



Presentation to:



42nd Annual Growth Conference

DATA Communications Management Corp.

DCM-TSX | DCMDF-OTCQX

August 10, 2022



Objectives Today:

1. Who is DCM?
2. What's our Strategic Direction?
3. How are We Performing?
4. Why Invest in DCM?

Forward-looking Statements Information Disclosure

Forward-looking Statements

Certain statements in this presentation 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 presentation, 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 presentation.

These forward-looking statements involve a number of risks, uncertainties and assumptions and should not be read as guarantees that future 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. See “Liquidity and capital resources” and “Risks and Uncertainties” in DCM’s management’s discussion and analysis and 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 presentation 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 presentation includes certain non-IFRS measures as supplementary information. 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 (collectively, “Non-IFRS Measures”) to provide investors with supplemental measures of DCM’s operating performance and to highlight trends in its 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 similar 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. These Non-IFRS Measures are not recognized by IFRS and do not have any standardized meanings prescribed by IFRS. Therefore, DCM’s Non-IFRS Measures are unlikely to be comparable to similar measures presented by other issuers.

Investors are cautioned that Non-IFRS Measures 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 DCM’s Non-IFRS Measures to net income (loss), see DCM’s most recent Management’s Discussion & Analysis filed on www.sedar.com.

1. Who is DCM?



Our mission is to transform our clients' businesses by simplifying the way they communicate and operate – so they can accomplish more with fewer steps and less effort without compromising on quality.

DCM at a Glance

We help leading brands manage their online and offline communication needs

We're Trusted

75%

of Canada's
largest corporations
trust DCM

We're Reliable

**3 of 5
largest**

Federal government
agencies rely on DCM

We're Passionate

60+

Years of
experience

We're Significant

\$255M

of revenue

DCM's Locations

Wherever you go,
we're there for you.

Centre of excellence

- A. Calgary, AB
- B. Drummondville, QC
- C. Brampton, ON
Burlington, ON
Toronto, ON
- D. Chicago, IL

Other locations

Ottawa, ON
Toronto, ON
Montreal, QC

Regina, SK
Winnipeg, MB



Vertical Expertise

70 of the top 100 largest corporations in Canada trust us with their brand leveraging our various capabilities based on their specific needs

 Transportation	 Financial	 Healthcare	 Retail	 Emerging markets	 Consumer health	 Energy	 QSR
     	      	      	    	       	      	     	    

2. What's our Strategic Direction?

Simplifying Workflow

Complex conventional
print solutions



DCM**FLEX**

Marketing
solutions

Business
process
outsourcing

Print and
digital
solutions

Tech-enabled
marketing workflow



Digital asset management
tech-enabled service



Advanced tech-enabled service provider that delivers complete enterprise
marketing & business communication solutions

Evolution from “Print First” to “Digital First”



