

SMARTCARD MARKETING SYSTEMS, INC., AND SUBSIDIARY

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Delaware, 19806

Transfer Agent: Manhattan Transfer Agent, Registered under the Exchange
Act 38 Sheep Pasture Road Port Jefferson, New York
11777

Trading Symbol: SMKG
CIK: 0000900475
SIC Code: 8900

As of November 11, 2021, the number of shares outstanding of our Common Stock was: 470,536,506

As of September 30, 2021, the number of shares outstanding of our Common Stock was: 470,536,506

Financial Statements



www.smartcardmarketingsystems.com

MARKET & BUSINESS DISRUPTION

SmartCard Marketing Systems Inc (OTC:SMKG) an industry leader in specialized industry e-commerce, cloud and mobility applications to the global PayTech and FinTech markets. SMKG is an entrepreneurial boutique technology company, providing business intelligence and digital transformation strategies with a proprietary portfolio of applications and wireframes for banking, enterprises, retail e-wallets, digital id, blockchain, crypto, nft, e-KYC, digital workforce, events management, education, telemedicine and ride-booking industries.

For more info visit www.smartcardmarketingsystems.com or visit our business applications marketplace at www.Emphasispay.com.

CORPORATE OFFICES AND LOCATIONS:

Since the beginning of the Covid19 Pandemic the company terminated its open monthly membership with the Regus Offices in Canada and India. The company's team works remotely from their home locations. Our main focus of operations is through our hosted solutions with AWS and Iweb which supports our technology platforms in production for client training and demo purposes.

THE COVID -19 PANDEMIC

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

SmartCard Marketing Systems Inc (OTC:SMKG) now on an accelerated track of deployments and opportunities which prior COVID 19 was only a matter of time before these same barriers would be regulated and broaden the company's already global opportunity for growth.

The 3rd quarter September 30 2021 slowly recovered with some normal as travel begins to be a possibility once more.

OVERVIEW

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

The company distinguishes itself as having a large portfolio of Marketplace technologies that meet the needs of Banks, Telecoms and Enterprises seeking to digitally transform their merchant and customer experiences.

HISTORICAL:

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

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

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

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

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

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

FINANCIAL HIGHLIGHTS FOR 2019 AND 2020

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

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

	2018	2018	2018	2018		
	<u>Processing</u>	<u>Consulting / Development</u>	<u>Licensing</u>	<u>Other</u>	<u>Total</u>	
Contact Innovation (CICI Bank)	36,126	13,200			49,326	81.0
Primeline (VeritasPay/MondePay)						
AxePay			10,000		10,000	16.4
Other		1,240			1,240	2.6
					60,566	100.0

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

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

RECENT NEWS HIGHLIGHTS

- The Company releases its Granularchain.com, creating Digital key for Financial Institutions
- The Company releases Genorocity.com with both Apple Pay and G Pay
- Integration to Cybersource Visa and Visa Direct
- Integration of Alipay and Wechat Pay for Asia
- Launch of Axepay Inc. with global FX partner onboarding in 42 Countries including China, servicing 200 Countries and 40 currencies and unique offering for funds transfers into China Union Pay and Banks in Mainland China.

MAJOR HIGHLIGHTS – 2021 3RD QTR.

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

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

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

- **PF Sponsorship License with Minority interest ownership of Xpay**
- **Launch of Anypay.ph payments in Philippines**
- **Xcoop partnership expansion for Cross-border payments into LATAM**
- **Signing of Arclay to over 2000 plus formulas for IP token offerings**
- **Signing of Shekel World for new Ecommerce & Coin offering**
- **Compuage Infocom India to distribute the SMKG portfolio of IP , over 10,000 Agents**
- **DTone of Singapore deal entered for Airtimeplay remittances for Axepay**
- **ICICI Bank use of Cheque21saas commences increase in volumes**

MANAGEMENT DISCUSSIONS AND ANALYSIS 2021 -- 3RD QTR.

Financial Results, Three Months Ended September 30, 2021 Compared to the Three Months Ended September 30, 2020

We continued to focus on developing our lines of business 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 in India and South East 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 expanding and no longer dependent on our prior portfolio which is still an active base and growing in revenues.

Our payment rails Axepay for Cross-border, Originatorx for Crypto Issuance combined with Xpay Terminal Management switch in the Philippines have considerable potential and offer up a payment network unlike any startup or medium enterprise.

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

The 3rd quarter is beginning to see improvement in travel and hospitality which will have an improvement on our business as it will positively affect some our applications which are focused in this key sector.

The company allocated significant resources to expand on filings with the SEC to qualify the RegA+ Tier. The company continues to be optimistic it will receive approval, be a compliant Reporting Issuer and complete financing to secure the next 12 months and reduce operating risk and cashflow requirements.

