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For Immediate Release

DATA COMMUNICATIONS MANAGEMENT CORP. ANNOUNCES FISCAL 2020 AND FOURTH QUARTER 2020 RESULTS

Brampton, Ontario – March 18, 2021 – DATA Communications Management Corp. (TSX: DCM) ("DCM" or the "Company"), a leading provider of marketing and business communication solutions to companies across North America, announces its consolidated financial results for the year ended December 31, 2020.

FISCAL 2020 HIGHLIGHTS

- Revenues in fiscal 2020 were $259.3 million compared with $282.9 million in 2019, a decrease of $23.6 million or 8.3%.
- Gross profit, however, increased by $3.7 million, or 5.3%, to $72.9 million, compared to 2019 and gross margin improved to 28.1% from 24.5% in 2019.
- SG&A expenses declined $8.2 million or 12.2% to $58.9 million, or 22.7% of total revenues in 2020, compared to $67.1 million, or 23.7% of total revenues, in 2019.
- Restructuring expenses incurred of $2.8 million compared to $7.5 million in 2019.
- Adjusted EBITDA was $41.5 million or 16.0% of revenue, a 106.8% improvement compared to $20.1 million in 2019, or 7.1% of revenue. The increase in Adjusted EBITDA for 2020 is attributable to: strong revenue in the first quarter of this year, mitigated by COVID-19 impacted revenues in the subsequent three quarters of 2020; the realization of additional cost savings initiatives; ERP remediation efforts; and better management of raw materials and other inventory related efficiency gains. Adjusted EBITDA in 2020 was also positively impacted by $10.7 million received from the CEWS program.
- Net income was $11.5 million compared with a net loss of $14.0 million in 2019.
- Basic and diluted EPS of $0.27 compared with $(0.65); and adjusted basic and diluted EPS of $0.32 compared with $(0.34).
- Cash flow from operations (before changes in working capital and other payments) of $38.2 million compared to $14.7 million in 2019; in addition, improvements in our account receivable balances and other working capital initiatives resulted in a net inflow of $15.9 million from changes in working capital, compared to an outflow of $7.1 million in 2019.
- Revolving line of credit balance stood at $1.0 million as of February 28, 2021, a reduction from $5.7 million as of December 31, 2020 and its peak of $36.8 million as of March 31, 2020. Reduction in our total senior debt balance to $46.1 million at December 31,2020, compared with a balance of $77.1 million in the prior year.
- New President and CEO Richard Kellam to host earnings call on Friday, March 19, 2021 at 9:00 a.m. EST.
- DCM announces plans to consolidate its Mississauga facility into its Brampton facility prior to the end of fiscal 2021, resulting in annualized lease savings of at least $1 million.

- Expanded role for Christine Custodio, formerly VP, Operations Efficiency, who has been appointed Vice President, Operations.

FOURTH QUARTER HIGHLIGHTS

- Revenues for the quarter were $60.6 million compared with $71.5 million in the fourth quarter of 2019, a decrease of $10.9 million or 15.2%. Revenue in the fourth quarter was adversely impacted by the decline in revenue associated with those clients whose businesses, owing to COVID, were not fully operational and/or operating normally.
- Gross profit declined to $15.0 million, down 14.4%, or $2.5 million, compared to the fourth quarter of 2019.
- Gross margin of 24.8% was comparable with the fourth quarter of 2019 of 24.5%. Gross margin was positively impacted by the benefits of the cost saving initiatives implemented throughout 2019 and 2020 and other cost saving measures implemented in reaction to the impact of COVID-19 on the business, mitigated by COVID related softness in sales, resulting in weaker absorption of fixed overhead costs, especially in the month of December, which adversely impacted the gross margin.
- SG&A expenses declined to $13.0 million, or 21.4% of total revenues, compared to $16.7 million, or 23.3% of total revenues, in the fourth quarter of 2019.
- Restructuring expenses incurred of $0.7 million compared to a recovery of $0.1 million in the fourth quarter of 2019.
- Adjusted EBITDA was $7.4 million or 12.2% of revenue, a 33.7% improvement when compared to $5.5 million in the fourth quarter of 2019, or 7.7% of revenue. Adjusted EBITDA was positively impacted by improved gross margins, lower SG&A expenses, and $1.8 million received from the CEWS program.
- Net income was $2.9 million compared with a net loss of $4.0 million in the fourth quarter of 2019.
- Basic and diluted EPS of $0.07 compared with $(0.17).

