

SMARTCARD MARKETING SYSTEMS, INC. (SMKG:OTC), AND SUBSIDIARY

20c Trolley Square Wilmington, Delaware, 19806

Transfer Agent: Securities Transfer Corporation –
2901 N. Dallas Parkway, Suite 380, Plano, Texas 75093,
Registered under the Exchange Act 38

Trading Symbol: SMKG

CIK: 0000900475

SIC Code: 8900

- As of December 29th, 2025 the number of shares outstanding of our Common Stock booked was: 621,486,646
- As of March 31st, 2025 the number of shares outstanding of our Common Stock booked was: 621,486,646
- As of December 31st, 2024, the number of shares outstanding of our Common Stock booked was: 485,486,374
- As of December 31st, 2023, the number of shares outstanding of our Common Stock booked was: 507,992,061
- As of December 31st, 2022, the number of shares outstanding of our Common Stock booked was: 491,892,061

Unaudited 1st Quarterly Report to March 31, 2025 Financial Statement

www.smartcardmarketingsystems.com



PAYTECH | PAAS | AI | BLOCKCHAIN
BUSINESS INTELLIGENCE | CRYPTO

<https://www.smartcardmarketingsystems.com>



Unaudited Period End, March 31st 2025

**Consolidated Period End Financial Statements & “MD&A”
for the 3 Months Ending March 31st, 2025**

December 29th, 2025

TO WHOM IT MAY CONCERN:

We the undersigned do certify that we have reviewed the attached Unaudited Consolidated Interim Financial Statements & “MD&A” the 3 Months Ending March 31st, 2025.

We certify that the information is complete and presented fairly in all material respects to the best of our knowledge.

Sincerely,



Massimo Barone

CEO of Smartcard Marketing Systems Inc. (SMKG:OTC)

1 844 THE PAYMENT www.smartcardmarketingsystems.com

MARKETS & BUSINESS DISRUPTER

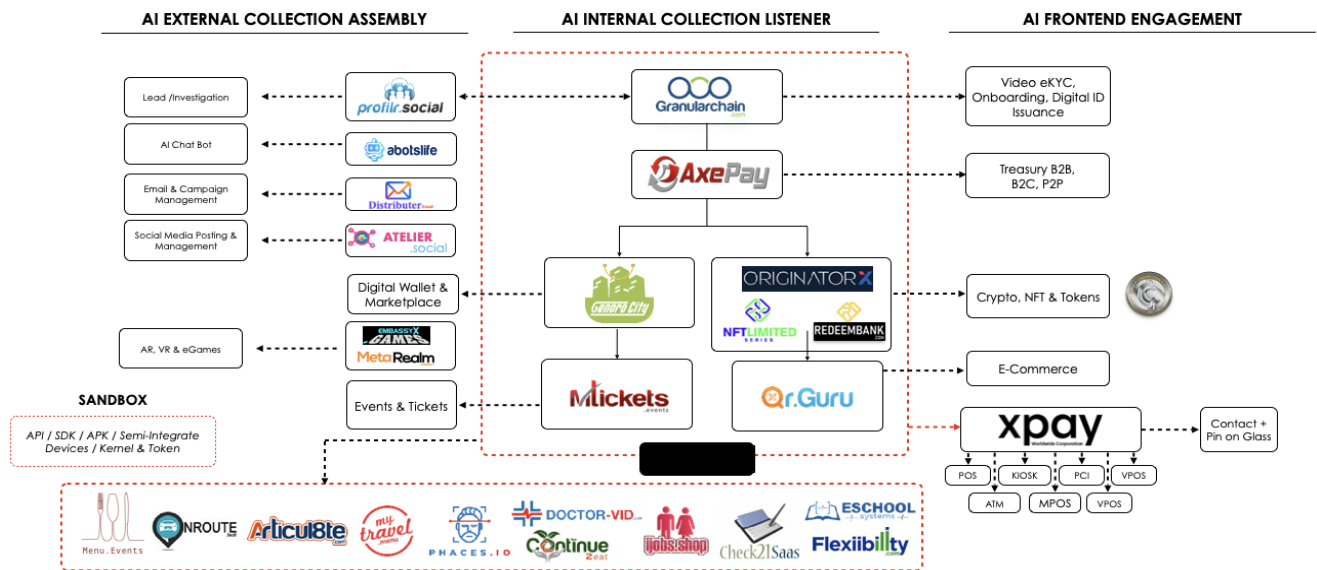
SmartCard Marketing Systems Inc. (SMKG:OTC) is a global PayTech, FinTech and Digital Assets solutions provider specializing in enterprise-grade payment technologies, digital banking infrastructure, and digital-asset-ready platforms. The Company develops and commercializes a portfolio of proprietary software products that support e-commerce, digital identity, tokenization, cross-border payments, and Banking-as-a-Service (BaaS) capabilities for financial institutions, enterprises, and government clients. With a strong focus on innovation, SMKG integrates emerging technologies—including blockchain, digital assets, and stablecoin-enabled settlement—into its multi-application ecosystem to meet the evolving needs of modern financial markets. The Company’s platforms are designed to enhance operational efficiency, compliance, and interoperability across global payment environments.

SMKG serves clients across North America, the Caribbean, Europe, and Asia, supporting digital transformation initiatives and enabling secure, scalable financial services. Through strategic partnerships, product expansion, and continued investment in next-generation financial infrastructure, the Company is positioned to capitalize on the accelerating convergence of traditional finance and digital-asset-driven payment models.

For more info visit <https://www.smartcardmarketingsystems.com> or visit our business applications marketplace <https://www.emphasispay.com>.

The diagram below showcases the company’s proprietary portfolio with the inclusion of its minority interest ownership of Xpay World Singapore – Card Processing Host Switch.

PORTFOLIO IP ECOSYSTEM FLOW



CORPORATE OFFICES AND LOCATIONS 2025:

Prior 2020 and Covid19, the company's team continues to work remotely from their home locations. The focus of daily operations is accessed and hosted solutions with AWS which supports the company's cloud, mobility and node applications platforms in production environments for facilitating client training, demo's and for proof-of-concept purposes. The company is considering office locations in the near-term future in Miami and reactivated Mumbai India to manage onsite work and Financial Institution partnerships.

GLOBAL EVENTS - COVID -19 PANDEMIC, WAR & INFLATION

The digital transformation and virtualization of businesses globally is being accelerated by Governments drastically faced with many unknown challenges since 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 utilities, blockchain protocols and contactless transacting because of what occurred with social-distancing, recurring lockdowns and the unknown.

2022-23 proved to be significantly challenging with several failures in the US markets with regards to the Banking Sector and Regulatory challenges in Crypto or specifically Digital Assets. The company with its proprietary IP was able to pivot during these challenges and work in new emerging markets to maintain operations are rebuild new financial sponsorships in the USA.

With the end of 2024 and now entry into 2025 seeing positive results fighting inflation and the US introducing the Genius Act.

OVERVIEW 2025

SmartCard Marketing Systems Inc. enters 2025 with a clear strategic mandate: accelerate the evolution of its PayTech, FinTech and Blockchain platforms, deepen its capabilities in digital-assets and stablecoin-enabled settlement, and expand its global footprint through enterprise-grade Banking-as-a-Service (BaaS) infrastructure. The company's roadmap is designed to align product innovation, regulatory readiness, and commercial execution across key markets including the United States, the Caribbean, the United Kingdom, and emerging digital-asset-friendly jurisdictions.

Q1 2025 – Foundation, Acceleration & BaaS Build-Out

The first quarter of 2025 is focused on strengthening the company's core technology stack and completing critical infrastructure milestones. SmartCard is making major strides in the build-out of its BaaS platform in collaboration with a U.S. Bank and Trust partner. This initiative is central to enabling compliant digital-asset workflows, tokenized payments, and future stablecoin settlement capabilities across the company's ecosystem.

During Q1, SmartCard is also expanding integrations for digital asset rails, enhancing interoperability across its PayTech and FinTech solutions, and preparing the operational framework required for enterprise-level onboarding. The company believes that the progress achieved in Q1 will position the second quarter as a pivotal phase for testing, validation, and pre-launch readiness.

SmartCard Marketing Systems Inc's. technology streamlines the tokenization of Real-World Assets (RWAs) and Utility Token Issuance, optimizing verification, Treasury, monitoring Liquidity (Off-chain & On-chain), Crypto Exchange Listing engagement and Community development. By digitizing assets like RWAs, Utility Tokens through ICOs & IEOs, FIs and businesses can reach global capital audiences faster and more efficiently without intermediaries.

Q1 2025 OUTLOOK

SmartCard Marketing Systems Inc. anticipates strong momentum in Q1 2025 as the company advances its PayTech and FinTech product suite with expanded integrations for digital asset rails and tokenized transaction workflows. Early-year initiatives are expected to accelerate client onboarding across enterprise and government segments, supported by growing market demand for compliant digital asset infrastructure. The company expects continued progress in embedding stablecoin-ready settlement capabilities across its platforms, positioning SmartCard to capitalize on the increasing institutional adoption of programmable money and cross-border digital payments.

Capital Expenditures and Development Investments

During the financial quarter ended Q1 March 31st, 2025, SmartCard Marketing Systems Inc. SmartCard continued to invest strategically in capitalized software development, research and development initiatives, and the integration of critical partner networks essential to the Company's PayTech and FinTech ecosystem. These expenditures support the Company's long-term roadmap in digital payments, digital assets, and Banking-as-a-Service (BaaS) infrastructure.

Q1 2025 – Foundational Development & Network Integration Planning

In the first quarter of 2025, the Company incurred capital expenditures primarily related to the continued development of its core PayTech and FinTech platforms, including enhancements to digital identity, tokenization, and settlement modules. Investments during this period also included early-stage integration work with Visa’s partner network and preliminary architectural planning for connectivity with OTC Desk providers to support digital-asset-ready transaction flows.

Capitalized expenditures in Q1 focused on:

- Platform modernization and infrastructure scaling
- R&D for digital-asset settlement and stablecoin-ready modules
- Initial compliance and technical scoping for Visa network integration
- Architectural design for OTC Desk connectivity and liquidity routing

These investments established the technical foundation required for accelerated development in subsequent quarters.

PAAS (PLATFORM AS A SERVICE) SOLUTIONS:

Accelerated Digital Transformation:

- PAAS provides a fast track to digital transformation for the BFSI (Banking, Financial Services, and Insurance) sector.
- Multi-tenant marketplace platforms, embedded payments, and blockchain integration streamline operations.
- Enterprises gain agility, scalability, and cost-effectiveness.