Objective to grow digital revenue to drive higher margins and cash flow

Five-year Financial Objectives

From print first to digital first

+5-10%

Revenue CAGR

35-40%

Gross margins

18-20%

SG&A

18-25%

Adjusted EBITDA

<1.0x

Debt / EBITDA

+60% Martech Growth, +80% GM

3. How we are Performing?



Momentum

Strong Momentum in 2022

Revenue

Gross Profit

Net Income

EBITDA

Q2 2022
vs. 2021

+23.4%

+29.0%

+490%

+48.7%

YTD 2022
vs. 2021

+16.8%

+17.7%

+212%

+38.1%

TTM 2022 run-rate
vs. fiscal 2021

+8.4%

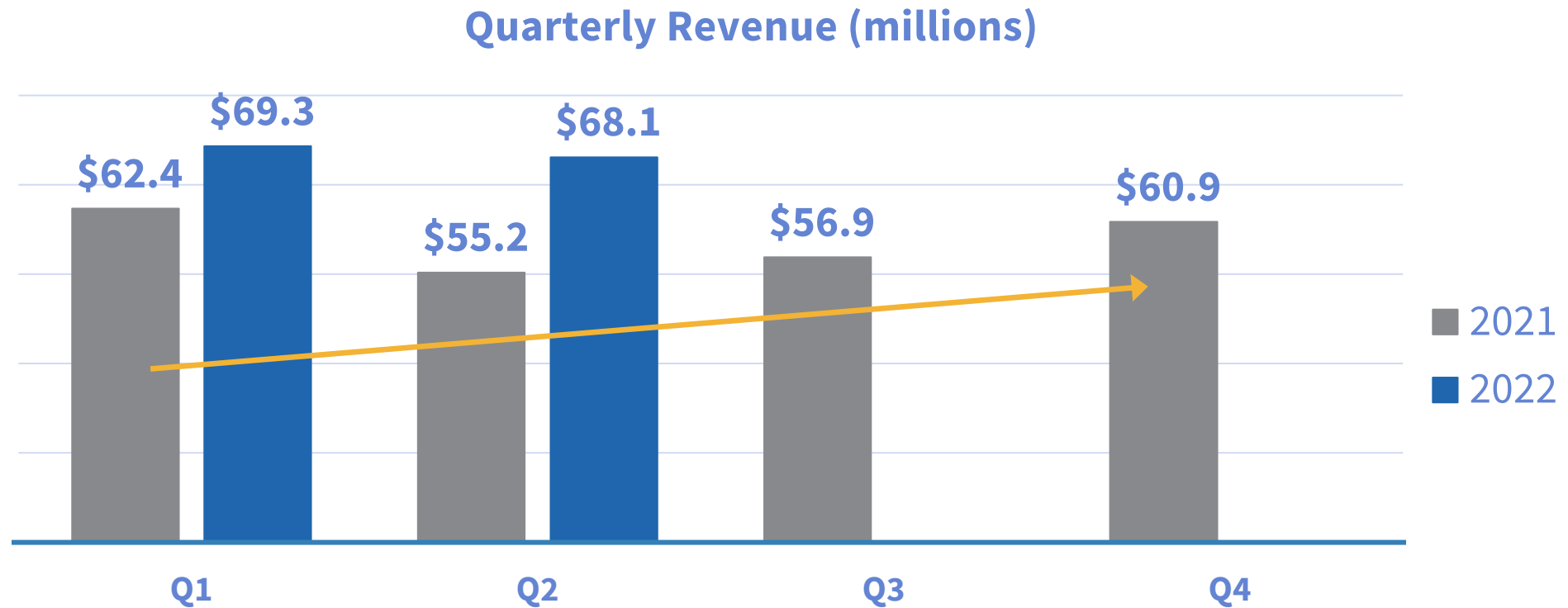
+8.7%

+324%

+20.8%

Continued Revenue Momentum in Q2 2022

First half revenue +16.8% vs. 2021

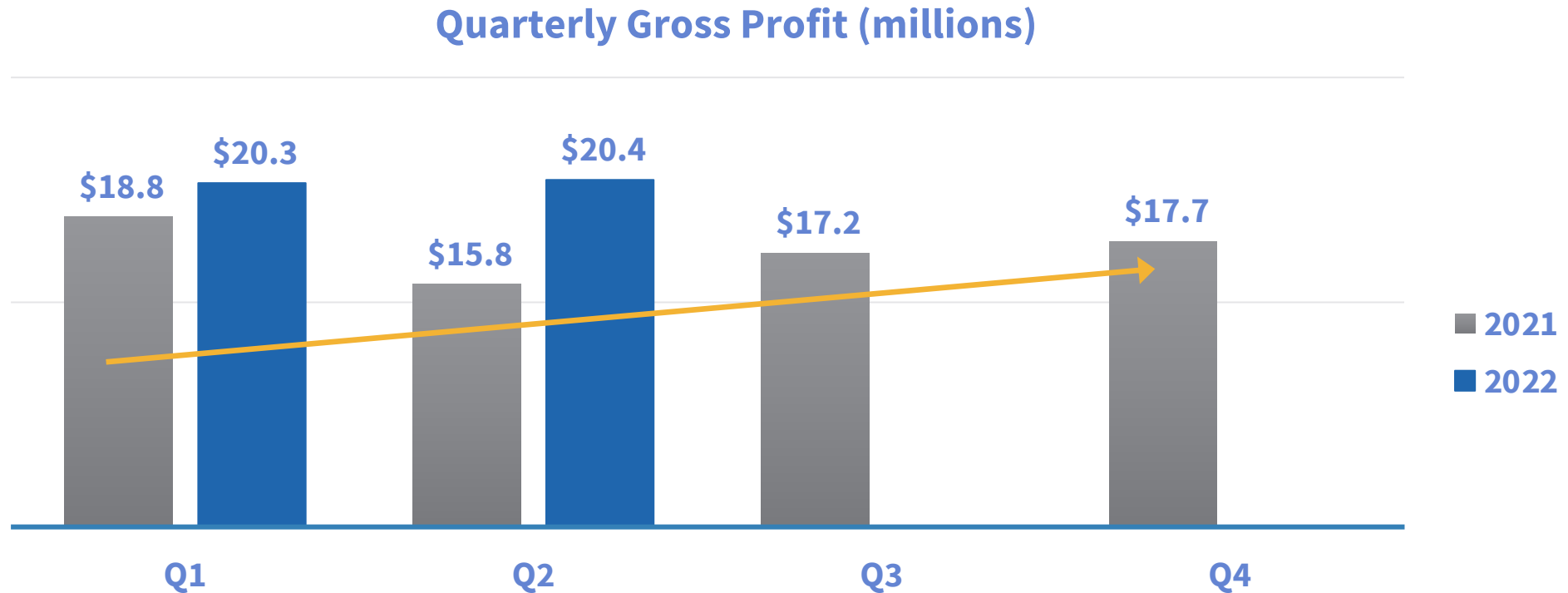