REVENUES

For the three months ended September 30, 2021, revenues were \$183,992, comparable to \$154,157 for the same period in 2020, an increase of 18%. The increase in revenues is explained by an increase in consulting and licensing revenue primarily due to our new client and partner, Xpay World and OriginatorX, which we recorded licensing contracts and recognizing the deferred revenue monthly, as well as new consulting projects. The implementation and launch of important contracts and projects will continue to grow in the next quarters.

GROSS MARGIN

For the three months ended September 30, 2021, cost of sales were \$4,564. For the three months ended September 30, 2020, there were no cost of sales. Gross profit was the same amounts as revenue above.

GENERAL AND ADMINISTRATIVE EXPENSES

For the three months ended September 30, 2021 and 2020, general and administrative expenses were \$203,668 and \$146,598, respectively. This increase is due primarily to increase in professional fees, partially offset by an increase in wages and consulting fees.

SALES AND MARKETING EXPENSES

The Company had promotional expenses of \$75 and \$1,699 for the three months ended September 30, 2021 and 2020. We did not promote through advertising channels as we improved our social media reach through our own technology publishing applications.

NET LOSS

Net loss for the three months ended September 30, 2021 totaled \$19,750 compared to a net loss of \$221,913 for the same period in 2020.

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

Software Development - In the three months ended September 30, 2021, the Company invested an additional amount of \$33,800 into product development.

GOING CONCERN

The Company sustained continued operating losses during the nine months ended September 30, 2021. The Company's continuation as a going concern is dependent on its ability to generate sufficient cash flows from operations to meet its obligations, in which it has not been successful, and/or obtaining additional financing from its shareholders or other sources, as may be required.

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

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

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2021, the company had loans payable totaling \$520,971.

In 2021, the Company received proceeds of \$115,159 pursuant to convertible notes and made repayments of \$2,000.

At September 30, 2021, the Company had cash on hand of \$11,429 and receivables of \$239,195. We may be required to raise additional funds, particularly with the Covid19, clients and projects deposits were deferred to assist customers facing critical issues, if we are unable to generate positive cash flow as a result of our operations. We estimate that based on current plans and assumptions, that our cash will not be sufficient to satisfy our cash requirements under our present operating expectations, without further financing, for up to 12 months. We estimate that based on our current capital resources we can maintained our planned operations for six months. In order to continue as a going concern, develop a reliable source of revenues, and achieve a profitable level of operations the Company will need, among other things, additional capital resources. Management's plans to continue as a going concern include raising additional capital through borrowings and the sale of common stock. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, it may contain undue restrictions on our operations, in the case of debt financing, or cause substantial dilution for our stockholders, in case of an equity financing.

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

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

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

CAPITAL EXPENDITURES

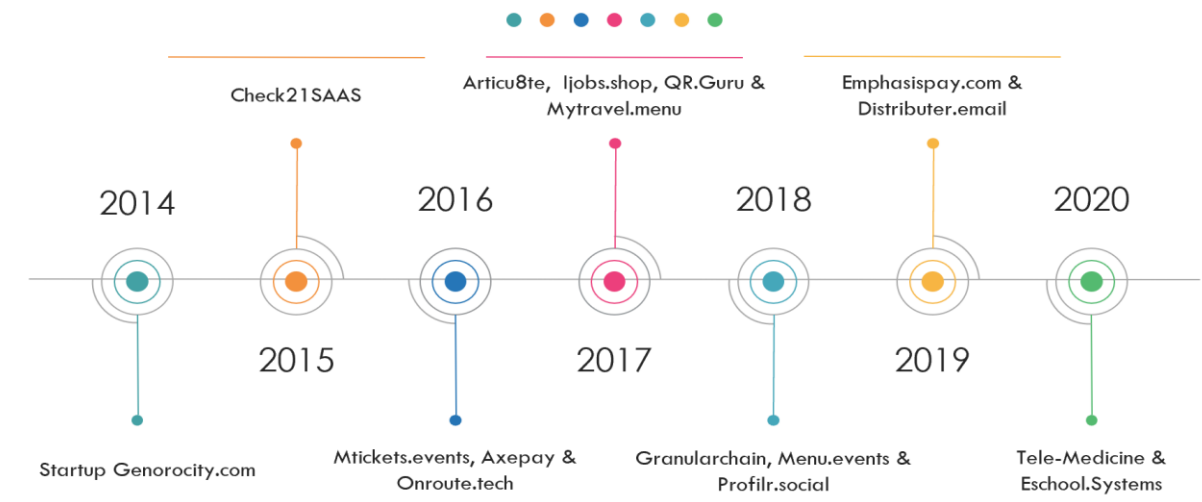
Our current plans do call for our Company to expend significant amounts for capital expenditures for the foreseeable future beyond relatively insignificant expenditures for office furniture and information technology related equipment and employees as it is part of the requirement to build the infrastructure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

UTILITIES INTRODUCED THROUGHOUT 2019 AND 2020:

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

PRODUCT DEVELOPMENT TIMELINE

Since 2014 the company has set out to develop a suite of specialized industry cloud and mobility applications for the Payments and Financial Services markets, with more than \$3m USD invested in 14 proprietary Cloud & Mobility applications by 2020.