Cross-border & Digital Banking Technology:

- Axepay's cross-border technology enhances global payment capabilities.
- Seamlessly processes cross-border payments in multiple currencies.
- Embedding Cryptocurrencies with OTC Desk Off-ramping with major partners
- Enables secure, efficient, and cost-effective transactions.

Card Processing Payment Host + TMS Integration:

- XPay.World's Terminal Management System (TMS) ensures efficient management of IoT devices.
- Optimizes Android terminals, enabling L3 certification and seamless deployment.
- White-label options empower customization and branding.

Components of the Pure Hybrid API:

SmartCard Marketing Systems Inc. introduces the Pure Hybrid API that automates the Platforms as a Service (PAAS) process and Embedded Payments solutions of SmartCard Marketing Systems Inc.

- **PAAS Process Automation:**
 - Leverage SMKG's existing PAAS technology portfolio, including Commerce Strategies, Paytech, Fintech, AI, and Blockchain Digital Solutions¹.
 - Incorporate cross-border payment rails, E-commerce cart functionality, EMV MPOS, and mobile wallets.
 - Ensure interoperability with various acquirers, issuers, and payment networks.
- **Embedded Payments Integration**
 - Integrate SMKG's proprietary embedded payment solutions, including blockchain protocols, digital tokens, and crypto exchanges.
 - Enable seamless transactions within the ecosystem.

2024 HISTORICAL INFORMATION:

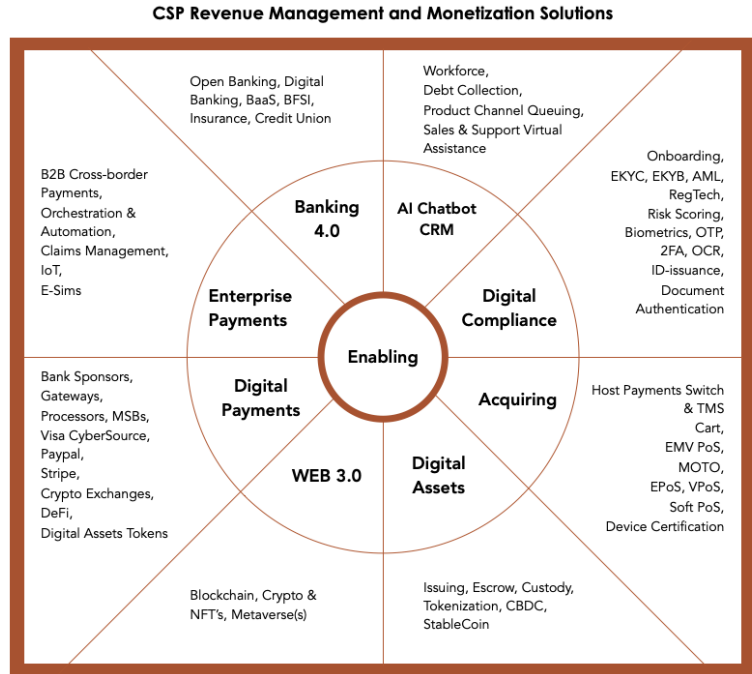
THE PAAS EMBEDDED ECOSYSTEM

BY SMARTCARD MARKETING SYSTEMS INC. (OTC:SMKG)

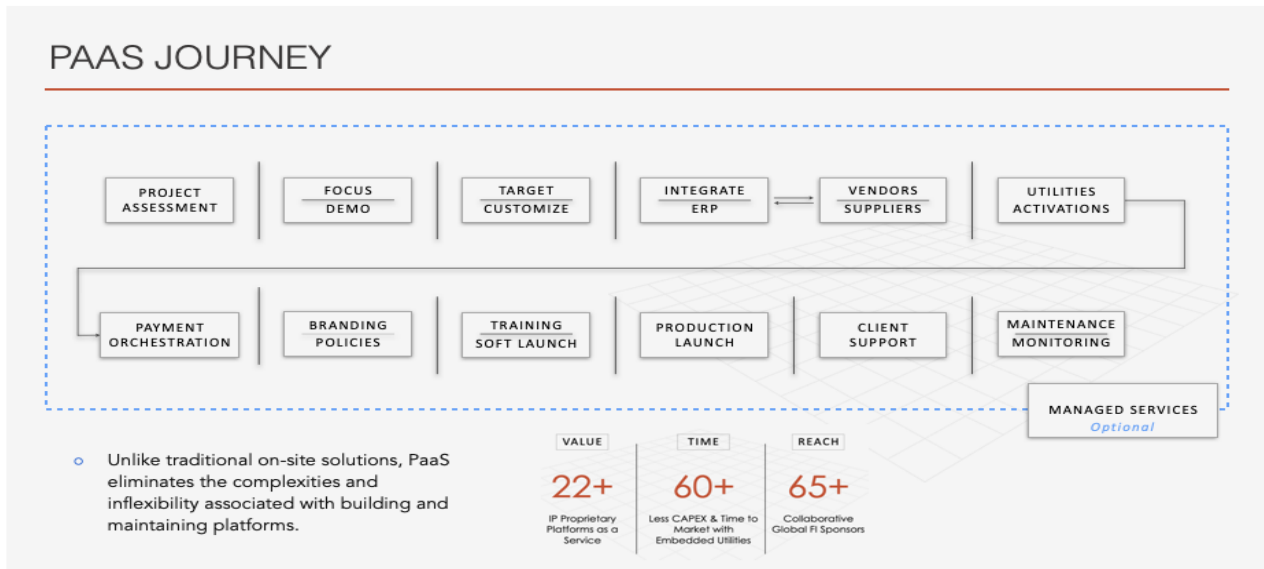


The Client Journey is about objectives, targets and expectations. Our mission is the reduction of friction and time to market entry, minimize CAPEX and provide an Executable Strategy for a win-win relationship with our Clients.

- 22 PaaS Industry Agnostic composable Platforms
- Global Financial Sponsors for FX Accounts and Card Acquiring Originations
- International Payments Desk Underwriting
- Payments Modelling
- Centralized & Decentralized Solutions for Open or Closed Loop Ecosystem
- Cloud and Mobility Managed Services
- Option - License to Own Technology
- Advisory



The diagram below "PAAS JOURNEY" showcases the company's "Platforms as a Service" journey walk-through implemented for clients.



HISTORICAL JOURNEY CONTINUED:

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 specializing in multi-tenant marketplace technologies.**

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 the financial marketplace in India with Articulate 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.

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- 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 190 Countries 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 ekyc network for aml monitoring engine for payments and blockchain
- Compliance and business registrations in India, Philippines and LATAM

HISTORICAL REMARKS FOR 2022 AND 2023

Starting in early 2022 and throughout 2023, the company was successful in filing an S1 Registration Statement with the SEC, approval on Jan 31st of 2023, and on the week of February 15th 2023 was successful at becoming a Reporting Issuer by the US SECURITIES COMMISSION. During the same period, the US Financial Markets collapse that began with the fallout and fraud by FTX in November 2022 in the Crypto Markets, then continued with the collapse of key financial partners in the Banking Industry throughout April to September 2023 disrupting our accelerated growth.

2024 INVESTMENT THESIS

SmartCard Marketing Systems Inc. is uniquely positioned at the intersection of PayTech, FinTech, and Blockchain-enabled digital transformation. In a year defined by regulatory tightening, infrastructure modernization, and digital-asset uncertainty, SmartCard delivered platforms that directly addressed the industry's most urgent needs.

The company's architecture, strategy, and execution in 2024 demonstrate:

- Strong product-market fit
- High scalability across global markets
- Alignment with long-term regulatory and technological trends
- A defensible competitive moat built on compliance, interoperability, and operational resilience

The year 2024 marked a pivotal shift across global banking and digital-asset markets for the company. Traditional financial institutions faced mounting regulatory pressure, infrastructure modernization demands, and rising cybersecurity threats. Meanwhile, the crypto sector navigated volatility, liquidity constraints, and evolving compliance frameworks.

SmartCard Marketing Systems Inc. (SMKG) emerged as a strategic enabler during this period, leveraging its cloud-native, blockchain-enabled platforms to deliver compliance-ready, interoperable, and operationally resilient solutions to banks, FinTechs, and enterprise clients worldwide.

2024 BANKING SECTOR CHALLENGES

- Regulatory tightening around AML/KYC, cross-border payments, and digital-asset exposure increased compliance costs and operational complexity.
- Legacy infrastructure limitations hindered real-time settlement, API integration, and cloud migration.
- Cybersecurity threats escalated, exposing gaps in monitoring, telemetry, and data protection.
- Margin compression intensified as customer expectations shifted toward instant, digital-first financial services.
- Fragmented global standards (e.g., ISO 20022, digital identity frameworks) complicated cross-border interoperability.

2024 CRYPTO AND DIGITAL ASSET CHALLENGES

- Regulatory uncertainty around token classification, stablecoin issuance, and custody requirements slowed institutional adoption.
- Market volatility and liquidity fragmentation created settlement risk and operational instability.
- Security breaches and custody failures highlighted the need for enterprise-grade digital-asset infrastructure.
- Interoperability gaps across chains limited scalable deployment of blockchain-based financial products.

How SMKG Overcame These Challenges and Created Investor Value Compliance-First Architecture

SmartCard's platforms were engineered for Core, Middleware and Client-facing applications with embedded AML/KYC workflows, audit-ready transaction logs, and role-based access controls. This positioned the company as a turnkey compliance accelerator for banks and FinTech's navigating 2024's regulatory tightening.

Investor Value: Reduced onboarding friction, faster enterprise adoption, and strong alignment with global regulatory trends.

Cloud-Native, API-Driven Infrastructure

SmartCard delivered scalable microservices, secure API gateways, and real-time transaction orchestration—allowing institutions to modernize without re-architecting their core systems.

Investor Value: High-margin SaaS deployment model, rapid integration cycles, and strong recurring revenue potential.

Blockchain-Enabled Payment Rails & Tokenization Frameworks

Rather than focusing on speculative crypto markets, SMKG built utility-driven blockchain applications for tokenized assets, smart-contract settlement, digital identity, and multi-chain interoperability.

Investor Value: Exposure to digital-asset growth with reduced volatility risk and strong institutional demand.

Enterprise-Grade Cybersecurity & Operational Resilience

With zero-trust architecture, encrypted data flows, and continuous telemetry, SMKG positioned itself as a risk-mitigation partner rather than a simple technology vendor.

Investor Value: Increased trust from banks and governments, enabling entry into regulated markets.