\$255.1M of TTM Revenue through Q2 2022 (vs. \$235.3M in fiscal 2021)

* TTM = Trailing twelve months through June 30, 2022

Continued Gross Profit Momentum in Q2 2022

First half gross profit +17.7% vs. 2021



\$75.6M of TTM gross profit through Q2 2022 (vs. \$69.5M in fiscal 2021)

* TTM = Trailing twelve months through June 30, 2022

Employee Productivity Growth

Headcount at End of Period



Revenue per Employee* (thousands)

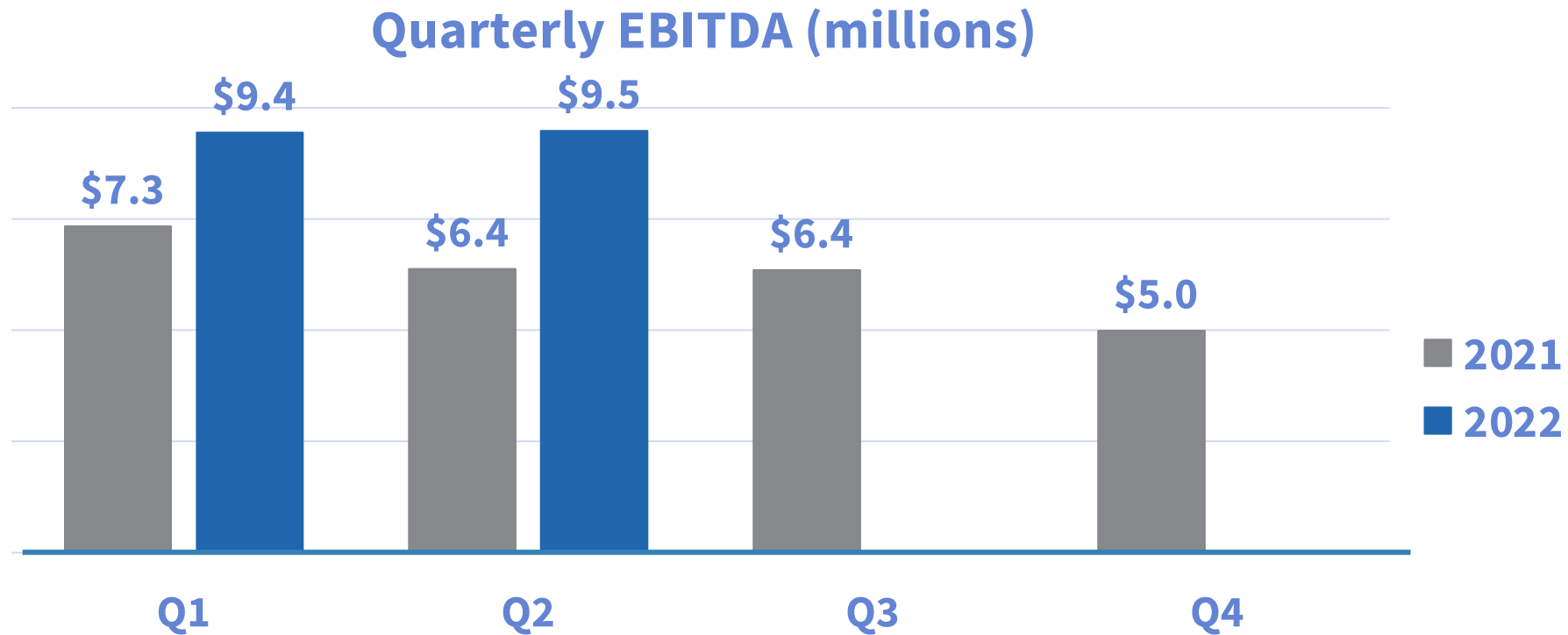


Productivity per employee +35% over the last 5 years

* Revenue per Employee is a non-GAAP measure. Calculated as to: Revenue for the fiscal year, or trailing twelve-month (TTM) period, divided by total headcount at the end of such fiscal year (or twelve months ended as at June 30, 2022).

