers & the indicated merchants in the above table ratio. Whereas for each Enterprise the minimum average size of 500,000 customers shall be enrolled & activated directly or through their Merchants. The low average used is considered the basis bottom-line transaction size in the current market.

Average customer Transactions range from 10 times a year or as much as 12 times per month & even daily depending on the Popularity, Efficiency, & Cost Effectiveness of the products.

EXECUTIVE TEAM:

MASSIMO BARONE
CEO & FOUNDER

Montreal born entrepreneur with over 25 years of entrepreneurial experience. Mr. Barone joined the technology sector in the late 90's after leaving the family Restaurants and Hotel Concessions business. Initially, leaving the industry to be part of one of the first online bank offerings by Bank of Montreal BMO in Canada in the early 90's, Mbanx. He realized the possibilities and immediately began focusing his interests in the alternative payments sector. This transition became the foundation for his technology expertise and start-ups throughout the 90's, and his success today at SmartCard Marketing Sys Inc (OTC:SMKG).

During the past 25 years he founded three tech companies, each of which were successful in securing multiple series of investment rounds of capital, from private and institutional sectors. Additionally, all 3 tech companies were transformed from private to Public Co's each within their first 2-3 years of inception. The main focus of each was Payment technology focused with industry specific business processes intelligence.

Mr. Barone has developed a significant network of people, financial institutions and enterprises around the globe. He has also developed a significant reach into Asia & India.
Today Mr. Barone continues to develop and implement technology solutions for the Fintech & Retail marketplace. He is the Founder & CEO of SmartCard Marketing Systems Inc. (OTC:SMKG) a Fintech company with Banks, Telecoms & Retail Enterprises as customers. He also works with many start-ups to develop and commercialize service solutions.

PAOLO CONTINELLI
PRESIDENT AND FOUNDER

Mr. Continelli has over 20 years of experience as an entrepreneur and a visionary in the payment and technology space. He has extensive experience in general contracting having grown into a family business, which he then took operational and sales control in the late 90's and successfully tripled the sales and fleet of the company and later sold. Since then he got involved in the payment sector looking for a challenge and change. He has been involved in multiple start-ups from initial seed capital, concept to live production while working in global markets. During the past 10 years he has worked extensively with banks, telecoms and variety of businesses in Asia to implement payment applications., Mr. Continelli is currently responsible for business development in multiple markets for SmartCard Marketing Systems Inc.

MICHELE (MIKE) TASILLO
CFO

Mr. Michele Tasillo, also known as Mike, serves as a Finance Manager of Smart Card Marketing Systems Inc. Mr. Tasillo was the Founder of Hybrid PayTech World Inc. (known as Freeport Capital Inc.), served as President and Chief Financial Officer until January 2014. He has been active as a Consultant and

Educator for the past 20 years, specializing in ISO Certification Standards in the Construction Industry dealing with Municipal, Provincial and Foreign contracts. He also brings vast experience with project management, implementation and deployment of products. He served as a Director of Hybrid PayTech World Inc. (Freeport Capital Inc.) from November 19, 2009 to February 8, 2014.

DHARMESH VORA
VP SALES

Mr. Vora is an astute professional with 14 years of experience in Consulting organizations with their IT and HR needs. Graduated in India from Pune University in International Trade and Business. Also, an Electrical engineering.

He has worked with global organizations like Franklin Covey and Antal International and has a proven track record . Hie has extensive training on global training material offered by BlessingWhite, Mahaan Khalsa and Dr. Stephen Covey.

He has been in the Indian subcontinent working closely with senior leadership teams of MNCs and Stakeholders of MSMEs. An expert in understanding the opportunities and challenges in the organization with C-Suite Executives and CXOs suggesting alternatives.

He has collaborated with major institution including Mumbai Fintech Hub, Visa Net, Wipro, Compuage in India, European Union, Asia and Middle East.

LEE TANG
CTO

Mr. Tang graduates from Concordia University with a Bachelor degree in Computer Science is a seasoned senior IT consultant with more than 20 years of experience in IT and Telecom sectors. He worked with clients from various industries like FinTech, Pharmaceutical, Marketing, Retail, BPO, Nature Resources and International Trading. He held many important key IT roles and positions in his IT life, from Systems Director, to Data Center Architect, to VP of IT and Security, to CTO. His broad knowledge of different aspects of the IT makes him a great asset to any company.

Mr. Tang's extensive experience on new start-ups grants him to be an ideal partner to have on new ventures. He knows no single approach is the right one for every start-up company, the dynamic environment and limited resources of the start-ups make each one very unique and challenge. That's why Lee often finds creative solutions in order to satisfy the specific needs from business side, helping company to reduce TCO while maximizing ROI, paving the way towards success.