Strategic Global Partnerships & Expansion

Through LOIs, MOUs, and JV structures, SMKG expanded into high-growth regions where digital payments and regulatory clarity were accelerating.

Investor Value: Diversified revenue streams, global footprint, and scalable market penetration

MANAGEMENT DISCUSSIONS AND ANALYSIS QUARTER ENDED

MARCH 31,2025

Financial Results, Unaudited Period Ended March 31st, 2025 Compared to March 31st, 2024

FINANCIAL HIGHLIGHTS FOR MARCH 31, 2025

REVENUES

For the period ending March 31, 2025, revenues amounted to \$179,010, compared to \$77,117 in March 31,2024, reflecting a 132% increase.

GENERAL AND ADMINISTRATIVE EXPENSES

For the period ending March 31, 2025, general and administrative expenses totaled \$342,629, increase from \$226,282 in 2024. This represents a 51% increase, driven by the increase in revenue.

IMPAIRMENT OF CRYPTO ASSET

For the period ending March 31, 2025, the Company recorded \$5,909,125 as impairment of crypto token due to decrease in fair value of token in market.

NET PROFIT

The net profit for the period ending March 31, 2025, stands at \$6,072,744, which includes a impairment of crypto tokens of \$5,909,125. As a result, the net loss for the three months amounts to \$6,072,744, compared to a loss of \$154,064 in 2024. This represents a 38.42 times decrease in profitability year-over-year.

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 e-commerce, cloud and mobility applications with flexible architecture to monetize on rapid deployments with customizable wireframes.

Our strategy to focus India and Southeast 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.

PAYMENT PARTNER TIMELINE:

2025		
Bridge	<p>We believe stablecoins will transform and improve global money movement. Bridge creates the infrastructure necessary for builders to take full advantage of this new medium.</p> <p>Since launching 18 months ago, we've provided millions with faster and cheaper access to cross-border payments, enabled governments and aid agencies to more efficiently distribute funds to thousands, and given millions more true economic choice, enabling them to easily save and spend in USD or EUR.</p>	31st Jan 2025
Chain Analysis	<p>Chainalysis is the blockchain data platform. We provide data, software, services, and research to government agencies, exchanges, financial institutions, and insurance and cybersecurity companies in over 70 countries. Our data powers investigation, compliance, and market intelligence software that has been used to solve some of the world's most high-profile criminal cases and grow consumer access to cryptocurrency safely.</p>	5th Feb 2025
Nuvei	<p>Nuvei (Nasdaq: NVEI) (TSX: NVEI) is the Canadian fintech company accelerating the business of clients around the world. Nuvei's modular, flexible and scalable technology allows leading companies to accept next-gen payments, offer all payout options and benefit from card issuing, banking, risk and fraud management services. Connecting businesses to their customers in more than 200 markets, with local acquiring in over 50 markets, 150 currencies and 700 alternative payment methods, Nuvei provides the technology and insights for customers and partners to succeed locally and globally with one integration.</p>	11th Feb 2025

COMPLIANCE PARTNER:

Lazarus Legal	<p>An international Gaming Law Firm established since 1967, partnering with clients in emerging industries to protect their interests and grow their businesses.</p>	Jan 2025
Tink (North America)	<p>Account Check Instantly verify accounts with data directly from a user's bank account to facilitate faster payment set-up and more seamless payment flows.</p>	Jan 2025
Chain Analysis	<p>Chainalysis is the blockchain data platform. We provide data, software, services, and research to government agencies, exchanges, financial institutions, and insurance and cybersecurity companies in over 70 countries. Our data powers investigation, compliance, and market intelligence software that has been used to solve some of the world's most high-profile criminal cases and grow consumer access to cryptocurrency safely.</p>	Feb 2025

Detailed breakdown of the SmartCard Marketing Systems Inc. (SMKG) activities for the first quarter of 2025, presented from an Audit and Shareholder perspective.

This analysis focuses on the company's strategic pivots, product launches, and market positioning as detailed in their press releases.

1. Expansion of PaaS and Industry Innovations

- **Timeline:** January 13, 2025
- **What SmartCard Does (Operational Audit):** SMKG officially expanded its product portfolio to adopt a "Platform as a Service" (PaaS) strategy. The company updated its suite to include "Payments 4.0," Loyalty Programs, and AI-driven analytics . From an operational standpoint, the company is diversifying its revenue streams by targeting high-impact sectors such as Financial Services (Banks/MSBs), Mining (Real World Assets), and Energy & Utilities . The company is also scaling partnerships with Money Services Businesses (MSBs) to streamline international payments.
- **Market Outlook & Stats:**
 - **Blockchain Growth:** The market is projected to grow at a CAGR of **67.3% by 2025**.
 - **Transaction Volume:** SMKG's platforms are currently enabling millions of digital transactions monthly.
- **Audit Perspective for Shareholders:** The shift to a PaaS model represents a move toward recurring revenue (licensing models) rather than one-off project fees. By integrating AI and Tokenization, SMKG is future-proofing its tech stack against competitors. The focus on "Real World Assets" (RWA) in mining and energy indicates a strategic entry into asset-backed security markets, which offer higher stability than speculative crypto assets .

2. Web3 & PaaS Innovations in PayTech

- **Timeline:** February 14, 2025
- **What SmartCard Does (Operational Audit):** Building on the January announcement, SMKG refined its focus specifically on **Web3 projects** and **Real World Assets (RWA)**. The company deployed "Marketplace Loyalty" systems designed to boost merchant engagement and introduced "Tokenization Platforms" for digital asset issuance . Operationally, they are installing "Xpay World Paytech Payment Host satellites" in key markets to physically anchor their digital presence.
- **Market Outlook & Stats:**
 - **Partnerships:** The ecosystem now includes **65+ embedded partnerships**.
 - **Market Growth:** Reiteration of the **67.3% CAGR** projection for the blockchain market.
- **Audit Perspective for Shareholders:** The company is targeting "Mid-tier" businesses and financial institutions, a segment often underserved by major banking tech giants. By offering a "ready go-to-market" platform, SMKG reduces the barrier to entry for clients, likely shortening the sales cycle. The specific mention of "Payment Host satellite installations" suggests capital expenditure toward physical infrastructure to support their cloud offerings.

3. Growth via Crypto Reserves & Executive Order

- **Timeline:** March 5, 2025
- **What SmartCard Does (Operational Audit):** SMKG is strategically aligning its compliance and product roadmap with new U.S. federal regulations (specifically

referenced as policies under the Trump administration). The company is positioning its "Embedded Finance" and "Blockchain-Powered Payments" to help mid-tier banks and enterprises comply with new executive orders regarding digital assets.

- **Market Outlook & Stats:**
 - **Trend:** A significant shift toward "Embedded Finance" where businesses integrate payments directly into their ecosystems.
 - **Adoption:** Rising institutional interest in Central Bank Digital Currencies (CBDCs) and Stablecoins.
- **Audit Perspective for Shareholders:** This PR highlights regulatory risk management. Rather than viewing regulation as a hurdle, SMKG is marketing its "Compliance" capabilities as a service. This positions the company as a safety partner for banks looking to enter the crypto space without violating federal laws. The focus on CBDCs and stablecoins points to a strategy built on regulated, fiat-adjacent assets rather than volatile speculative coins.

4. Application for Crypto Exchange (RWA)

- **Timeline:** March 7, 2025
- **What SmartCard Does (Operational Audit):** SMKG announced preparations to launch a proprietary **Crypto Exchange** specifically for **Real World Assets (RWA)**. This exchange will support both closed-loop and open-loop blockchain trading. Key features include liquidity pools, cross-chain interoperability, and fiat off-ramping .
- **Market Outlook & Stats:**
 - **RWA Market Size:** The global market for tokenized real-world assets is projected to reach **\$16 trillion by 2030**.
 - **Growth Rate:** The tokenization market is expected to grow at a **CAGR of over 19%** in the next five years.
- **Audit Perspective for Shareholders:** This is a massive expansion of scope. Moving from a software provider (PaaS) to an Exchange Operator involves higher regulatory scrutiny and operational overhead (custody, AML/KYC). However, entering a \$16 Trillion market early provides substantial upside. The strict focus on "Regulatory Licensing" and "Smart Contract Audits" demonstrates a prudent approach to this high-risk expansion.

5. Global Payments Infrastructure & Off-Ramping

- **Timeline:** March 26, 2025
- **What SmartCard Does (Operational Audit):** The company defined its role as a "Centre of Excellence (COE)" for digital payments. They are addressing the specific "End-mile Payment" problem by facilitating **Crypto Off-Ramping** (converting crypto back to fiat currency) . They are also deploying Escrow and Custodian services in the USA, Canada, and the Caribbean.
- **Market Outlook & Stats:**
 - **Platform Count:** SMKG provides more than **22 proprietary platforms**.
- **Audit Perspective for Shareholders:** "Off-ramping" is currently a major bottleneck in the crypto industry. By solving this, SMKG makes itself indispensable to merchants who want to accept crypto but need cash flow. The deployment of Escrow services adds a layer of

trust and security, essential for B2B transactions, further legitimizing their platform for institutional use.

6. Fractional Treasury Solution

- **Timeline:** March 27, 2025
- **What SmartCard Does (Operational Audit):** SMKG launched a "Fractional Treasury System" tailored for Stablecoins and six major protocols (Bitcoin, Ethereum, Solana, etc.). This system allows businesses to optimize liquidity, manage risk, and generate yield through DeFi protocols .
- **Market Outlook & Stats:**
 - **Innovation:** Blockchain innovation in treasury swaps reduces reliance on intermediaries and lowers costs .
- **Audit Perspective for Shareholders:** This product targets corporate finance departments rather than retail consumers. It allows companies to hold crypto on their balance sheets more safely. From an audit view, this opens a revenue stream based on "Assets Under Management" or transaction volume for treasury optimization, which can be highly lucrative.

7. Advisory on Shift to Crypto Exchanges

- **Timeline:** March 28, 2025
- **What SmartCard Does (Operational Audit):** SMKG released market insights advising startups to list on Cryptocurrency Exchanges (ICOs/IEOs) rather than traditional Equity Exchanges (IPOs). They are positioning themselves to provide the "runway to launch" for these startups.
- **Market Outlook & Stats:**
 - **Drivers:** Lower fees, global reach, and instant liquidity compared to traditional IPOs .
- **Audit Perspective for Shareholders:** This acts as a sales funnel for their **OriginatorX** platform. By advocating for ICOs over IPOs, SMKG drives startups to use their tokenization and listing services. It validates their business model by highlighting the inefficiencies of traditional equity markets.