MANAGEMENT COMMENTARY

“The DCM team accomplished some important initiatives in fiscal 2020,” said Gregory J. Cochrane, Vice Chair. “We made progress on our key strategic priorities, with continued emphasis on our key client relationships, improved gross margins, experienced a significant reduction in our long-term debt, and achieved further success in differentiating our technology platforms in the marketplace. We still have some way to go on reducing our total cost to serve our clients. Our working capital initiatives helped drive down our debt levels, as we continued to convert our clients from our legacy "bill as released" invoicing to invoice on production billing and continued to reduce our accounts receivable balances. In addition, the CEWS grant income we received in the year significantly helped offset some of the financial impact on our business from the pandemic.”

DCM also announces it is in advanced planning stages to consolidate its Mississauga, Ontario site and related personnel into its Brampton, Ontario facility, prior to the end of fiscal 2021. Total expected savings are currently being evaluated, but it is expected that annualized savings will be in excess of $1 million in annual rent and related expenses of the site, with such benefits commencing on or before year end. The company remains focused on achieving an incremental $8.5 million of cost savings to be delivered in 2021, comparable to those savings that were previously described in late 2020.

"I'm pleased to announce that Christine Custodio is taking on additional responsibilities as Vice President, Operations, effective immediately," said Richard Kellam, President & Chief Executive Officer. "Christine has more than 25 years' experience in direct marketing and business communications. She has particular expertise in delivering innovative client implementations across multiple channels, and incorporating complex digital workflow automations. Christine joined us in

2011, and subsequently served as general manager of our Mississauga site for six years. More recently, she had taken on broader operations responsibility including managing our customer experience team and has led many important operational initiatives for us."

FOURTH QUARTER EARNINGS CALL

Richard Kellam, DCM's newly appointed President and Chief Executive Officer, will host a conference call on Friday, March 19, 2021 at 9.00 a.m. Eastern time. Participants may dial in to the conference call using: Toll free: (833) 670-0708 or: (236) 714-2923, followed by Conference ID# 197 0147. The operator will ask for participant's registration information. The conference call will also be accessible on the web by accessing: https://onlinexperiences.com/Launch/QReg/ShowUUID=5DC77C3C-3976-4287-8D39-0EF7ED209905. A replay of the call will be available from 12:00 p.m. Eastern time March 19, 2021 until midnight Eastern time March 26, 2021 by calling: Toll-free: (800) 585-8367 or: (416) 621-4642, followed by Conference ID#: 197 0147.

For the periods ended December 31, 2020 and 2019 *(in thousands of Canadian dollars, except share and per share amounts, unaudited)*	**October 1 to December 31, 2020**	October 1 to December 31, 2019	**January 1 to December 31, 2020**	January 1 to December 31, 2019
Revenues	**$ 60,589**	$ 71,489	**$ 259,314**	$ 282,876
Gross profit	**15,008**	17,530	**72,942**	69,265
Gross profit, as a percentage of revenues	**24.8 %**	24.5 %	**28.1 %**	24.5 %
Selling, general and administrative expenses	**12,976**	16,665	**58,884**	67,090
As a percentage of revenues	**21.4 %**	23.3 %	**22.7 %**	23.7 %
Adjusted EBITDA	**7,387**	5,524	**41,476**	20,056
As a percentage of revenues	**12.2 %**	7.7 %	**16.0 %**	7.1 %
Net income (loss) for the period	**2,925**	(4,013)	**11,506**	(13,987)
Adjusted net income (loss)	**3,497**	(3,700)	**13,973**	(7,421)
As a percentage of revenues	**5.8 %**	(5.2)%	**5.4 %**	(2.6)%
Basic and diluted earnings (loss) per share	**$ 0.07**	$ (0.18)	**$ 0.27**	$ (0.65)
Adjusted net income (loss) per share, basic and diluted	**$ 0.08**	$ (0.17)	**$ 0.32**	$ (0.34)
Weighted average number of common shares outstanding, basic	**43,442,668**	21,757,467	**43,146,866**	21,582,483
Weighted average number of common shares outstanding, diluted	**44,258,933**	21,757,467	**43,316,630**	21,582,483

About DATA Communications Management Corp.