Management Outlook for 2021 with concerns regarding the COVID-19 Pandemic and recent events explained.

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

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

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

During the pandemic we signed new clients and our advisory part of the business began to grow, thus creating new opportunities with clients in the Blockchain, Crypto and NFT segments.

MARKET OPPORTUNITY & CHALLENGES:

Digital has been accelerated by Covid19 on a global level. We have learned that we can be completely distanced & disconnected from Financial Transactions, Face-to-Face meetings, Events & Shopping Experiences. The simplest of tasks has been derailed & altered altogether. Ex. In branch banking, Grocery Shopping & Traveling.

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

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

THE ECHO EFFECT:

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

SMKG DISRUPTING MARKET:

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

OUR TECH SUITE OF PROPRIETARY INDUSTRY APPLICATIONS:

SMKG offers the largest Proprietary White-labeled specialized Industry Application portfolio of FinTech & PayTech applications enabling Payments. Making us a critical accelerator in Digital Transformation for Banks, Financial Institutions & Enterprises with a Ready to Deploy, Highly Scalable & Customizable applications. We deploy these solutions directly & through our Network Partners.



DEVELOPMENT STAGE

Platform	Software (%)	Mobile App (%)
Genorocity http://www.genorocity.com	99	95
Mtickets.events http://www.mtickets.events	99	95
Check21SaaS http://www.check21saas.com http://www.checkvalet.com	99	NA
QR.guru http://www.qr.guru http://myshopping.guru http://www.prizescan.guru	90	95
Onroute.Tech http://www.onroute.tech	90	90
Distributer Email https://distributer.email	95	NA
Atelier Social https://atelier.social	95	NA
Granularchain http://granularchain.com	95	NA
Articul8te http://articul8te.com	95	95
Profilr.social http://profilr.social	95	NA
Mytravel.menu http://www.mytravel.menu	90	85
Menu.events http://menu.events	90	85
Eschool System https://eschool.systems	95	NA
Doctor Vid http://doctor-vid.com	95	NA
Phaces.io http://phaces.io	95	NA
OriginatorX http://originatorx.com	95	NA
iJobs.shop http://www.ijobs.shop	95	95
Axepay https://axepay.com	90	NA
Abotslife.com	85	90

INTERNAL OPERATIONAL SOLUTIONS:

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

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

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

MANAGED PARTNERSHIPS

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

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

Case 1: OriginatorX

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

Case 2: Xpay World

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

2021 Events

In Q1 2021, the company entered into an agreement to acquire 100% of the source code portfolio of an India Tech co start-up. The transaction was for \$25k USD paid over a period of 1 year in tranches by month. In addition, 1.5m shares of common stock of SMKG at pps of \$0.033 USD.

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

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

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

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

LEGAL

The company did not pursue the Reg A+ filings with the US Securities Exchange. The company is working in collaboration with several investment firms to complete and offering.

The company initiated the discussions and filings with the L'Autorité Des Marchés Financiers in Quebec to request a Revocation of CTIO to trade in Canada. The company also successfully achieved and up-list to the OTCQB from Pink Compliant on the OTC Markets.

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

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

Use the following key for Committee Membership: A - Audit Committee Member

N – Nominating Committee Member

C – Compensation Committee Member

Chairman:

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

Members of the Board of Directors:

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

ANNUAL EXECUTIVE COMPENSATION

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

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

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

(The previous engagement 2014 was \$250,000 with a 4,5% increase per year),

Mr. Tasillo's management contract was entered in January 2014 for a period of 4 years and was renewed January 2018. He is paid an annual management fee of \$80,325, with certain performance related bonuses relating to capital raises, acquisitions, mergers and reaching defined milestones.

(The previous engagement 2014 was \$70,000 with a 3,5% increase per year),

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

PROPRIETARY TECHNOLOGY ASSETS

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

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

PROPRIETARY DOMAIN NAMES

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

ABOUT EMPHASISPAY.COM MARKETPLACE:

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

Our CRM & CMS solutions center platform is the proprietary solution of SmartCard Marketing Systems Inc. this agnostic platform enables the company to market and manage sales and support opportunities, webinar's and trainings. In addition, the company has developed its own scheduling and messaging solution center in order to manage clients. The advantage point is also the ability to white label the platform for VARs & 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, Edu-Tech, Tele-Medicine, Pharma, Retail & Manufacturing Units.

Our Distributers & Partners have a vast existing sales-ecosystem & reach across multi-region & territories.