8. Composable Structures & Embedded PayTech

- **Timeline:** March 31, 2025
- **What SmartCard Does (Operational Audit):** The company announced a strategic pivot toward "Composable Structures." This means offering their technology as modular blocks (Gateways, Compliance, Authentication) that clients can mix and match, rather than a rigid monolithic system .
- **Market Outlook & Stats:**
 - **Benefit:** Reduces costs associated with third-party systems and allows for rapid deployment .
- **Audit Perspective for Shareholders:** "Composable Business" is a leading trend in enterprise software (Gartner). By adopting this architecture, SMKG makes it easier to upsell clients (start with one module, add more later). It also reduces "Time to Market" for clients, which is a key competitive advantage. This strategy democratizes enterprise-grade tech for mid-tier clients, expanding the Total Addressable Market (TAM).

PRODUCT PARTNERS TIMELINE – MARCH 31, 2025 UPDATES ADDED

PHANTOM WALLET:

Phantom Wallet is a digital wallet mainly used for managing cryptocurrencies and NFTs. It works with Solana, Ethereum, and Polygon blockchains, allowing users to store, send, receive, and swap tokens.

UTILA:

Utila is an enterprise-grade crypto operations platform enabling organizations of all sizes to manage their digital assets securely. We simplify digital asset management and day-to-day crypto operations for institutions without compromising security or usability.

We offer a secure, non-custodial, chain-agnostic, enterprise-grade wallet platform powered by MPC key management for ultimate security and a robust transaction policy engine for granular control.

With our institutional MPC wallet, institutional investors, trading firms, and Web3 builders can efficiently manage crypto assets across multiple blockchains, wallets and users on a single platform without any complexity. Additionally, developers can leverage our API to build custom offerings on top of our secured multi-chain wallet infrastructure.

Trusted by industry leaders like Fasanara, Starkware and Psalion, Utila has secured over \$4 Billion in transaction volume within a few months and is growing rapidly.

Our mission is to make enterprise-grade wallets more accessible, secure and usable.

COINS.PH:

coins.ph is on a mission to create an open financial system by providing everyone easy access to Web3 and digital assets. Launched in 2014, coins.ph is the most established crypto brand in the Philippines and has gained the trust of more than 16 million users. Through the easy-to-use mobile app, users can buy and sell a variety of cryptocurrencies and access a wide range of financial services.

We're a fast-growing startup looking for passionate, motivated, and exceptional people to join us in doing work that matters. Visit <http://coins.ph/careers> to learn more.

BLACKHAWK NETWORK:

Blackhawk Network (BHN) delivers branded payment solutions through the prepaid products, technologies and network that connect brands and people. They collaborate with partners to innovate, translating market trends in branded payments to increase reach, loyalty, and revenue. They reliably execute security-minded solutions worldwide.

INNOVATIVE TRUST BANK:

Innovative Trust Bank brings innovative products that give clients access to a comprehensive view of fiat and digital assets within a single portal. A portal that meets the rigorous standards of the US banking system, enabling them to monitor their total position and transact with confidence using our Digital Banking solutions.

LTIMINDTREE:

SMKG expands partnership with LTIMindtree in the BFSI (Banking, Finance Services and Insurance) in Digital Asset Tokenization Projects in the US & UK.

VISA PARTNERSHIP:

Visa and SMKG enter collaboration with Visa channel integration for alternate payment methods globally.

FORUMPAY:

ForumPay is a crypto-to-fiat off-ramping solution that enables seamless conversion of digital assets into fiat currencies. It allows businesses and individuals to accept cryptocurrency payments and settle them in traditional currencies, ensuring instant liquidity and usability.

Why Is Off-Ramping Required?

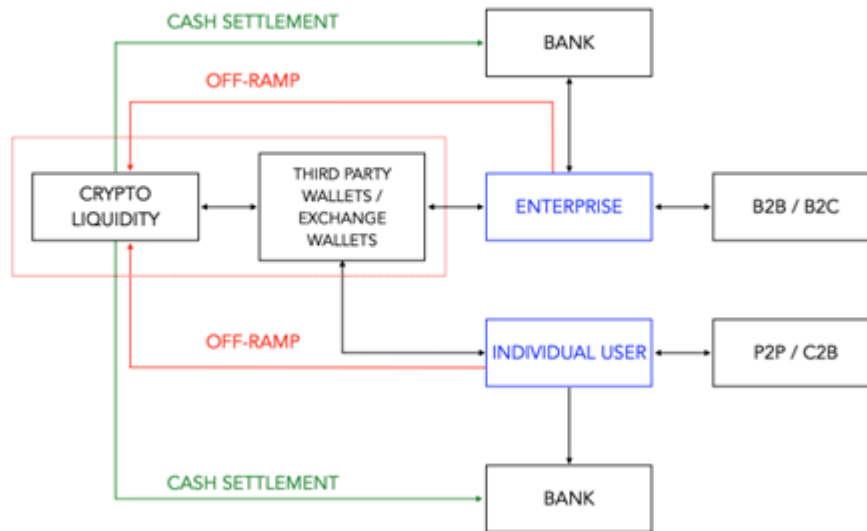
Off-ramping is crucial for:

- **Converting Crypto to Fiat** – Enables businesses and users to cash out digital assets.
- **Enhancing Adoption** – Makes crypto transactions practical for real-world use.
- **Regulatory Compliance** – Ensures transparent and compliant fund settlements.
- **Reducing Volatility Risks** – Allows merchants and users to avoid crypto price fluctuations.

SMKG has partnered with ForumPay to integrate **off-ramping capabilities** into its **core platforms**. This collaboration provides:

- **Seamless Crypto-to-Fiat Conversions** – Integrated off-ramp solutions within SMKG's marketplace, payment, and blockchain platforms.
- **Business & Merchant Solutions** – SMKG clients can **accept crypto payments** and **settle in fiat instantly**, increasing financial flexibility.
- **Compliance & Security** – Ensure's **secure, regulated, and transparent transactions**, meeting global financial standards.
- **Scalability & Market Reach** – Expands crypto payment acceptance, making digital assets more **accessible to businesses and consumers**.

LIQUIDITY / OFF-RAMP SETTLEMENT



SMARTCARD TOKEN/COIN LISTING SERVICES – MARCH 31, 2025

SmartCard provides an end-to-end solution for token/coin listing on global Crypto Exchanges, marketing, and ecosystem support, ensuring seamless execution and visibility for Token Issuer projects. Our services include strategic consulting, technical implementation, compliance, marketing, and real-time monitoring through our platform.

KEY COMPONENTS OF TOKENS - BY SMKG

SmartCard Marketing Systems Inc. specializes in tokenomics concept and structuring, compliance advisory, liquidity management, and security solutions. With SmartCard's expertise, token projects benefit from seamless market integration, enhanced security, and optimized investor engagement.

Why Is a Comprehensive Token Strategy Required?

A well-defined token strategy ensures market success, regulatory compliance, and sustainable growth. Without proper planning, a token may face liquidity issues, security risks, and limited adoption.

TURKS & CAICOS PARTNERSHIP WITH UB2MOBILE

The objective of this business plan is to establish a comprehensive solution for deploying SMKG technology in the Turks and Caicos Islands, aimed at facilitating digital asset issuance, custody, and payment processing while adhering to local compliance standards. The initiative will include obtaining necessary licenses, setting up a compliance framework, and working with local legal entities to ensure the smooth functioning of the business.

Market Opportunity

Turks and Caicos, being a British Overseas Territory, is emerging as a financial hub with growing demand for advanced financial technology solutions. By introducing SMKG's services and digital asset infrastructure, businesses and individuals in the islands will have access to streamlined payments, remittance services, and digital marketplaces.

This aligns with the jurisdiction's interest in modernizing its financial sector and promoting fintech solutions while ensuring robust legal and regulatory oversight.

SMKG's Technology and Solution Deployment

- i. Payment Gateway Integration: Deploying SMKG's technology for accepting and processing payments through various methods including digital assets, mobile wallets, and traditional banking systems.
- ii. Marketplace and Merchant Solutions: Offering technology for setting up digital marketplaces that integrate with Axepay and OriginatorX for token issuance and transactions.
- iii. Compliance and Reporting: SMKG's platform will be equipped with tools to ensure businesses adhere to Know Your Customer (KYC), Anti-Money Laundering (AML), and Counter-Terrorism Financing (CTF) regulations, in line with the legal requirements of the Turks and Caicos government.

LEGAL DISCLOSURES 2025

The company is aware of an ongoing litigation in the Philippines between Steve Payne and Gary Repchuk, equal stakeholders in Primeline HK at the time an investor in SmartCard Marketing Systems Inc. The claim is described as a fallout between the principals of their mutual ownership in Primeline HK and subsidiary Veritaspay Philippines co- which claims by both sides are being argued in Philippines Court of Law and challenged in Hong Kong. SmartCard Marketing the Issuer holds in trust Sixty (60) million shares to which the rightful or remaining owner will be issued which is currently being determined by the Philippine courts.

The company as of today is not aware of any other direct or indirect litigation with any parties.

DIGITAL ASSET CLIENTS MARCH 31, 2025 - A GLOBAL FIRST BY SMARTCARD IN RWA TOKENS

NUGGET TRAP GOLD TOKEN - NGTG\$\$ / NGTG REAL WORLD ASSET “RWA” & UTILITY TOKEN

Nugget Trap Gold Token (NGTG\$\$) plays a transformative role in facilitating the acquisition of In-ground assets and unmined natural resources with proven value that are yet to be extracted.

The Nugget Trap Gold Token is a groundbreaking project in the realm of Real-World Asset (RWA) Utility Tokens, designed to support digitization in the mining Industry. NGTG leverages blockchain technology to simplify processes and enhance efficiency within the junior mining sector. Unlike traditional gold-backed tokens, NGTG\$\$ focuses on utility-driven applications without granting ownership rights, financial returns, or voting privileges, thereby ensuring compliance as a non-security token.

THE FUTURE OF RWA’S AND UTILITY TOKENS

- **Interoperability:** RWAs, such as tokenized gold or in-ground claims, will integrate seamlessly into financial and industrial ecosystems, improving liquidity and trade processes.
- **Global Accessibility:** Utility tokens enable fractional ownership or usage of RWAs, democratizing access to high-value assets for individuals and businesses worldwide.
- **Industry Applications:** Mining, agriculture, and energy industries are among the primary sectors expected to benefit from tokenized RWAs
- **Market Growth:** The convergence of blockchain technology and RWAs will significantly expand their adoption in payments, supply chains, and asset tracking.