DCM is a communication solutions partner that adds value for major companies across North America by creating more meaningful connections with their customers. DCM pairs customer insights and thought leadership with cutting-edge products, modular enabling technology and services to power its clients' go-to market strategies. DCM helps its clients manage how their brands come to life, determine which channels are right for them, manage multimedia campaigns, deploy location-specific and 1:1 marketing, execute custom loyalty programs, and fulfill their commercial printing needs all in one place.

DCM's extensive experience has positioned it as an expert at providing communication solutions across many verticals, including the financial, retail, healthcare, consumer health, energy, and not-for-profit sectors. As a result of its locations throughout Canada and in the United States (Chicago, Illinois), it is able to meet its clients' varying needs with scale, speed, and efficiency - no matter how large or complex the ask. DCM is able to deliver advanced data security, regulatory compliance, and bilingual communications, both in print and/or digital formats.

Additional information relating to DATA Communications Management Corp. is available on www.datacm.com, and in the disclosure documents filed by DATA Communications Management Corp. on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

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FORWARD-LOOKING STATEMENTS

Certain statements in this press release constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, objectives or achievements of DCM, or industry results, to be materially different from any future results, performance, objectives or achievements expressed or implied by such forward-looking statements. When used in this press release, words such as "may", "would", "could", "will", "expect", "anticipate", "estimate", "believe", "intend", "plan", and other similar expressions are intended to identify forward-looking statements. These statements reflect DCM's current views regarding future events and operating performance, are based on information currently available to DCM, and speak only as of the date of this press release. These forward-looking statements involve a number of risks, uncertainties and assumptions and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Many factors could cause the actual results, performance, objectives or achievements of DCM to be materially different from any future results, performance, objectives or achievements that may be expressed or implied by such forward-looking statements. The principal factors, assumptions and risks that DCM made or took into account in the preparation of these forward-looking statements include: risks relating to the continuing impact of the COVID-19 pandemic, the impact of which could be material on DCM's business, liquidity and results of operations; DCM's enterprise resource planning ("ERP") system interrupted operational transactions during and following the implementation, which has, and may continue to, materially and adversely affect DCM's financial liquidity and operations and results of operations; there is no assurance that management's initiatives for dealing with these events and conditions will be successful and there are risks in the expected timing of resolution thereof and the possible effects of these issues if they are not resolved; DCM's ability to continue as a going concern is dependent upon its ability to comply with its financial covenants for at least the next twelve months which is contingent on management's ability to meet forecast revenue, profitability and cash collection targets; risks relating to DCM's ability to access sufficient capital, including, without limitation, under its existing revolving credit facility, on favourable terms to fund its liquidity and business plans from internal and external sources; the risk that DCM will not be successful in negotiating amendments to the terms of its existing credit facilities including, without limitation, the financial covenants of DCM under these facilities; the limited growth in the traditional printing industry and the potential for further declines in sales of DCM's printed business documents relative to historical sales levels for those products; the risk that changes in the mix of products and services sold by DCM will adversely affect DCM's financial results; the risk that DCM may not be successful in reducing the size of its legacy print business, realizing the benefits expected from restructuring and business reorganization initiatives, reducing costs, reducing and repaying its long term debt, and growing its digital and marketing communications businesses; the risk that DCM may not be successful in managing its organic growth; DCM's ability to invest in, develop and successfully market new digital and other products and services; competition from competitors supplying similar products and services, some of whom have greater economic resources than DCM and are well-established suppliers; DCM's ability to grow its sales or even maintain historical levels of its sales of printed business documents; the impact of economic conditions on DCM's businesses; risks associated with acquisitions and/or investments in joint ventures by DCM; the failure to realize the expected benefits from the acquisitions it has made and risks associated with the integration and growth of such businesses; increases in the costs of paper and other raw materials used by DCM; and DCM's ability to maintain relationships with its customers and suppliers. Additional factors are discussed elsewhere in this press release and under the headings "Liquidity and capital resources" and "Risks and Uncertainties" in DCM's management's discussion and analysis and in DCM's other publicly available disclosure documents, as filed by DCM on SEDAR (www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated or expected. Unless required by applicable securities law, DCM does not intend and does not assume any obligation to update these forward-looking statements.