GARY REPCHUK

Mr. Repchuk has over thirty year's management/executive experience and technical skills in Mobile Payments, Banking, Payment Processing, and Financial Technology complemented by a Master of Business Administration. An Operations Professional that utilizes the new technologies to deliver process improvement to global enterprises.

He previously led an innovative team of software development professionals that delivered a payment omni-channel ecosystem now processing for multiple Global Partners in the Airline, Telecom and Cryptocurrency industries. The middleware platform enabled the simultaneous management of Enterprises, Merchants, SmartPOS, Banks, Fintech's and global processors. As a highly motivated executive and a collaborative negotiator, he successfully directs enterprise wide cross-functional projects, fosters new global relationships.

Previously carved out a unique strategy that has attracted the world's largest SmartPOS manufactures to the VPI Mobile Laboratory that housed a payment switch, fintech gateway, and a certified key injection facility that doubled as an acquirer certification facility. Delivered a true All-In-One mobile payment platform that supports stand-alone and semi-integrated solutions and has captured the attention of national and international institutions interested in managing every aspect of their payment requirements.

ERIC M. SHERB
CPA

Mr. Eric is a CPA with over 13 years experience in accounting advisory, auditing and mergers and acquisitions. He began his career at PricewaterhouseCoopers and has several years 'experience in mid-size audit and consulting firms with clients in a variety of industries.

Eric is the founder of EMS Consulting Services, which provides outsourced CFO services to private and public companies. Eric has extensive experience in SEC financial reporting, audit and IPO readiness, financial modeling and technical advisory. Eric graduated with a BBA from Emory University in Accounting and Finance.

GINA LESLIE
LLB

Gina commenced her legal career in Toronto practicing Securities Law and reviewing contests for clients. When Canada's largest casino, Caesars Windsor, opened for business, she was appointed the first Vice-President, General Counsel and Compliance Officer in the gaming industry in Ontario, Canada. In this role Gina was responsible for overseeing and managing all legal and regulatory aspects of the Company's operations including gaming, anti-money laundering and privacy law matters. Her role also included being a member of the Executive Committee and leading various departments including Purchasing, Internal Audit, Risk Management, and Compliance.

Gina is known for her ability to provide a business approach to legal issues and to develop creative solutions in an exceptionally fast-paced and newly emerging regulatory environment. In doing so she supported customer service goals while maintaining compliance with the legal framework in a highly regulated industry.

Gina is Founder and President of Axepay Inc. a private company with proprietary business relationships servicing fintechs, banks, governments, enterprise and business (b2b, b2c, b2b2c) for a combination of services in the payments industry. She has experience in the payments industry as an entrepreneur in emerging markets including China, Vietnam, and the Philippines and with a bitcoin exchange in Hong Kong.

Gina was Chair of the Windsor Chamber of Commerce and a member of the Board of Directors, a member of the Board of Directors of the Windsor Essex County Development Commission, a member of the Odette Management Advisory Board at the University of Windsor and a member of the Board of Governors at St. Clair College.

VINAY KOTAPATI
VP FINTECH

Mr. Kotapati has 25 years of experience in IT service delivery (Strategy, Design, Execution & Excellence, Transition, Operation, Performance) associated with business IT change linked to mergers, acquisitions and corporate transformations. Have also Built strong relationships across industry spectrum with market makers, venture capitalists, idea feasibility, due diligence and business discovery initiatives across USA, India, Europe, and South Africa.

Mr. Kotapati brings the thoughtful leadership. anchor and engagement differentiation to deliver operational excellence and shape-up value adding solutions that enables customers to meet their changing needs of the global landscape.
His Competency Origins include – Early induction working with Big Five consulting (KPMG, Deloitte) and major System Integration Companies (Tata Consulting Services, Wipro, Satyam) across the global locations on either side of Atlantic with subsequent high profile engagements spanning across Asia Pacific, EMEA and US regions for various clientele.

EXECUTIVE SUMMARY:

SMKG is a highly recognized Paytech and Fintech Co. with a proprietary portfolio of 16 specialized Ecommerce, Cloud & Mobility applications for marketplace technologies.

The company has focused its sights on developing distribution partners throughout 2020 with a core focus on Cloud & Mobility infrastructure Engineers and Advisors; AWS, Azure, Google Cloud & Oracle

Recently, through strategic partnership relationships established with Visa Everywhere, Discover Card, Mumbai Fintech Govt, ITDcloud, Wipro, Compuage & Redington to list a few, we have strengthened our position in the global marketplace.

Our key clients include ICICI bank of India, Axepay Inc, Unified Signal Inc, Xpay.world Inc, OriginatorX and Atlas Tech of the Caribbean, positions us for accelerated growth in Digitization and Business Continuity as a key Digital applications provider to Banks, Telecom, Enterprises and SME's.