MARKET STATISTICS FOR RWAS

- The global RWA tokenization market is projected to grow from **\$3.2 billion in 2022 to over \$16 trillion by 2030**(source: market trends).
- Commodities like gold make up a significant portion of this tokenized value, given their intrinsic, universally accepted worth.
- Tokenized RWAs now represent over **1% of global assets**, and this share is expected to grow rapidly as blockchain adoption increases.

Continued Management Outlook Discussion and Analysis for period ended March 31, 2025

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 caused by Covid and ultimately the Banking crisis domestically. During this period of March 31, 2025 the company focused on Digital all travel for the company was restricted and all employees worked remotely from home.

In a strategic effort to deal with the pandemic and the war - we focused on infrastructure for embedded payments as key integrations with global players such as Visa Everywhere, Xpay.World, Fiserv North America, Ingenico and Cross-border partnerships with Financial Institutions including Cross River Bank and Financial Money Services Business integrations with Nium and Xe.com flourished. 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 from the 1st quarter ending March 31st 2025. At this time by the end of 4th Qtr ended December 2025 we are optimistic that we are in an improved position going forward with our digital transformation technology platforms by providing a robust portfolio in Blockchain protocols and utilities and embedded payments to strengthen our global offerings through the white-label and private-label licensing of our technology. This will have greater success on opportunities as Governments move to digital acceptance and adopt on a massive scale while standardizing regulations.

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
- Blockchain embedded rules engines, NFT minting and Crypto Issuing
- Mobile Wallets and Digital Asset Tokens

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



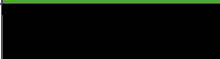
THE ECHO EFFECT:

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.

OUR TECH SUITE OF PROPRIETARY INDUSTRY APPLICATIONS: STATUS 2025

SMKG offers the largest Proprietary white-label and private-label specialized Industry Applications portfolio of FinTech & PayTech solutions enabling Payments. Our Tech as a service 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 in industry expertise.

LIFECYCLE STAGE

SUMMARY CHART		
PRIMARY FOCUS	65%	
INTERMEDIARY FOCUS	20%	
BASIC FOCUS	15%	

2025					
	Platform	Software (%)	Mobile App (%)		Crypto
			Android	IOS	
1	Mtickets.events	99	95	-	-
2	Genorocity	99	95	-	YES
3	Check21SaaS	99	-	-	-
4	Granularchain	95	-	-	YES
5	Profilr Socials	95	-	-	-
6	OriginatorX	95	-	-	YES
7	Articul8te	90	95	-	-
8	iJobs.shop	95	95	-	-
9	Mytravel.menu	90	85	-	-
10	Menu.events	90	85	-	-
11	ABotsLife	99	-	-	-
12	AXEPAY	95	-	-	YES
13	Emphasispay	70	-	-	-
14	Doctor Vid	95	-	-	-
15	Phaces io	95	-	-	-
16	QR.guru	90	95	-	YES
17	Onroute.Tech	90	90	-	YES
18	Atelier Socials	95	-	-	YES
19	Eschool Systems	95	-	-	-
20	Distributer Email	95	-	-	-
21	Your Invited.Me	80	-	-	-
22	NFT Limited Series	85	-	-	YES
23	Redeem Bank	95	-	-	YES
24	Flexiibility	70	-	-	YES
25	EmbassyX Games	90	-	-	-
26	Metarealm Agency	50	-	-	-

STRATEGY OF DEVELOPMENT COSTS:

During the course of the year 2024 and into 2025, the company worked with new ISV (Independent software vendors) to integrate their utilities into the SmartCard platforms technology suite. This strategy of embedding increases the ability for customers to stay in current compliance and monitor and participate with current trends such as has resulted by the pandemic. This past year we integrated and developed unique integrations with Xe, Nium, Inenico, Fiserv, Discover, Visa, Cross-River Bank, Eliptic, Regalytics.ai, Biometric Facial Recognition for EKYC digital in multiple of our platforms:

- Axepay
- Granularchain
- Flexibility
- Phaces
- RedeemBank
- 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
- OriginatorX
- NFTlimitedSeries

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 2025 Q1:

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](https://www.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.

FORWARD LOOKING ANALYSIS MARCH 31, 2025

We see a great demand for our laggards in our portfolio that were Retail and Marketplace oriented above in the 55% range because of the need for digital transformation in many industries including those that have almost completely reinvented the sectors and now are regaining some traction, specifically in E-commerce, Contactless, Crypto and remote access business processing solutions. Several customers have returned with budget allocations and we are confident that this will place us on a solid track through 2025.

Our 70% increase group is seeing a superior rise as Mobile Wallets, Digital IDs, Cross-border FX Treasury and the robust growth of Blockchain and Crypto is in high demand.

In addition, recent channel partnerships and achievements added IFCS India, Fiserv, VISA USA and Caribbean Govt's, are accelerating awareness and the demand of our applications. We feel very confident that as borders and travel is open and improving - our platforms overall will enjoy significant success in multiple sectors requiring digital transformation and sustainability solutions with embedded payments.

The company transitioned from a concept and development company to an operational company with multiple deployments in several Countries. Our tech as a service which includes now a broad base of cross- border payment rails and payment gateway is reducing significant friction to entry.

There have been delays incurred because of recent market activity and the major rise in inflation and interest rates. It has somewhat hampered the momentum and budgets of our smaller client's but we have not had any terminations.

MANAGED PARTNERSHIPS

The company continues under its managed partnership structures to acquire 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 provides a bridge for partners and financial institutions to enable their portfolio of mixed merchants, treasury clients and customers.

OFFICERS AND DIRECTORS

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

Company Officers:

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

Employment Agreements

Massimo Barone

On April 2, 2022, Mr. Barone and the Company entered into an Employment Agreement pursuant to which Mr. Barone agreed to serve as Chief Executive Officer in consideration of an annual salary of \$200,000, subject to an annual increase of up to 6.5%. The terms of this agreement were renewed at the option of the Board of Directors of the Corporation (“Board of Directors”) for an additional period of three (3) years. Pursuant to the agreement, Mr. Barone will be employed as CEO of the Company until April 2, 2028, unless earlier terminated pursuant to the terms of the agreement, or extended for an additional three years at the option of the parties upon the expiration of the term pursuant to the terms of the agreement. During the term of the agreement, Mr. Barone will be entitled to a base salary at the annualized rate and will be eligible for a discretionary performance bonus, equity awards and to participate in employee benefits plans as the Company may institute from time to time at the discretion of the Company’s Board of Directors. Pursuant to the agreement, Mr. Barone may be terminated for “cause” as defined. In the event Mr. Barone is terminated with or without cause, the Company will be required to pay Mr. Barone all accrued salary and bonuses, reimbursement for all business expenses, and Mr. Barone’s salary for one year or in shares of common stock valued at his two-year salary. Under the agreement, Mr. Barone is subject to confidentiality, non-compete and non-solicitation restrictions.

Paolo Continelli

On April 2, 2022, Mr. Continelli and the Company entered into an Employment Agreement pursuant to which Mr. Continelli agreed to serve as Chief Business Development Officer (“CBDO”) in consideration of an annual salary of \$75,000, subject to an annual increase of up to 5.5%. The terms of this agreement were renewed at the option of the Board of Directors of the Corporation (“Board of Directors”) for an additional period of three (3) years. Pursuant to the agreement, Mr. Continelli will be employed as CBDO of the Company until April 2, 2028, unless earlier terminated pursuant to the terms of the agreement, or extended for an additional three years at the option of the parties upon the expiration of the term pursuant to the terms of the agreement. During the term of the agreement, Mr. Continelli will be entitled to a base salary at the annualized rate and will be eligible for a discretionary performance bonus, equity awards and to participate in employee benefits plans as the Company may institute from time to time at the discretion of the Company’s Board of Directors. Pursuant to the agreement, Mr. Continelli may be terminated for “cause” as defined. In the event Mr. Continelli is terminated with or without cause, the Company will be required to pay Mr. Continelli all accrued salary and bonuses, reimbursement for all business expenses, and Mr. Continelli’s salary for one year or in shares of common stock valued at his two years’ salary. Under the agreement, Mr. Continelli is subject to confidentiality, non-compete and non-solicitation restrictions. Mr. Continelli previously served as the Company’s COO from January 2006 until April 2022.

Michele (Mike) Tasillo

On April 2, 2022, Mr. Tasillo and the Company entered into an Employment Agreement pursuant to which Mr. Tasillo agreed to serve as Chief Financial Officer in consideration of an annual salary of \$80,325, subject to an annual increase of up to 3.5%. Pursuant to the agreement, Mr. Tasillo will be employed as CFO of the Company until April 2, 2026, unless earlier terminated pursuant to the terms of the agreement, or extended for an additional four years at the option of the parties upon the expiration of the term pursuant to the terms of the agreement. During the term of the agreement, Mr. Tasillo will be entitled to a base salary at the annualized rate and will be eligible for a discretionary performance bonus, equity awards and to participate in employee benefits plans as the Company may institute from time to time at the discretion of the Company's Board of Directors. Pursuant to the agreement, Mr. Tasillo may be terminated for "cause" as defined. In the event Mr. Tasillo is terminated with or without cause, the Company will be required to pay Mr. Tasillo all accrued salary and bonuses, reimbursement for all business expenses, and Mr. Tasillo's salary for one year or in shares of common stock valued at his two years' salary. Under the agreement, Mr. Tasillo is subject to confidentiality, non-compete and non-solicitation restrictions.

Dharmesh Vora

On April 2, 2022, Mr. Vora and the Company entered into an Employment Agreement pursuant to which Mr. Vora agreed to serve as President of International Enterprise Partner Channel Sales in consideration of an annual salary of \$55,000, subject to an annual increase of up to 4.5%. Pursuant to the agreement, Mr. Vora will be employed by the Company until April 2, 2026, unless earlier terminated pursuant to the terms of the agreement, or extended for an additional four years at the option of the parties upon the expiration of the term pursuant to the terms of the agreement. During the term of the agreement, Mr. Vora will be entitled to a base salary at the annualized rate and will be eligible for a discretionary performance bonus, equity awards and to participate in employee benefits plans as the Company may institute from time to time at the discretion of the Company's Board of Directors. Pursuant to the agreement, Mr. Vora may be terminated for "cause" as defined. In the event Mr. Vora is terminated with or without cause, the Company will be required to pay Mr. Vora all accrued salary and bonuses, reimbursement for all business expenses, and Mr. Vora's salary for one year or in shares of common stock. Under the agreement, Mr. Vora is subject to confidentiality, non-compete and non-solicitation restrictions.