We know that these key industry players hold important existing client relationships & has sought out our portfolio to leverage.

- Wipro Ltd: A US \$8B company. Represents SMKG in EU, Middle East & Africa Region with 188,000 Employees. (A1 Telecom – Austria, ITHRA – Saudi Arabia)
- Mumbai Fintech Hub: A Government Initiative promotion of Fintech in India. SMKG represents MFH globally to enable a link for Investors, Vendors, Partners, Fintech (80+), Technology Companies, Indian Banks & FI's. (PWC, Quotientica)
- Compuage India Ltd: 12500+ online & offline retailers, resellers & system integrators in SAARC Region.
- Redington Ltd: 80+ offices in India & SAARC Region, Middle East, Africa, South East Asia with 37,500 Channel Partners & Resellers.
- Ingram Micro: 17000+ Registered partners / Resellers across Indian Subcontinent.

Mumbai Fintech Hub (India):

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

Visa Everywhere Initiative:

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

Gbazzar (Guyana):

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

IDBRT:

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

Axepay:

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

Xpay:

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

OriginatorX:

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

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

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

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



MARKET SIZE OPPORTUNITY STATS: 2021 – 2025

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

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

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

FINANCIAL ESTIMATES:

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

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

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

EXECUTIVE TEAM:

MASSIMO BARONE CEO & FOUNDER

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

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

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

PAOLO CONTINELLI PRESIDENT AND FOUNDER

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

MICHELE (MIKE) TASILLO
CFO

Mr. Michele Tasillo, also known as Mike, serves as a Finance Manager of Smart Card Marketing Systems Inc. Mr. Tasillo was the Founder of Hybrid PayTech World Inc. (known as Freeport Capital Inc.), served as President and Chief Financial Officer until January 2014. He has been active as a Consultant and Educator for the past 20 years, specializing in ISO Certification Standards in the Construction Industry dealing with Municipal, Provincial and Foreign contracts. He also brings vast experience with project management, implementation and deployment of products. He served as a Director of Hybrid PayTech World Inc. (Freeport Capital Inc.) from November 19, 2009 to February 8, 2014.

DHARMESH VORA
VP SALES

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

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

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

GARY REPCHUK

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

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

Previously carved out a unique strategy that has attracted the world's largest SmartPOS manufacturers 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 12 years experience in accounting advisory, auditing and mergers and acquisitions. He began his career at PricewaterhouseCoopers and has several years 'experience in mid-size audit and consulting firms with clients in a variety of industries.

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

GINA LESLIE LLB

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

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

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

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

VINAY KOTAPATI
VP FINTECH

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

Mr. Kotapati brings the thoughtful leadership. anchor and engagement differentiation to deliver operational excellence and shape-up value adding solutions that enables customers to meet their changing needs of the global landscape.

His Competency Origins include – Early induction working with Big Five consulting (KPMG, Deloitte) and major System Integration Companies (Tata Consulting Services, Wipro, Satyam) across the global locations on either side of Atlantic with subsequent high profile engagements spanning across Asia Pacific, EMEA and US regions for various clientele.

EXECUTIVE SUMMARY AS OF SEPTEMBER 30TH 2021:

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

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

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

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

TARGETS 2021-23

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

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

SOFTWARE DEVELOPMENT

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

FINTECH ACCELERATOR OFFERING PROGRAM

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

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

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

OUR GATEWAY NETWORK:

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

INTEGRATED PAYMENT GATEWAYS

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

Newly Added in 2020 1st QTR

Visa Cybersource and Visa Direct
Discover Card Networks

OUR VENDORS

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

VISA Everywhere
Discover US

CERTIFICATIONS - PROCESS & MAINTENANCE

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

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

EXECUTIVE SUMMARY AS OF DECEMBER 31ST, 2020

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

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

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

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

CAPITAL FUNDING PLAN

12 - Month Outlook

The company has a pending Regulation A+ offering for a Tier 1 classification of a \$20m underwriting which can be amended. The offering is subject to meeting approvals and the company's initial offering target which can be amended to match market conditions. In addition, the company qualified with the OTC Markets analysts and attained its OTCQB status.

Additionally, the company has several open discussions with IB's and VC's for ELOCs and convertible debentures that can provide financial sustainability for the company and its cashflow requirements. As the company continues to grow its sales and recurring revenues the cash flow required can be managed.

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

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

November 11, 2021

To Whom It May Concern:

We the undersigned do certify that: We have reviewed this quarterly report ending September 30th 2021 for SmartCard Marketing Systems Inc.

1. 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

2. 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,

A handwritten signature in blue ink, appearing to read 'Massimo Barone', with a horizontal line extending to the right.

Massimo Barone
CEO, Smartcard Marketing Systems Inc.

A handwritten signature in blue ink, appearing to read 'Michele Tasillo', with a stylized, cursive script.

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