NON-IFRS MEASURES

This press release includes certain non-IFRS measures as supplementary information. Except as otherwise noted, when used in this press release, EBITDA means earnings before interest and finance costs, taxes, depreciation and amortization. Adjusted EBITDA means EBITDA adjusted for restructuring expenses, one-time business reorganization costs, goodwill impairment charges, and acquisition costs. Adjusted net income (loss) means net income (loss) adjusted for restructuring expenses, one-time business reorganization costs, goodwill impairment charges, acquisition costs and the tax effects of those items. Adjusted net income (loss) per share (basic and diluted) is calculated by dividing Adjusted net income (loss) for the period by the weighted average number of common shares of DCM (basic and diluted) outstanding during the period. In addition to net income (loss), DCM uses non-IFRS measures including Adjusted net income (loss), Adjusted net income (loss) per share, EBITDA and Adjusted EBITDA to provide investors with supplemental measures of DCM's operating performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. DCM also believes that securities analysts, investors, rating agencies and other interested parties frequently use non-IFRS measures in the evaluation of issuers. DCM's management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess its ability to meet future debt service, capital expenditure and working capital requirements. Adjusted net income (loss), Adjusted net income (loss) per share, EBITDA and Adjusted EBITDA are not earnings measures recognized by IFRS and do not have any standardized meanings prescribed by IFRS. Therefore, Adjusted net income (loss), Adjusted net income (loss) per share, EBITDA and Adjusted EBITDA are unlikely to be comparable to similar measures presented by other issuers.

Investors are cautioned that Adjusted net income (loss), Adjusted net income (loss) per share, EBITDA and Adjusted EBITDA should not be construed as alternatives to net income (loss) determined in accordance with IFRS as an indicator of DCM's performance. For a reconciliation of net income (loss) to EBITDA and a reconciliation of net income (loss) to Adjusted EBITDA, see Table 3 in the most recent Management's Discussion & Analysis filed on www.sedar.com. For a reconciliation of net income (loss) to Adjusted net income (loss) and a presentation of Adjusted net income (loss) per share, see Table 4 in the most recent Management's Discussion & Analysis filed on www.sedar.com.

Consolidated statements of financial position

(in thousands of Canadian dollars, unaudited)

	December 31, 2020 $	December 31, 2019 $
Assets		
Current assets		
Cash and cash equivalents	**578**	—
Trade receivables	**65,290**	86,451
Inventories	**8,514**	12,580
Prepaid expenses and other current assets	**1,521**	2,611
	75,903	101,642
Non-current assets		
Other non-current assets	**581**	828
Deferred income tax assets	**3,163**	6,648
Restricted cash	**515**	515
Property, plant and equipment	**9,783**	13,062
Right-of-use assets	**42,341**	56,381
Pension assets	**203**	156
Intangible assets	**14,459**	18,167
Goodwill	**16,973**	16,973
	163,921	214,372
Liabilities		
Current liabilities		
Bank overdraft	**—**	1,093
Trade payables and accrued liabilities	**39,999**	51,743
Current portion of credit facilities	**6,172**	3,887
Current portion of promissory notes	**1,154**	492
Current portion of lease liabilities	**8,032**	8,252
Provisions	**1,186**	3,886
Income taxes payable	**1,608**	2,068
Deferred revenue	**2,798**	2,133
	60,949	73,554
Non-current liabilities		
Provisions	**90**	192
Credit facilities	**39,567**	74,760
Promissory notes	**975**	2,095
Lease liabilities	**40,321**	53,514
Deferred income tax liabilities	**282**	402
Pension obligations	**8,271**	7,958
Other post-employment benefit plans	**3,507**	2,938
	153,962	215,413
Equity		
Shareholders’ equity / (Deficit)		
Shares	**256,260**	256,045
Warrants	**850**	853
Contributed surplus	**2,354**	2,300
Translation reserve	**192**	254
Deficit	**(249,697)**	(260,493)
	9,959	(1,041)
	163,921	214,372