“Clean” EBITDA Momentum in Q2 2022

First half EBITDA +38.1% vs. 2021

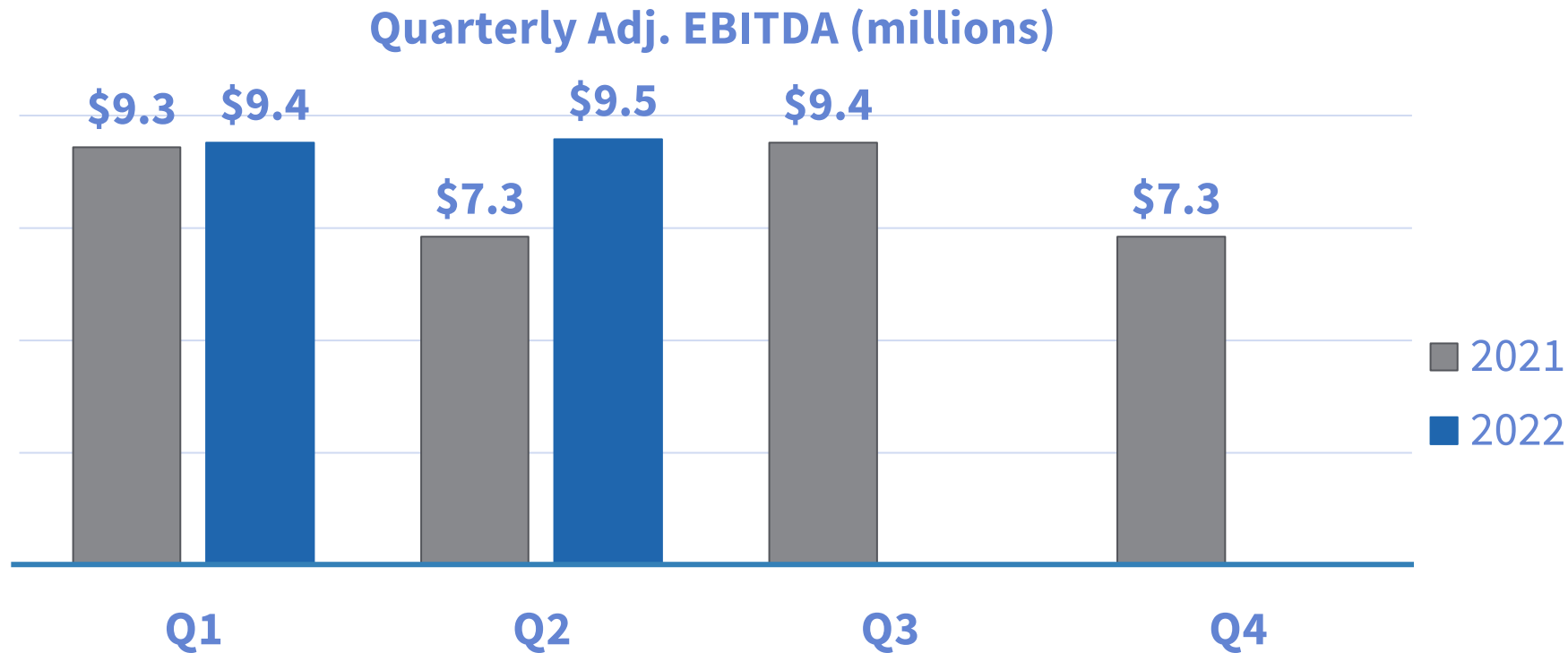


\$30.3M of TTM EBITDA through Q2 2022 (vs. \$25.0M in fiscal 2021)