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

PROPRIETARY TECHNOLOGY ASSETS

The company continues its strategic portfolio development of assets of which now accounts for over 26 platforms. These industry specific platforms currently meet the industry demands for the following sectors;

1	RETAIL & OMNI CHANNEL	Genorocity	<p>The Genorocity platform offers a Retail and E-commerce Multi-tenant “Merchant EPOS, SOFTPOS + MPOS” with Consumer “Cards + QR Wallet” enabling merchants and consumers with both Web & Mobile APPs to couponing, rewards, incentives, payment acceptance, Virtual Card issuing and Card Management with social media publishing.</p> <p>A dynamic payments platform & Wallet with marketplace for issuing, publishing & managing Loyalty, Rewards & Offers. All seamlessly integrated with a Virtual Card Issuing Management Emulator. The Genorocity platform is a Multi-tenant ecosystem designed to work in a seamless and contactless process with any Issuer/Acquirer or TPPs and PFs. The solution is both a Loyalty platform and Payment gateway with contactless solutions for both Ecommerce, Cloud and Mobility with many embedded utilities to enhance customers experience.</p>
2	DIGITAL BANKING, FX & CROSS BORDER	AXEPAY	<p>A powerful gateway that seamlessly processes multiple transaction payment types (B2B,B2C,B2B2C) and specializes in offering cross-border payment rails for onboarding in more than 42 Countries including China. Payment Rails provide access to payouts and receiving funds from over 180 Countries. Our ability, through strategic partners provides Compliance, EKYC and AML Internationally including China. Integrated connection to global E-KYC & AML verification, Multi-Payments Gateway, E-commerce / E-billing / E-escrow Payments/MPOS solution, International FX settlements, Cross-border Payments, Prepaid Cards & top-up, Single or Bulk Pay-in & Pay-out</p>
3	ONBOARDING, VIDEO EKYC, DIGITAL ID & DOCUMENT VAULT	Granularchain	<p>Granularchain is a methodical new approach to digital ID key creation with embedded Blockchain technology. A digital ID Key issuing platform with a permission based onboarding and EKYC/EKYB by Video Biometric solution with two-level factor authentication on a permission based transaction architecture for Tokenized Documents exchange with Digital/Smart contracts solutions.</p> <p>Granularchain allows a permission access based digital id-key management and transactional retrieving solution. The platform is Cloud-based and can be operated on web and mobile applications. API integration enables the platform to work on Digital ID KEY issuing, Permission Based</p>

			Blockchain, E-KYC By video with FR & OCR, Smart-Contracts, Tokenization & QR transactions verification and processing
4	DIGITAL ASSETS, CRYPTO & NFT	OriginatorX	OriginatorX is an end-to-end digital asset tokenization and listing platform that manages a company's token treasury. It covers onboarding of individuals and businesses, private placement and investor data capture, token allocation, issuance, lock-in periods, KYC, and daily liquidity. It also manages market-making, centralized exchange (CEX) listings, CEX liquidity support, and ongoing token management. The platform provides a the full issuance management process and provides a security-audited management and audit application for all standardized ERC-20, Algorand, and other popular ledger tokens for a company. OriginatorX acts as an external platform consolidating all token-listing and post-listing operations in one place, giving clients a secure environment to launch and manage tokens globally.
5	NFT & VOUCHER REDEMPTION	Redeem Bank	<p>Redeembank is a digital automation claim redemption system, customizable to specific business use cases and provides for various methods of payment channels and product types.</p> <p>A revolutionary platform that bridges the gap between digital ownership and real-world value exchange. The transfer of title and movement of Fiat and Digital Assets that can include NFTs, Crypto-currencies, and Digital Tokens into tangible and secure negotiable tender, such as fiat currency, stablecoins, or other tradable instruments. Redeembank is making the impossible possible!</p>
6	CHECK MANAGEMENT & RECONCILIATION	Check21SaaS	Remote Deposit Capture technology. Cloud-based with multi-scanner options seamless integrated working remotely from branch or client locations. Also with processing functionality and x9 clearing files for settlement.
7	NFT MINTING	NFT Limited Series	<p>NFT Limited series offers the unique ability to curate in sequence multiple NFTs, thus creating a limited series. NFT Limited Series is a new addition to SmartCard Marketing Systems Inc. (OTC: SMKG) Ecoverse - to Mint your NFTs</p> <p>The platform also offers a virtual tour of the NFT marketplace allowing individuals to browse through the options, choose from the store & buy. Artists, Businesses or individuals can mint & display their products / services &</p>

			NFT in the marketplace and place a bid option with a specified timeframe.
8	AI CHAT BOT	ABotsLife	ABotsLife is an AI ChatBot with the most preferred mode of conversations with businesses, supporting customers with queries, task automation walk-through and CRM management, Lead generation, Sales Support, Live Agent and EMI payment collection.
9	QUOTES, FX, CRYPTO AND STOCKS MONITORING AND TRACKING	Flexiibility	<p>Flexiibility is comprehensive monitoring and tracking application for quotes related to FX, Crypto, and Stocks, along with its API integration for trading activities, offering a robust solution for individuals and professionals seeking to stay ahead in the financial markets.</p> <p>By providing real-time insights, technical analysis tools, and integration with trading desks, this platform enhances user experiences and empowers them to make well-informed financial decisions.</p> <p>In today's dynamic financial landscape, staying updated with real-time information on quotes, foreign exchange (FX), cryptocurrencies, and stocks is essential for making informed decisions. Several products and services cater to this need, offering comprehensive monitoring and tracking solutions that empower traders, investors, and financial enthusiasts with up-to-the-minute data and insights.</p> <p>Flexiibility is a sophisticated financial monitoring and tracking platform designed to provide users with a holistic view of quotes, FX rates, cryptocurrencies, and stocks from various global stock exchanges and financial markets. This product integrates cutting-edge technology, data analytics, and user-friendly interfaces to deliver a seamless experience to its users.</p>
10	DIGITAL WORKFORCE MANAGEMENT	Articul8te	Our more recent release is a Digital Data-room for Enterprises to manage their Sales, Content & Task management application on both Web & Mobile. A suite of features includes; Private or Public mode with Group set-up, To-do Lists, Social-media & Articles publishing, Creating Tasks and Invites, with tracking, Indexing projects and calendar functionality. This has a unique documents management module for Startups to share it with Auditors, Investors or compliance officers.

11	EVENTS & LEADS MANAGEMENT	Mtickets.events	A digital Events & Mobile ticketing management solution for Event Co's, Planners, Retailers and Networking groups. A full digital suite of features includes; Creating of Events, Conferences, Exhibitors, Collaborators, Partner Suppliers, Ticketing and registrations both Web & Mobile Applications with payment gateways.
12	LEADS EVALUATION & MANAGEMENT	Profilr Socials	Both a Data Lake and a search engine with eKYC that optimizes public records and social network content into simple profiles to help you profile individuals and businesses. Also a dynamic database filter that allows for self management of data sets to optimize for marketing and support channels.
13	APPLICATIONS MARKETPLACE & PARTNER MANAGEMENT	Emphasispay	A proprietary CRM & CSM solution Products and Services Portal <ul style="list-style-type: none"> • Marketing & Communications • Marketing PDF's & Onboarding PDF's • Partners, ISV & Reseller Portals • Client Prospect forms • Webinars, Training, Maintenance & Support • Portal Banners
14	E-COMMERCE, PRIZE, LEADS & MANAGEMENT	QR.guru	A digital e-Commerce shopping platform, a lead generator and capturing solution for sales events, MLM and affiliate marketing. Generates automated unique URL and QR codes by event or business type. Includes a user- friendly product selection list, as well as exportable leads and data. Includes a Prize scan solution to capture data and set prizes on products.
15	JOB POSTING AND MANAGEMENT	iJobs.shop	A digital job seeker solution for both merchant and job seeker. This innovative solution is QR Code based and allows the job seeker to simply upload their CV and Profile within seconds
16	FACIAL RECOGNITION 7 BIOMETRIC	Phaces io	A SaaS solution for Organizations to enable Facial Recognition for security verification and to authenticate users for online meetings, webinars, conferences and onsite meetings or events.
17	RIDE, COURIER & TRACKING MANAGEMENT	Onroute.Tech	Designed to manage Booking Ride and Tracking solutions for individuals, Limousine, Courier, Shuttle and Bus services for the transit industry.
18	EMAIL MANAGEMENT	Distributer Email	An email campaign and analytics solution for enterprises and agencies to distribute and manage email campaigns with analytics.
19	SOCIAL MEDIA MANAGEMENT	Atelier Socials	A publishing and managing tool for Social Media Content, Marketing and Networking. A critical tool to collect data, analytics and reporting to improve opportunity and conversion.

20	ONLINE HOSPITAL & CLINIC MANAGEMENT	Doctor Vid	The Platform provides Medical Clinics and Doctors with the Tele-Medicine communications needed to facilitate both scheduling and E-Video sessions. Enabling doctors, hospitals, and pharmacies to register on the platform and customers can access and book appointments seamlessly and contactless, and integrated with payment gateways.
21	SCHOOL & COLLEGE MANAGEMENT	Eschool Systems	School Management System platform enables schools to operate on a cloud environment enabling them to manage the complete array of educational and administrative operations.
22	IN-TRANSIT MENU MANAGEMENT	Mytravel.menu	Designed to capture the Consumer & Business pre-order food market & onboard or inflight menu sales. The application allows transport operators to easily integrate and import menu options.
23	MENU & CATERING MANAGEMENT	Menu.events	Made for event facilities, Conference Centers and Catering companies, Menu.events offers a fully digital catering order application for both web & mobile. Includes dashboards for customers, merchants, and administrators, with a customizable interface.
24	SOCIAL MEDIA TOOL	Your Invited.me	A social media management tool for schools, universities, and communities
25	VR & AR DESIGN FOR BLOCKCHAIN	EmbassyX Games	EmbassyX Games EmbassyX Games & MetaRealm is a VR & AR design lab for the Digital Realm & Metaverses
26	AR + VR	Metarealm Agency	Metarealm is an AR + VR agency and lab

