

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Wishpond Technologies Ltd. (the “**Company**”)
1000 - 1500 West Georgia Street
Vancouver, British Columbia V6G 2Z6

Item 2 Date of Material Change

December 22, 2020.

Item 3 News Release

The news release dated December 22, 2020 was disseminated via Canada Newswire.

Item 4 Summary of Material Change

The Company announced that it has entered into an arm's length asset purchase agreement dated December 21, 2020 with Invigo Media Corp. and its affiliates, EverGenius LLC, Invigo Media LLC (the “**Invigo Group**” or “**Invigo**”) and their sole shareholder and founder, Balhar (Bob) Singh Mangat, whereby the Company has indirectly agreed to acquire substantially all of the assets of the Invigo Group. Based out of Surrey, B.C., Invigo is a software-as-a-service (SaaS) company providing technology and digital marketing services to medical and related businesses in Canada and the United States.

Item 5 Full Description of Material Change.

5.1 Full Description of Material Change

See Item 4 above and the attached news release for a full description of the material change.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

None.

Item 8 Executive Officer

Ali Tajsandar, Chairman and Chief Executive Officer
Telephone: 778-846-0310

Item 9 Date of Report

December 24, 2020.



wishpond

Wishpond to Acquire Invigo Media Corp. - a Profitable and Growing Marketing Technology and Services Company

/NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES./

Invigo acquisition is expected to add \$2.7M in annual revenue at EBITDA margins exceeding 20%

VANCOUVER, BC, Dec. 22, 2020 /CNW/ - **Wishpond Technologies Ltd.** (TSXV: WISH) ("**Wishpond**" or the "**Company**"), a provider of marketing-focused online business solutions, is pleased to announce that it has entered into an arm's length asset purchase agreement dated December 22, 2020 (the "**Agreement**") with Invigo Media Corp. and its affiliates, EverGenius LLC, Invigo Media LLC (the "**Invigo Group**" or "**Invigo**") and their sole shareholder and founder, Balhar (Bob) Singh Mangat, whereby Wishpond has indirectly agreed to acquire substantially all of the assets of the Invigo Group (the "**Transaction**"). Based out of Surrey, B.C., Invigo is a software-as-a-service (SaaS) company providing technology and digital marketing services to medical and related businesses in Canada and the United States.

"We are very pleased with the proposed acquisition of the Invigo Group as it opens the doors to a very attractive vertical in the medical and digital health related sectors for Wishpond," said Ali Tajskandar, Wishpond's CEO. "Our objective is to be an acquirer of marketing technology and services companies in North America with the overarching goal of significantly growing Wishpond's market share in the upcoming years."

The Transaction is Wishpond's first acquisition in its strategy to grow inorganically through tuck-in acquisitions of marketing technology companies and digital marketing agencies. Access to Invigo's technology is expected to accelerate Wishpond's product roadmap by adding new functionality to improve the customer experience with the platform. In addition, Invigo will benefit from having direct access to Wishpond's talent pool to increase its operating capacity, as well as Wishpond's sales force to accelerate sales growth.

Invigo's revenue is substantially subscription-based recurring revenue, which provides strong revenue and cash flow visibility. Based on the last six months, Invigo has an annualized revenue run-rate of approximately \$2.7M with EBITDA⁽¹⁾ margins exceeding 20%. For the past three years, Invigo's sales have been growing at over 20% compound annual growth rate.

Invigo's proprietary technology provides advanced client relationship management and performance marketing tools highly complementary to Wishpond's offering. Key features of the platform include customer relationship management (CRM), reputation management, call tracking, marketing automation tools, mobile marketing through SMS, pay per click management, sales funnels, analytics, among others. Invigo leverages its proprietary technology to provide advanced CRM and performance marketing tools highly complementary to Wishpond's.

Invigo's founder Bob Mangat has in-depth knowledge and a strong network in the healthcare sector.

closing. "The Invigo team is excited at the prospect of joining Wishpond," said Invigo Group founder Bob Mangat. "We believe our experience servicing medical customers over the past five years will be instrumental in expanding Wishpond's market share in the digital health sector."