* TTM = Trailing twelve months through June 30, 2022

Adjusted EBITDA Momentum through Q2 2022

First half Adj. EBITDA +14.2% vs. 2021

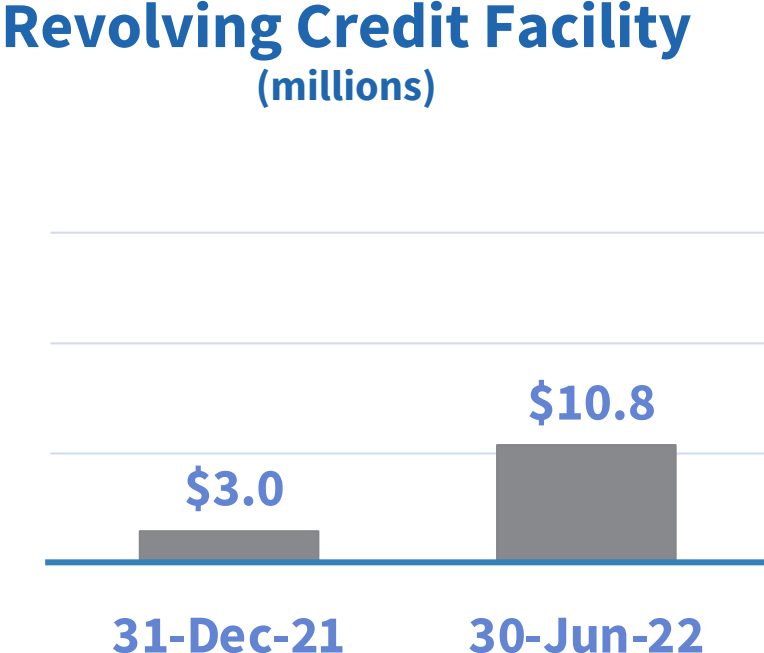
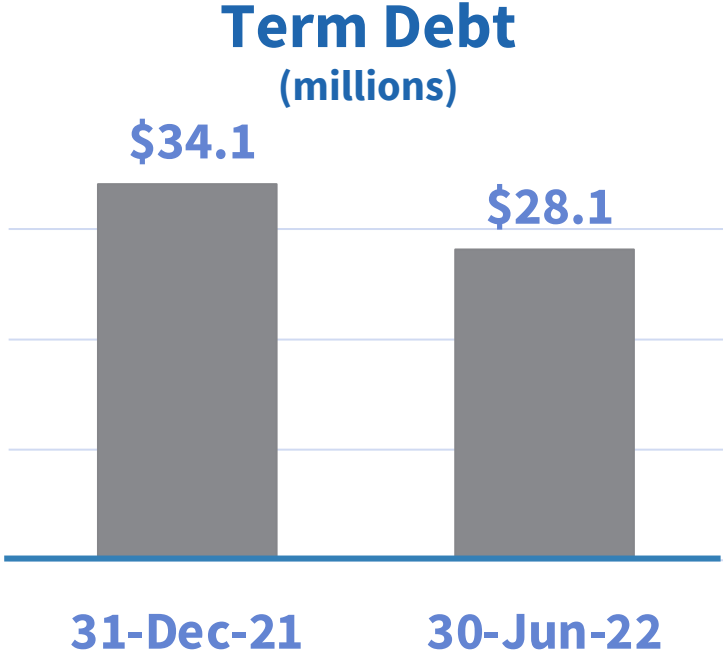


\$35.6M of Adjusted EBITDA on a TTM basis (vs. \$33.3M in fiscal 2021)

* TTM = Trailing twelve months through June 30, 2022

Continuing to Pay Down Fixed Term Debt

\$5.9M of Term Debt repaid in first half of 2022



-17.4% YTD reduction in fixed term, higher cost debt

New Business Wins Year to Date

+\$22M

~100% of new business
“tech-enabled”



Financial services



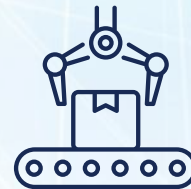
Healthcare



Regulated industries



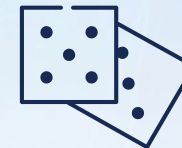
Retail



Manufacturing



Hospitality services



Lottery

ESG Highlights

16
ESG



Committee members

from across DCM, with support from many others

2 years
of



2-year
engagement with



3 HFH build days
planned for 2022

Monthly DEI
communications
covering
10 key topics

Energy-efficient lighting
installation underway
for DCM's **5 largest**
facilities across Canada



Estimated greenhouse gas
emissions reduction
= **1,510 metric tons**

52 clients onboarded to
PrintReleaf program



332,796

trees reforested
globally via
PrintReleaf partnership



133
policies, plans
& procedures

NEW **investor relations microsite**
launched to support open and consistent communication