Consolidated statements of operations

(in thousands of Canadian dollars, except per share amounts, unaudited)	**For the three months ended December 31, 2020** **$**	For the three months ended December 31, 2019 $	**For the year ended December 31, 2020** **$**	For the year ended December 31, 2020 $
Revenues	**60,589**	71,489	**259,314**	282,876
Cost of revenues	**45,581**	53,959	**186,372**	213,611
Gross profit	**15,008**	17,530	**72,942**	69,265
Expenses				
Selling, commissions and expenses	**5,986**	7,417	**26,424**	32,946
General and administration expenses	**6,990**	9,248	**32,460**	34,144
Restructuring expenses	**748**	(139)	**2,821**	7,489
	13,724	16,526	**61,705**	74,579
Income before finance costs, other income and income taxes	**1,284**	1,004	**11,237**	(5,314)
Finance costs				
Interest expense on long term debt and pensions, net	**(497)**	1,547	**2,819**	5,307
Interest expense on lease liabilities	**757**	902	**3,257**	3,609
Debt modification losses	**78**	3,789	**703**	3,858
Amortization of transaction costs	**146**	117	**553**	465
	484	6,355	**7,332**	13,239
Other income				
Government grant income	**1,780**	—	**10,708**	—
Income (loss) before income taxes	**2,580**	(5,351)	**14,613**	(18,553)
Income tax (recovery) expense				
Current	**(754)**	(26)	**(491)**	(105)
Deferred	**409**	(1,312)	**3,598**	(4,461)
	(345)	(1,338)	**3,107**	(4,566)
Net Income (loss) for the period / year	**2,925**	(4,013)	**11,506**	(13,987)
Other comprehensive (loss) income:				
Items that may be reclassified subsequently to net income (loss)				
Foreign currency translation	**(89)**	(4)	**(62)**	12
	(89)	(4)	**(62)**	12
Items that will not be reclassified to net income (loss)				
Re-measurements of pension and other post-employment benefit obligations	**424**	(54)	**(949)**	118
Taxes related to pension and other post-employment benefit adjustment above	**(81)**	13	**239**	(30)
	343	(41)	**(710)**	88
Other comprehensive income (loss) for the period / year, net of tax	**254**	(45)	**(772)**	100
Comprehensive income (loss) for the period / year	**3,179**	(3,968)	**10,734**	(13,887)
Basic earnings (loss) per share	**0.07**	(0.18)	**0.27**	(0.65)
Diluted earnings (loss) per share	**0.07**	(0.18)	**0.27**	(0.65)

Consolidated statements of cash flows

(in thousands of Canadian dollars, unaudited)	**For the year ended December 31, 2020**	For the year ended December 31, 2019
	$	**$**
Cash provided by (used in)		
Operating activities		
Net income (loss) for the year	**11,506**	(13,987)
Adjustments to net income (loss)		
Depreciation of property, plant and equipment	**3,541**	3,959
Amortization of intangible assets	**4,279**	3,962
Depreciation of right-of-use-assets	**8,399**	8,940
Interest expense on lease liabilities	**3,257**	3,609
Share-based compensation expense	**54**	190
Pension expense	**487**	596
Loss on disposal of property, plant, and equipment	**—**	72
Provisions	**2,821**	7,489
Amortization of transaction costs and debt modification losses	**1,256**	4,327
Accretion of non-current liabilities and capitalized interest expense	**(972)**	290
Other post-employment benefit plans, net	**514**	(73)
Tax credits recognized	**—**	(94)
Income tax expense (recovery)	**3,107**	(4,566)
	38,249	14,714
Changes in working capital	**15,944**	(7,122)
Contributions made to pension plans	**(1,116)**	(989)
Provisions paid	**(5,623)**	(6,543)
Income taxes received (paid)	**181**	(871)
	47,635	(811)
Investing activities		
Purchase of property, plant and equipment	**(268)**	(1,036)
Purchase of intangible assets	**(571)**	(3,878)
Proceeds on disposal of property, plant and equipment	**4**	300
Proceeds on sale of business	**—**	675
	(835)	(3,939)
Financing activities		
Issuance of common shares and warrants, net	**173**	4,798
Proceeds from credit facilities	**—**	26,099
Repayment of credit facilities	**(32,865)**	(8,495)
Repayment of other liabilities	**(333)**	(400)
Proceeds from promissory notes and warrants	**—**	1,000
Repayment of promissory notes	**(533)**	(3,905)
Transaction costs	**(227)**	(533)
Lease payments	**(11,336)**	(10,904)
	(45,121)	7,660
Change in Cash (Bank overdraft) during the period	**1,679**	2,910
(Bank overdraft) – beginning of period	**(1,093)**	(3,999)
Effects of foreign exchange on cash balances	**(8)**	(4)
Cash and cash equivalents (Bank overdraft) – end of period	**578**	(1,093)