In consideration for the Transaction, the Company has agreed to pay \$835,000 in cash on the closing date from cash on hand and grant the vendor a two year earn-out based on adjusted EBITDA growth of the acquired business that is payable on a quarterly basis. Based on projected post-closing EBITDA of the business, the Company anticipates the total purchase price to be approximately \$3 million, including the earn-out payments. For earn-out payments up to \$5 million, the earn-out is payable in common shares of Wishpond (each, a "**Share**") at a deemed price per share equal to the prior 5 day VWAP of the Shares on the TSX Venture Exchange (the "**TSXV**") on the payment date. For any earn-out payments in excess of \$5 million, the Company has the discretion to pay in cash, Shares or combination thereof. Any Shares issued in connection with the earn-out will be subject to a restricted period of four months and one day from the date of issuance.

The Transaction is subject to TSXV approval and Wishpond anticipates that the Transaction will constitute an "Expedited Acquisition" under the policies of the TSXV. No finder's fee will be paid in connection with the Transaction and no new directors or officers will be added to the Wishpond management team in connection with the Transaction. The closing of the Transaction is subject to several conditions and is expected to be completed in early January, 2021.

WISHPOND TECHNOLOGIES LTD.

Per: "Ali Tajskandar"

Ali Tajskandar

Chairman and Chief Executive Officer

Footnotes:

1. Unaudited EBITDA is a Non-GAAP measure. Earnings before interest, taxes, depreciation and amortization ("**EBITDA**") should not be construed as alternatives to net income/loss determined in accordance with IFRS. EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company believes that EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives.

About Wishpond Technologies Corp.

Based out of Vancouver, British Columbia, Wishpond is a provider of marketing focused online business solutions. Wishpond's vision is to become the leading provider of digital marketing solutions that empower entrepreneurs to achieve success online. The Company offers an "all-in-one" marketing suite that provides companies with marketing, promotion, lead generation and sales conversion capabilities from one integrated platform. Wishpond replaces entire marketing functions in an easy-to-use product, for a fraction of the cost. Wishpond serves over 2,000 customers who are primarily small-to-medium size businesses (SMBs) in a wide variety of industries. The Company has developed cutting edge marketing technology solutions and continues to add new features and applications with great velocity. The Company employs a Software-as-a-Service (SaaS) business model where substantially all the Company's revenue is subscription-based recurring revenue which provides excellent revenue predictability and cash flow visibility. Wishpond is listed on the TSX Venture Exchange under the ticker "WISH". For further information, visit: www.wishpond.com

About the Invigo Group

The Invigo Group was founded in Surrey, British Columbia in 2015, built upon the mission of helping medical practitioners grow their clinics through a comprehensive range of marketing and web services. From attracting potential patients to converting leads, the Invigo Group works with clients to better understand their objectives and develop a bespoke marketing solution. Moreover, over the past five years, the Invigo Group has developed a comprehensive client retention and relationship management software, EverGenius, tailored to the medical and adjacent industries designed to

includes customer relationship management (CRM), reputation management, call tracking, marketing automation tools, mobile marketing through SMS, pay per click management, sales funnels, analytics, among others. For further information, visit: www.invigomedia.com.

Cautionary Disclaimers

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction. Any securities referred to herein have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to a U.S. Person absent registration or an applicable exemption from the registration requirements of the United States Securities Act of 1933, as amended, and applicable state securities laws.

Notice Regarding Forward Looking Statements

Certain statements in this news release related to the Company are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward looking statements in this news release include statements regarding the closing of the Transaction; the receipt of conditional approval from the TSX Venture Exchange; the expectation that closing will occur shortly after TSX approval; post-closing objectives of Wishpond for the Invigo Group brand and business; the expectation of additional revenues to Wishpond post-closing; the expectation that Invigo revenues may continue to grow as expected; that the Transaction may position Wishpond for future growth through additional strategic acquisitions; and that the founder will assist Wishpond with the transition of operations post-closing. There are numerous risks and uncertainties that could cause actual results and Wishpond's plans and objectives to differ materially from those expressed in the forward-looking information, including: (i) inability to close the Transaction for any reason; (ii) COVID-19 risks; (iii) difficulties and delays associated with integrating and growing the Invigo Group business post-closing; (iv) risks inherent in the online marketing software and agency industry in general; (v) other factors beyond the control of the Company; and (vi) risks outlined in Wishpond's publicly filed documents available on SEDAR. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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<http://www.newswire.ca/en/releases/archive/December2020/22/c2232.html>

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