

# Ciscom Cautions Investors Regarding Share Ownership Assertions by DLT Resolution Inc. & Evaluates Activation of Shareholder Rights Plan

written by Raj Shah | March 13, 2024

March 13, 2024 ([Source](#)) – Ciscom Corp. (CSE: CISC) (OTCQB: CISCF) is in the process of consulting with its advisors and regulatory authorities to ascertain the necessity of activating its Shareholder Rights Plan. This action is in direct response to the assertion by DLT Resolution Inc. that it has escalated its ownership in Ciscom from 19.9% to an alleged 42.05%. The legitimacy of this claim is under scrutiny, and the outcome may influence whether the Plan will be activated, based on a thorough evaluation of DLT's reported increase in shareholding.

Ciscom challenges DLT's alleged share ownership increase as both unqualified and unlawful, raising serious concerns about the accuracy of DLT's public disclosures. The Company strongly disputes DLT's reported 42.05% ownership claim, citing discrepancies with the current records of shares held in escrow, brokerages, and on the TSX. These concerns have been formally reported to the Ontario Securities Commission and the Canadian Securities Exchange.

The Company also highlights DLT's numerous failures to comply with the necessary early warning, takeover bid regulations, and SEDI reporting requirements, which are crucial for shareholder protection and legal compliance.

In light of the unresolved ownership claims by DLT, the board of directors of Ciscom is exercising its discretion to delay activation of the Plan which would otherwise have been triggered at the 25% ownership level. In addition, it cannot be assumed that DLT has the right to vote the shares it claims to have acquired and thereby is not necessarily in a position to elect directors or otherwise influence the board of directors of Ciscom. The review of the actions taken by DLT and assessment of the application of the Plan is ongoing and further announcements will be made.

### **Ciscom Evaluates Activation of Shareholder Rights Plan**

Ciscom strongly cautions its shareholders in any dealings with DLT and, in particular, advises against tendering their shares to DLT, highlighting the risk of substantial value dilution and raising questions about DLT's adherence to legal and regulatory requirements. The company flags DLT's financial opaqueness and the dubious feasibility of its planned acquisitions and business strategies.

Concerns extend to DLT's governance, highlighting its single-person control, limited liquidity due to its OTC Pink market listing, and unmet commitments to financial robustness and governance expansion, underscoring the myriad of risks associated with DLT's disclosures and acquisition proposals.

Investors are cautioned not to proceed with DLT's recommendations without independent professional advice from qualified advisors.

### **Contact Information**

Shareholders are encouraged to reach out to Ciscom for further discussion and support in navigating these developments.

### **About Ciscom**

Ciscom Corp. is a Canadian company investing, acquiring, and managing companies in the Information and Communication Technology (ICT) sector. Potential acquisition targets are entrepreneurs seeking equity, transition, or that do not have a defined succession plan. Target companies are generally substantial Small and Medium size Enterprises ("SMEs") and have a proven track record/history of profitability.

With this approach Ciscom enables owners/founders to crystalize their equity, while remaining active in the business. Consequently, acquisitions are immediately accretive to shareholders' value. For more information, please visit [www.ciscomcorp.com](http://www.ciscomcorp.com).

#### **CONTACT INFORMATION**

Michel Pepin

President & CFO

[mpepin@ciscomcorp.com](mailto:mpepin@ciscomcorp.com)

@CiscomCorp

#### *Cautionary Statement*

This news release contains certain statements that constitute forward-looking statements as they relate to Ciscom and its management. Forward-looking statements are not historical facts but represent management's current expectation of future events and can be identified by words such as "believe", "expects", "will", "intends", "plans", "projects", "anticipates", "estimates", "should", "continues" and similar expressions. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that they will prove to be correct or will come to pass. Forward-looking statements include statements and information regarding the anticipated audited financial results, anticipated implementation and shareholder ratification of the

Plan, future expectations of growth and profits, future grants of equity incentive awards, future payments of dividends, the future plans for the Company, and other forward-looking information.

By their nature, forward-looking statements include assumptions and are subject to inherent risks and uncertainties that could cause actual future results, conditions, actions, or events to differ materially from those in the forward-looking statements. The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: the assessment of the share ownership purported to have been acquired by DLT and related and other announcements by DLT; the outcome of complaints made to regulatory authorities; any triggering of the Plan and the potential dilution resulting therefrom; the ability of DLT to vote the shares of Ciscom it purports to have acquired or otherwise engage in shareholder activism; the ability to rely on public disclosures made by DLT and the confidence to engage in commercial relations with DLT; general commercial risks inherent to operating non-manufacturing businesses; the capital requirements of the Company and ability to maintain adequate capital resources to carry out its business activities; the ability to identify ICT target acquisitions and complete such transactions on an economic basis or at all, and successfully integrate those business; the ability to convert the potential in the pursued business opportunities to tangible benefits to the Company or its shareholders; risks of a material adverse change to the Company's assets or revenue; stock market volatility and capital market valuation; the ability of the Company to continue as a going concern; dependence on key personnel; the Company's early stage of development; potential losses on investments; unstable and potentially negative economic conditions; fluctuations in interest rates; competition for investments within the ICT sector; maintenance of client

relationships; maintaining a listing on the Canadian Securities Exchange; risks related to potential dilution in the event of future financings; no previous public market for the shares; volatility of the market price for the Company's securities; audit risk; litigation risk and risk of future legal proceedings; reliance on key personnel; jurisdictional and regulatory risk; lack of operating cash flow; volatility; additional funding requirements; adverse general economic conditions; competition; conflicts of interest; the early stage of Ciscom's business; income tax matters; availability and terms of financing; rising costs related to inflation; and effects of market interest on price of securities and potential dilution; and those factors detailed in the Company's prospectus dated June 5, 2023 and other public documents filed under Ciscom's profile at [www.sedarplus.ca](http://www.sedarplus.ca). Ciscom has also assumed that no significant events occur outside of Ciscom's normal course of business.

Ciscom cautions that the foregoing list of factors is not exhaustive. In addition, although Ciscom has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, or intended. When relying on Ciscom's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Ciscom has assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this press release represents the expectations of

Ciscom as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Ciscom does not undertake to update this information at any particular time except as required in accordance with applicable laws.