<u>PLATFORM STATUS</u>			
	TECHNOLOGY	STATUS	PUBLISHED
1	Mtickets.events	Completed	Yes
2	Genorocity	Completed	Yes
3	Check21SaaS	Completed	Yes
4	Granularchain	Completed	Yes
5	Profilr Socials	Completed	Yes
6	OriginatorX	Completed	Yes
7	Articul8te	Completed	Yes
8	iJobs.shop	Completed	Yes
9	Mytravel.menu	Completed	Yes
10	Menu.events	Completed	Yes
11	ABotsLife	Completed	Yes
12	AXEPAY	Completed	Yes
13	Emphasispay	Completed	Yes
14	Doctor Vid	Completed	Yes
15	Phaces io	Completed	Yes
16	QR.guru	Completed	Yes
17	Onroute.Tech	Completed	Yes
18	Atelier Socials	Completed	Yes
19	Eschool Systems	Completed	Yes
20	Distributer Email	Completed	Yes
21	Your Invited.Me	Completed	Yes
22	NFT Limited Series	Completed	Yes
23	Redeem Bank	Completed	Yes
24	Flexiibility	Completed	Yes
25	EmbassyX Games	Completed	Yes
26	Metarealm Agency	Completed	Yes

TECH STACK:

	Platform	Front End	Backend	Database	Android	iOS	API	Blockchain
	Mtickets.events	HTML/CSS/JS	ASP.NET MVC 4.0	SQL server	Java/XML	Swift	.NET RESTful	
	Genorocity	HTML/CSS/JS	ASP.NET MVC 4.0	SQL server	Java/XML	Swift	.NET RESTful	
	Check21SaaS	HTML/CSS/JS	ASP.NET MVC 4.0	SQL server	NA	NA	NA	
	Granularchain	HTML, JS, JQUERY	PHP	MYSQL	NA	NA	PHP	ETHEREUM
	Profilr Socials	HTML, JS, JQUERY	PHP	MYSQL	NA	NA	CODEIGNITER	
	OriginatorX	ANGULAR	JS, DJANGO	POSTGRES QL	NA	NA	PYTHON	ETHEREUM
	Articul8te	CODEIGNITER	PHP	MYSQL	REACT NATIVE	REACT NATIVE	PHP	
	iJobs.shop	HTML, JS, JQUERY	PHP	MYSQL	REACT NATIVE	REACT NATIVE	PHP	
	Mytravel.menu	HTML, JS, JQUERY	PHP	MYSQL	REACT NATIVE	REACT NATIVE	PHP	
	Menu.events	HTML, JS, JQUERY	PHP	MYSQL	ANDROID	XCODE	PHP	
	ABotsLife	ANGULAR, ANACONDA	PYTHON, TENSORFLOW	MYSQL	ANDROID	XCODE	CODEIGNITER	
	AXEPAY	HTML, JS, JQUERY	PHP	MYSQL	NA	NA	PHP	ETHEREUM
	Emphasispay	HTML, JS, JQUERY	PHP	MYSQL	NA	NA	PHP	
	Doctor Vid	CODEIGNITER	PHP	MYSQL	NA	NA	PHP	
	Phaces io	HTML, JS, JQUERY	PHP, PYTHON	MYSQL	NA	NA	PHP	
	QR.guru	HTML, CSS, Javascript	JavaScript JS, JavaScript JSON, HTML, CSS, PHP, SQL, Framework-Codeignitor	MySQL 5.x	.db, .java, .xml, Layered PNG, JavaScript JS, CSS, PHP, HTML	NA	Oracle API Platform Cloud Service	

	Onroute.Tech	HTML, CSS, Javascript	JavaScript JS, JavaScript JSON, HTML, CSS, PHP, SQL, Framework-Codeignitor	MySQL 5.x	.db, .java, .xml, Layered PNG, JavaScript JS, CSS, PHP, HTML	NA	Oracle API Platform Cloud Service	
	Atelier Socials	HTML, CSS, Javascript	JavaScript JS, JavaScript JSON, HTML, CSS, PHP, SQL- Framework-Codeignitor	MySQL 5.x	NA	NA	Oracle API Platform Cloud Service	
	Eschool Systems	HTML, CSS, Javascript	JavaScript JS, JavaScript JSON, HTML, CSS, PHP, SQL- Framework-Codeignitor	MySQL 5.x	.db, .java, .xml, Layered PNG, JavaScript JS, CSS, PHP, HTML	NA	WSO2 API Manager	
	Distributer Email	Wordpress	JavaScript JS, HTML, CSS, PHP, SQL, Framework- Yii	MySQL 5.x	NA	NA	Red Hat 3scale API Management	
	Your Invited.Me	HTML, CSS, Javascript	JavaScript JS, JavaScript JSON, HTML, CSS, PHP, SQL, Framework-Codeignitor	MySQL 5.x	.db, .java, .xml, Layered PNG, JavaScript JS, CSS, PHP, HTML	NA	Oracle API Platform Cloud Service	
	NFT Limited Series	React.js	Node.js	MySql	NA	NA	Node.js	Ethereum
	Redeem Bank	React.js	Node.js	MySql	NA	NA	Solidity	Ethereum
	Flexiibility	Angular.js	php	MySql	NA	NA	Node.js	Node.js
	EmbassyX Games	React.js	Node.js	Mongo DB	React Native	React Native	Node.js	NA
	Metarealm Agency	React.js	Node.js	Mongo DB	NA	Swift	Node.js	NA

PROPRIETARY DOMAIN NAMES

Over the year, the Company accumulated an important stock of Domain names in its main markets and in relation with its technology assets. This includes a list of over 205 industry specific domains which is used to optimize the company's SEO and to influence marketing channel opportunities.

ABOUT EMPHASISPAY.COM MARKETPLACE:

The Emphasipay 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, webinars and training. 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 & Distributors 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 etc.

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.

- LTI Mindtree
- 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

BUSINESS TALK 2025 Q1:

SmartCard Marketing Systems Inc, is a boutique Digital Strategy Co. offering a Proprietary Platforms as a Service "PAAS" Portfolio, unlike any other. The company's PAAS strategy allows facilitation across all industries with customizable solutions and embedded payments as a service.

At its core, a strategic architecture of Embedded PayTech and Cross-border Digital Payments modelling seamlessly integrated with the PAAS Solutions that creates composable offerings for FI's, Enterprises and Innovative Startups to leverage scalability.

This critical thinking allows for clients to further the journey into Payments Automation, Orchestration and accessing Payment Schemes that have been a challenge in reach or integrations wise.

EMBEDDED STRATEGY:

We offer embedded 3rd party tools and api's to further the reach of our clients with tested and proven results.

Our strength is reducing Time to Market, increasing Flexibility and Scalability packaged in Value which is achieved by our strategic offerings. We also go beyond tech for our clients with an in-house Payments Desk, offering up access to Financial Sponsors, MSB Networks, Processors, Crypto and Blockchain partners.

THE PROBLEM STATEMENT 2025:

The race to Web3.0, Banking4.0, AI, Cross-border Payments, Blockchain and Digital Asset Tokenization has created distortion and with it sent Regulators racing to solve or terminate channels altogether. The global payment industry faces significant challenges with Crypto Interoperability, especially for Small & Midsize Acquirers, Issuers, Deposit Banks and EMV POS manufacturers attempting to unify product solutions & certifications.

These complexities create obstacles for SMEs and Large enterprises in their go-to-market Projects, Products & Payments strategies. Navigating these challenges by Jurisdiction can be overwhelming and costly for SMEs and Large enterprises to undertake. Now, adding to the complexity with the introduction of Blockchain & Digital Assets and Crypto listing services into the mainstream of Payments the border of dealing with Centralized and Decentralized ecosystems.

RESPONSE TO CURRENT & FUTURE CHALLENGES 2025:

VALUE:

Affordable product portfolio addresses existing market opportunity & effectively resolves intricate challenges leading to more successful deployments.

TIME:

We streamline by integrating solutions like Visa Cybersource, Vodafone APN Network, OTC Desk and Crypto Exchanges and POS Peripherals, and AWS Cloud so we can remove burden and time from dealing with complex layers. Achieving simplicity that otherwise requires years of preparation, costly development, and regulatory compliance, particularly adhering to evolving standards.

REACH:

Smart Card's Platform as a Service is an accelerated deployment for any Industry and enables payment utilities and blockchain protocols across Cloud, Mobility, and E-commerce seamlessly.

This spans various domains, encompassing Card Networks, Payment Partners, Blockchain Ledgers, Bank Sponsors, Stablecoins, Token Issuers and MSBs, ensuring smooth transactions between diverse regions and offering multiple payment options for Payment Orchestration and automation.

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

Our Infrastructure & Future installations enable 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 Sales Network effectively is to localize Cloud & Mobility Infrastructure in key Countries supporting regulatory requirements keeping data & security domestic by providing PCI Compliant turnkey ready to deploy solutions with embedded payments for our Partners & Customers.

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



MARKET SIZE OPPORTUNITY STATS: 2025 – 2030

Our Specialized Industry Applications Combined Market Valuations Opportunity of \$120 Trillion for 2025 to 2030. The charts below showcase data and stats to support the global outreach in specific industries and sectors across the globe.

Sr #	Platform	Industry	Snapshot	Source
1	Articul8te	CRM & Workforce Management	The CRM Software Market is expected to grow from USD 87.78 Billion in 2025 to USD 126.95 Billion by 2030 , at a CAGR of 7.66%.	ResearchAndMarkets
2	iJobs.shop	Recruitment & Jobs Market	The Recruitment Software Market size is estimated at USD 3.35 Billion in 2025 and is expected to reach USD 5.36 Billion by 2030 , growing at a CAGR of 9.86%.	Mordor Intelligence
3	Onroute.Tech	Smart Transportation	The Global Intelligent Transport System (ITS) Market size is expected to reach USD 56.95 Billion by 2030 , growing at a CAGR of 9.7% during the forecast period.	Spherical Insights
4	Mtickets Events	Virtual Events	The global virtual events market size is expected to reach USD 657.6 Billion by 2030 , registering a CAGR of 21.4% from 2022 to 2030.	Million Insights
5	Check 21 SaaS	Digital Banking / Fintech	The global Digital Banking Platforms market is projected to reach USD 107.1 Billion by 2030 , growing at a CAGR of 20.5%.	Grand View Research
6	OriginatorX	Asset Tokenization	The market for Real-World Asset (RWA) tokenization is predicted to reach between USD 4 Trillion and USD 30 Trillion by 2030 , fundamentally changing financial infrastructure.	Binance Research / BlackRock
7	Profilir Socials	Social Media Analytics	The Global Social Media Analytics Market size is projected to reach USD 35.88 Billion by 2030 , growing at a CAGR of 23.20%.	MarkNtel Advisors
8	QR Guru	E-commerce	The Global E-commerce Market was valued at USD 25.4 Trillion in 2024 and is expected to reach USD 73.52 Trillion by 2030 , projecting a robust CAGR of 19.2%.	TechSci Research
9	Menu Events	Restaurant Management Software	The Restaurant Management Software market is forecast to reach USD 13.01 Billion by 2030 , advancing at a 14.74% CAGR.	Mordor Intelligence
10	MyTravel Menu	Catering Software	(Aligned with Restaurant Software) The market for F&B management software is projected to reach USD 13.01 Billion by 2030 , driven by cloud-first infrastructure and omnichannel ordering.	Mordor Intelligence
11	Distributer Email	Email Management	The global market for Email Marketing Software is projected to reach USD 3.4 Billion by 2030 , growing at a CAGR of 9.5% from 2024 to 2030.	ResearchAndMarkets
12	Granularchain	Digital Identity / eKYC	The global Digital Identity Solution market is projected to grow to USD 133.19 Billion by 2030 at a CAGR of 21.2%, driven by demand for secure authentication.	ResearchAndMarkets
13	Doctor Vid	Telemedicine	The Telehealth and Telemedicine market is projected to reach USD 180.86 Billion by 2030 (up from USD 94.14 Billion in 2024), at a CAGR of 11.5%.	ResearchAndMarkets
14	Phaces.io	Facial Recognition	The global facial recognition market size is predicted to grow to around USD 12.77 Billion by 2030 with a CAGR of roughly	Zion Market Research