TARGETS 2021-23

Our aim is to build up a client "activation" for the next 3 years of up to 75k to 100K merchants on a potential book of 750k to 1m merchants. This shall be achieved through our channel partner distribution and direct treasury clients.

Each white-label opportunity shall bring upward of 5000 to 25000 merchants, whereas with a collaboration with a Financial Institution (FI) or a Telecom this number shall leap upward to 50,000 to 150,000 merchants.

SOFTWARE DEVELOPMENT

The company continues to outsource modular development and technical support to 3 major service providers. On this strategy the company has expanded with a BPO strategy to extend to its customers with the launch of the Payments.studio lab. The lab combined with the "Brand As Your Own" strategy with our clients is proving very well accepted and we will continue to define this line of business to grow as a significant source of new revenues throughout 2020 to 2021.

FINTECH ACCELERATOR OFFERING PROGRAM

The company's management has established a Fintech partnership with Mr. Vinay Kotapati ENG. He leads the Findigm initiative which uses the SmartCard Marketing Systems Inc portfolio.

Year	Financial Institutions	Merchants per Financial Institution	Enterprise	Merchants
Year 1	3	15,000 (x3)	20	5,000 (x20)
Year 2	10	20,000 (x10)	100	7,500 (x100)
Year 3	25	25,000 (x25)	250	10,000 (x250)

OTC:SMKG portfolio of technology. His initiative is to transform the portfolio into licensing opportunities in India with Banks, Insurance and Agriculture industries.

OUR GATEWAY NETWORK;

The company's reach and breadth are enhanced by a diverse networks of payment gateways and vendors in many countries. The company works with Payment processors, Issuers & Acquirers to continuously expand on its seamless payment & gift card suite for Ecommerce, EMV MPOS & Virtual terminal products capabilities.

INTEGRATED PAYMENT GATEWAYS

Worldnet (USA, Europe, Ireland)
Axepay(China, International)
PayFacto (Canada)
PayPal (Worldwide)
Stripe (USA, Canada)
Spreedly (Worldwide)
MojoPay (USA, Canada, Europe)
Humboldt Merchant Services (USA)
Inovio (USA)
Authorize.net (USA)

Newly Added in 2020 1st QTR
Visa Cybersource and Visa Direct
Discover Card Networks

OUR VENDORS

DataTrax
Unrapp
Valvid
Infobip
Unrapp
Kontakt.io
ThreatMetrix
Contact Innovations
Idtechproducts
Xpay World
Jet Webinar

VISA Everywhere
Discover US

CERTIFICATIONS - PROCESS & MAINTENANCE

The company works with payment gateways internationally. Each certification process is managed independently with the vendor and enables their PCI scope in our environment builds.

We use a multi-tenant build technique with all our solutions. This enables us to isolate each merchant as an individual account boarding their own credentials on the network.

EXECUTIVE SUMMARY AS OF DECEMBER 31ST, 2021

The Board of directors and management developed a world class technology portfolio for the Payments and Fintech Industry. Our implementation of our own marketplace is our commitment to develop a global reseller marketplace and work with sales networks to increase conversion rate of opportunities to customers.

In the past year key partnerships and integrations have been an important part of what we do and facilitate our deployment plans in specific regions. These partnerships have upfront development costs but create opportunity for easier acceptance by larger pools of merchants.

With these various technology partner's we now have material clients and opportunities that are flowing which will have a significant impact on new revenues from ongoing transactions and licensing. This plan will lead to substantially improving cash flow and minimize the operating risk moving forward.

In addition to the difficulties that began with Covid 19 in Asia in the 1st Quarter of this year, we are working to further transform our digital strategies to be a leader in the business transformation toward 4.0 strategic deployments and a major source of new income for the company through distribution sales of the portfolio offerings.

CAPITAL FUNDING PLAN 2021
12 - Month Outlook

The company has abandoned its Regulation A+ offering for a Tier 1 classification of a $20m underwriting which can be amended if required. The company is working on an S1 Filing which will be filed following the 2021 Dec 31st year end audit. All is subject to meeting approvals and the company's initial offering target which can amended to match market conditions. In addition, the company continues to work with the OTC Markets analysts to qualify the company as an SEC Issuer regulated company. The initial filings and applications will be followed through as the new year progresses, and we continue to work with the both OTC Markets, Canadian and US Regulators to seek trading resumption in foreign markets including Canada. Albeit, this has become challenging through this part of the year as many offices and staff are challenged with time constraints across multiple industries.

Historically the company has had operating losses and negative cash flows from operations. Whether, and when the company can attain profitability and positive cash flows from operations is uncertain. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company will need to raise capital in order to fund its operations. To address its financing requirements, the Company will seek financing through debt and equity financings and rights offerings to existing stockholders. The outcome of these matters cannot be predicted at this time.