4. Why Invest in DCM?

Attractive Valuation

\$57.5M
F.D. Market
Capitalization

\$35.6M
TTM
Adjusted EBITDA

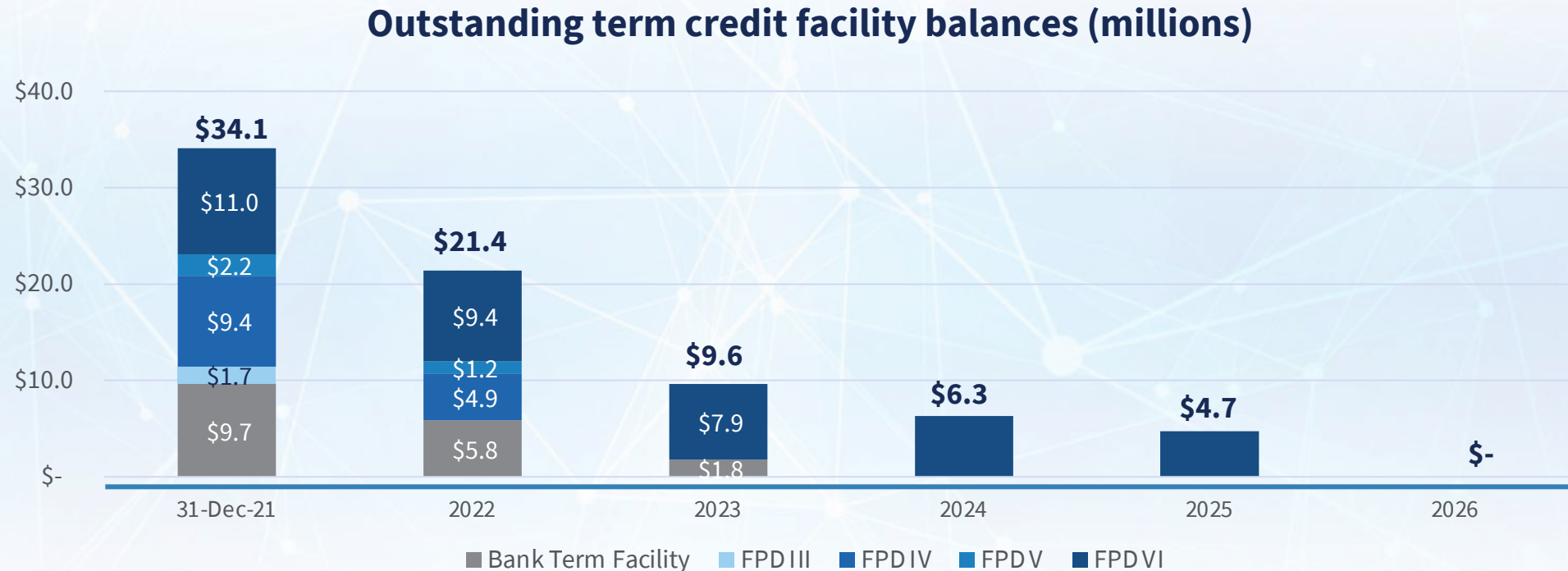
\$26.9M
Cash Flow from
Operations in Fiscal 2021