			16.10%.	
15	Eschool System	Online Education	The Global Online Education Market Size is expected to reach USD 180.29 Billion by 2030 , growing at a CAGR of 23.12%.	Spherical Insights
16	Genorocity	Retail & Omni Channel	Global Retail E-commerce sales are expected to reach USD 73.52 Trillion by 2030 , with a CAGR of 19.2% driven by mobile internet and broadband proliferation.	TechSci Research
17	Axepay	Digital Banking & FX	The global Digital Banking market is projected to reach USD 79.4 Billion by 2030 , growing at a CAGR of 14.5% from 2024 to 2030.	ResearchAndMarkets
18	Abots Life	AI Chatbot	The global AI chatbot market is projected to expand to USD 34.6 Billion by 2032 , with a compound annual growth rate (CAGR) of 22.19%.	Precedence Research / ChatbotBooster
19	NFT Limited Series	NFTs	The NFT market is expected to reach USD 211.7 Billion by 2030 , reflecting a CAGR of 34.2% from 2024 to 2030.	Grand View Research
20	Redeem Bank	NFT & Loyalty	(See NFT Stats above) The market for NFT and digital asset redemption is part of the broader NFT market, projected to reach USD 211.7 Billion by 2030 .	Grand View Research
21	Flexiibility	WealthTech / Financial Analytics	The Digital Banking and Financial Analytics platform market is projected to reach USD 107.1 Billion by 2030 , with a CAGR of 20.5%.	Grand View Research
22	Emphasispay	Applications Marketplace	The Mobile Application Market size is expected to reach USD 567.19 Billion by 2030 , growing at a CAGR of 13.8% from 2023 to 2030.	Grand View Research
23	Atelier Socials	Social Media Management	The Social Media Management Market is projected to reach USD 51.8 Billion by 2028 , growing at a CAGR of 23.6%, with continued growth through 2030.	MarketsandMarkets
24	Your Invited.me	Social Media Tools	(Aligned with Social Media Analytics) The market for social tools and analytics is projected to reach USD 35.88 Billion by 2030 due to rising internet penetration.	MarkNtel Advisors
25	EmbassyX Games	VR/AR Blockchain	The Metaverse Market is anticipated to reach over USD 1,303.4 Billion by 2030 , at a robust CAGR of 48.0% during the forecast period.	MarketsandMarkets
26	Metarealm Agency	AR + VR Services	The Global Augmented Reality (AR) and Virtual Reality (VR) Market is projected to reach USD 454.73 Billion by 2030 , growing at a CAGR of 40.7%.	SkyQuest Technology

EXECUTIVE TEAM:

MASSIMO BARONE, CEO. Chairman & Founder

Montreal born entrepreneur with over 29 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 29 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 sector 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, Blockchain & Retail marketplace sectors in Paytech. He is the Founder & CEO of SmartCard Marketing Systems Inc. (OTC:SMKG) a Fintech and Paytech company with Banks, Telecoms & Retail Enterprises as customers. He also works with many start-ups to develop and commercialize service solutions.

PAOLO CONTINELLI

Chief Business Development Officer and Co-Founder

Mr. Continelli has over 28 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 a 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 PRESIDENT ENTERPRISE SOLUTIONS AND TOKEN LISTINGS

Mr. Vora is an astute professional with 20 years of experience in Consulting organizations with their IT and HR needs. Graduated in India from Pune University in International Trade and Business. Also, Electrical engineering.

He has worked with global organizations like Franklin Covey and Antal International and has a proven track record. He 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 graduated from Concordia University with a Bachelor degree in Computer Science and is a seasoned senior IT consultant with more than 25 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 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 challenging. That's why Lee often finds creative solutions in order to satisfy the specific needs from the business side, helping companies 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 15 years experience in accounting advisory, auditing and mergers and acquisitions. He began his career at Price water house Coopers 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.

SOFTWARE DEVELOPMENT SUMMARY 2025 Q1

The company continues to outsource modular development and technical support to 4 major service providers. On this strategy the company has expanded with a BPO strategy to extend to its customers with the launch of our inhouse payments and blockchain 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 2025 to 2030. This is also a key measure to remain lean and manage growth on demand.

FINTECH ACCELERATOR OFFERING PROGRAM – TARGET 2025

The company’s management has established a Fintech partnership program that leverages the company’s Digital IP to invest in startups in exchange for equity and revenue streams..

Year	Financial Institutions	Merchants per Financial Institution	Enterprise	Merchants
Year 1	5	15,000 (x3)	20	5,000 (x20)
Year 2	20	20,000 (x10)	140	7,500 (x140)
Year 3	50	25,000 (x25)	300	10,000 (x300)

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.

CERTIFICATIONS - PROCESS & MAINTENANCE 2025

The company works with payment gateways, financial institutions and enterprises both domestically and internationally. In specific cases it requires a certification process which is managed independently with the vendor (PCI in scope) and or with financial institution that provide their Soc2 in scope for our environment builds.

We use a multi-tenant and multi-currency build technique with all our solutions, also include geo sourcing. This enables us to isolate each merchant as an individual account when boarding their own credentials on the network from the issuing or underwriting financial institution or partner vendor.

At our core strategy with Paytech, our integrations leverage the Xpay World Card Processing Switch Host with its own maintained PCI-DSS. This provides a very strategic use for Bank Acquirers and enabling partner channels such as Visa Cybersource gateway for Visa Member Financial Institutions globally.

EXECUTIVE SUMMARY AS OF MARCH 31ST, 2025

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.

CAPITAL FUNDING PLAN 2025 TWELVE MONTH OUTLOOK

The recent filing of the S1 Filing which was submitted on June 24th 2022 during the 2nd Quarter ending June 30th was a significant expense for the company. It was also a crucial step for the company because of the status improvement and marketable opportunity of the company as a Reporting Issuer by end of Jan 30th 2023 when the S1 was approved by the US Securities and Exchange Commission. Today the company is a Pink Issuer on the OTC Markets. The S1 filings with the SEC are being followed through for 2025. We continued to communicate with the Quebec AMF (L'Autorite Des Marches) to provide updates and awaiting timely reporting of our S1 approval by the SEC to proceed in the new year through an amended filing.

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 operates lean and will need to raise capital 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.

CEO OUTLOOK 2025

Throughout 2023/24, we saw positive recovery and understanding from the COVID-19 pandemic and felt the waves of distress in the business supply chain because of the war. The global economy devastated but will thrive once more, as all of our lives impacted. Enterprises and FI's continued their focus on resiliency in their mission to ensure that their customers have the capacity to operate despite the volatility. The fundamental strategy for the company is to secure infrastructure, maintain support initiatives with clients and partners - which despite significant disruption have been capable to maintain operations and focus on key areas despite smaller budgets.

One highlight for SmartCard was the innovation continued through the next generation of development in Web3.0, Banking4.0 and the release of our own Embedded Cryptocurrencies, embedding utilities and protocols with our intellectual property development for multi-industry infrastructure. This rapid journey of adoption in Blockchain and Business Intelligent Processes is creating a tremendous demand, barriers by regulators and fraud still tops the priorities to regulate.

We advanced in artificial intelligence, regulated ai and machine learning with virtualization in the workforce placing more focus on several deployments in 2025> the company has partnered with several key payment acquirers, otc desk operators, crypto exchanges and processors including payment peripheral device manufacturers in multiple markets, this allowing for faster entry with pre-certified and compliant products as part of our embedded payments plan. This payment network leverage and combined scalability with AWS cloud infrastructure and Azure services, allows the company to work virtually in any data center, using co-location space, or on-premises facility – within a ready-to-deploy mindset.

Cloud, Blockchain & Mobility

Through partner provider AWS, The company seeks to power a truly cloud-based market infrastructure that is more resilient, scalable, and accessible for all FI's and Enterprise participants. Our IP portfolio using the Cloud and Mobility infrastructure by providing white-label and private-label licensing with bundled hosting unlocks value and provides our clients with faster deployments, security, added flexibility and scalability at their pace.

As a driver of technology evolution, we are focused on fueling collaboration and innovation to transform the Enterprise and Financial Industry markets.

Customers

While we've seen and continue to see substantial investments in the modernization of market infrastructure, it's not just about the backend architecture. Now market infrastructure operators are planning for the next phase, which involves implementing digital interfaces combined with business intelligence for an improved customer journey. We're seeing consumerism and merchants thrive, driven by applications, marketplaces and blockchain with the potential to operate much more efficiently. This means that we will see the introduction of more partnerships with vendors.

Also, to access API's, content, data and our applications. Empowering clients with secure access to self-services and a real-time view of data and settings means that manual work spent on routine tasks can be massively reduced, as well as service response times, to name a few of the benefits.

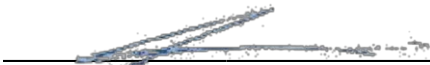
December 29th, 2025

TO WHOM IT MAY CONCERN:

We the undersigned do certify that:

1. We have reviewed this Yr End unaudited report ending March 31st 2025 for SmartCard Marketing Systems Inc.
2. Based on our knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on our knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Sincerely,



Massimo Barone
CEO
Smartcard Marketing Systems Inc.



Michele (Mike) Tasillo
CFO
Smartcard Marketing Systems