Right-sizing is complete and \$0 restructuring forecast in 2022

Continued Path to Pay-down Term Debt

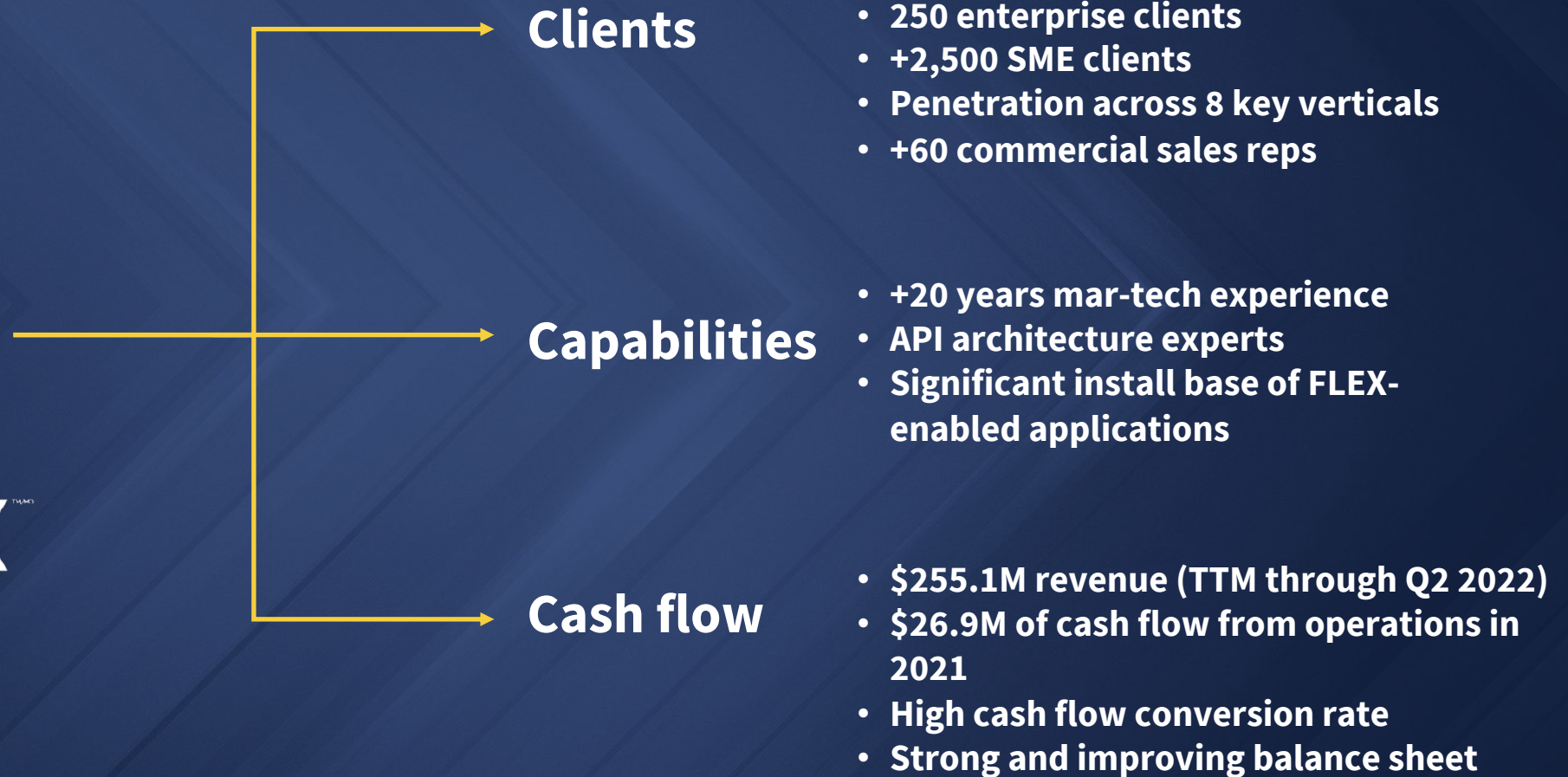
Term credit facilities fully amortize through 2026

- \$25.1M of fixed term debt to be repaid through 2023



Excludes revolving term facility balance, used for working capital needs

Well Positioned for Digital Acceleration



Contact Information

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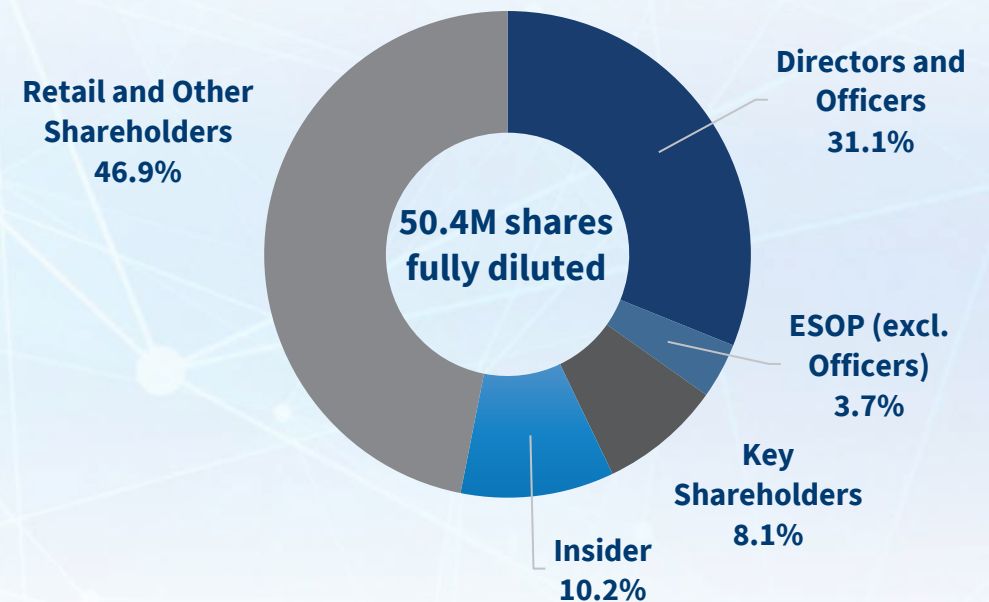
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Thank you

Capitalization and Ownership

Capitalization	“DCM” ON TSX
Recent Share Price (August 8, 2022)	\$1.14
52 week high/low	\$1.45/\$0.93
Common Shares Outstanding	44.1M
Options (\$0.97 average ex. price)	4.7M
Warrants (\$0.30 average ex. price)	1.6M
Fully Diluted Shares Outstanding	50.4M
Market Capitalization (F.D.)	\$57.5M
Net Debt (June 30, 2022, incl. ITM option/warrant proceeds)	\$35.8M
Provisions and Pension Obligations	\$10.9M
Lease Liabilities	\$40.5M
Enterprise Value	\$144.7M

Ownership summary (Fully diluted)



Non-IFRS Measures

EBITDA and Adjusted EBITDA Reconciliation

For the periods ended June 30, 2022 and 2021				
<i>(in thousands of Canadian dollars, unaudited)</i>	April 1 to June 30, 2022	April 1 to June 30, 2021	January 1 to June 30, 2022	January 1 to June 30, 2021
		<i>(Restated)</i>		<i>(Restated)</i>
Net income for the period ⁽¹⁾	\$ 3,757	\$ 636	\$ 7,470	\$ 2,396
Interest expense, net	1,343	1,716	2,598	3,128
Amortization of transaction costs	86	176	173	321
Current income tax expense	1,522	1,126	2,660	1,672
Deferred income tax expense (recovery) ⁽¹⁾	(47)	(642)	440	(663)
Depreciation of property, plant and equipment	781	776	1,561	1,582
Amortization of intangible assets ⁽¹⁾	403	418	811	863
Depreciation of the ROU Asset	1,633	2,168	3,213	4,407
EBITDA	\$ 9,478	\$ 6,374	\$ 18,926	\$ 13,706
Restructuring expenses	—	918	—	4,325
Other income	—	—	—	(1,452)
Adjusted EBITDA	\$ 9,478	\$ 7,292	\$ 18,926	\$ 16,579

(1) SG&A and deferred income tax expense include the impact of the IFRS Interpretations Committee's agenda decision regarding configuration or customization costs in a cloud computing arrangement. Prior periods have been retrospectively restated to derecognize previously capitalized costs in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Refer to note 3 of the condensed interim consolidated financial statements for the period ended June 30, 2022 for further details on the impact of the amended accounting standard.

Adjusted Net Income Reconciliation

For the periods ended June 30, 2022 and 2021	April 1 to June 30, 2022	April 1 to June 30, 2021	January 1 to June 30, 2022	January 1 to June 30, 2021
<i>(in thousands of Canadian dollars, except share and per share amounts, unaudited)</i>				
		<i>(Restated)</i>		<i>(Restated)</i>
Net income for the period ⁽¹⁾	3,757	636	7,470	2,396
Restructuring expenses	—	918	—	4,325
Other income	—	—	—	(1,452)
Tax effect of the above adjustments	—	(235)	—	(735)
Adjusted net income	3,757	1,319	7,470	4,534
Adjusted net income per share, basic	0.09	0.03	0.17	0.10
Adjusted net income per share, diluted	0.08	0.03	0.16	0.10
Weighted average number of common shares outstanding, basic	44,062,831	43,926,019	44,062,831	43,926,019
Weighted average number of common shares outstanding, diluted	46,501,606	46,174,209	46,529,426	45,750,869
Number of common shares outstanding, basic	44,062,831	43,953,831	44,062,831	43,953,831
Number of common shares outstanding, diluted	46,501,606	45,768,784	46,529,426	46,186,871

(1) SG&A and deferred income tax expense include the impact of the IFRS Interpretations Committee's agenda decision regarding configuration or customization costs in a cloud computing arrangement. Prior periods have been retrospectively restated to derecognize previously capitalized costs in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Refer to note 3 of the condensed interim consolidated financial statements for the period ended June 30, 2022 for further details on the impact of the amended accounting standard.