Fiscal 2023 Report to Shareholders

DATA Communications Management Corp.

DCM-TSX | DCMDF-OTCQX

March 20, 2024

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.sedarplus.ca).

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.sedarplus.ca.

Today’s Objectives

- Review Highlights of 2023
- Full Year 2023 Results
- Q4 2023 Results
- 2024 Priorities
- Questions and Answers

2023 Highlights

- Completed MCC acquisition April 24, 2023
- Quickly integrated our teams, prioritizing Sales & Operations
- Maintained Commercial momentum – focus on current clients + new logos
- Announced footprint consolidation – 14 to 10 plants
- Completed Edmonton/Calgary consolidation in December
- Completed sale and leaseback of 3 MCC facilities
- Delivered +63% year/year growth and underlying organic growth of ~2% in year of significant transformation

Full Year 2023 Results

Revenue

+63.5%

vs. 2022

$447.7M

+$173.9M vs. 2022

Acquisition of MCC contributed significantly to topline growth, with underlying performance positive to prior year

Revenue by Reported Segment

Product Sales	Technology Services	Freight
$396.7M	**$14.7M**	**$13.3M**
+65.7% vs. 2022	+176.9% vs. 2022	+57.8% vs. 2022
Warehousing	**Tech-enabled Hardware**	**Marketing & Other**
$12.2M	**$8.5M**	**$2.3M**
+66.4% vs. 2022	-29.9% vs. 2022	+87.8% vs. 2022

Solid growth across all reported segments with the exception of our Tech Hardware business where we have a large healthcare provider that runs on a two-year buying cycle

Digital Business Performance

Fiscal 2023

$14.7M
Revenue

+177%
Growth

DCM DIGITAL

DCMFLEX
A centralized marketing resource hub for procuring and allocating personalized customer communications content

OptiChanl
A smart allocation and kitting platform program that ensures each location gets exactly the right collateral

ASMBL
A digital library that allows organizations to easily store, manage and find their digital assets, ensuring they can create assets once, and use many times

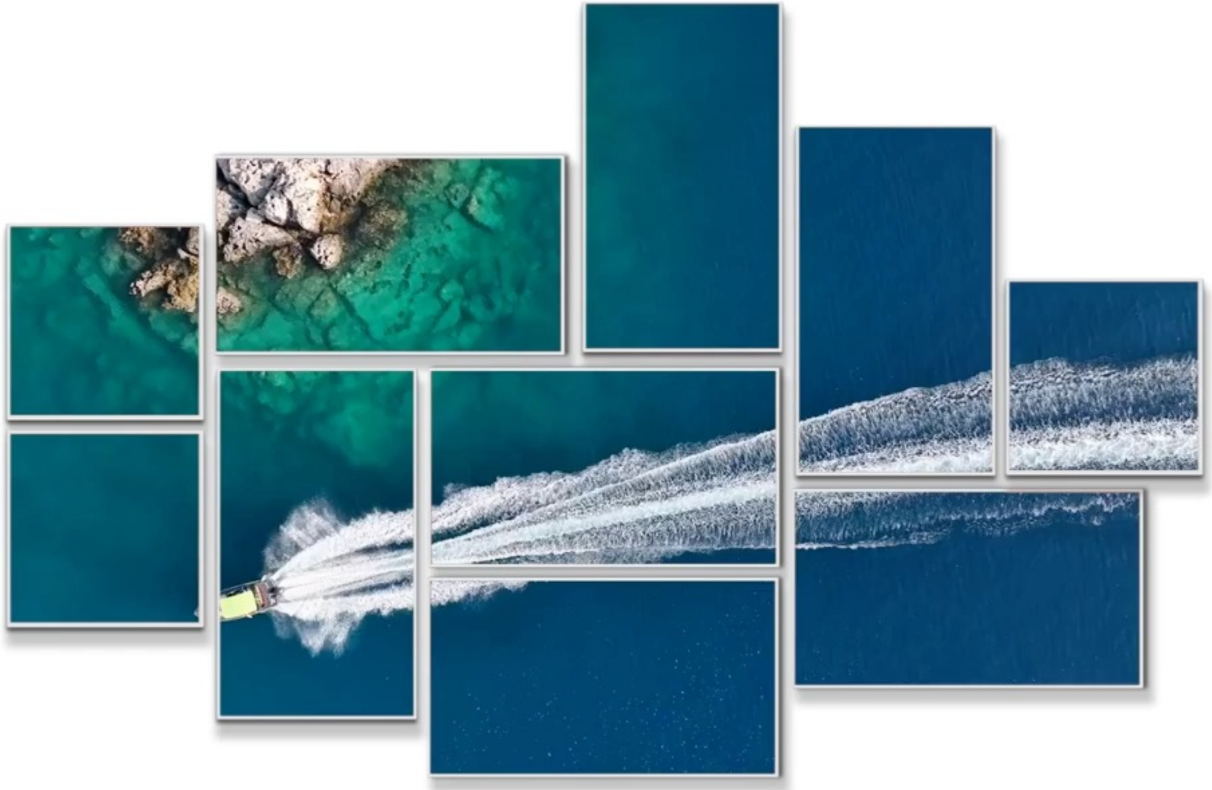
DCM DIGITAL SIGNAGE
Offering of digital signage and related content management to help engage and enhance customer experience

PRSNL
An end-to-end managed service for creating and deploying personalized videos on a secure platform

MKTGFLO
A multi-channel workflow management platform for building and executing marketing campaigns and integrating cross-functional enterprise teams

Tech-enabled subscription services & programming fees benefited from MCC professional services fees

Digital Signage & Display



Recently entered the Digital Signage business

Gross Profit

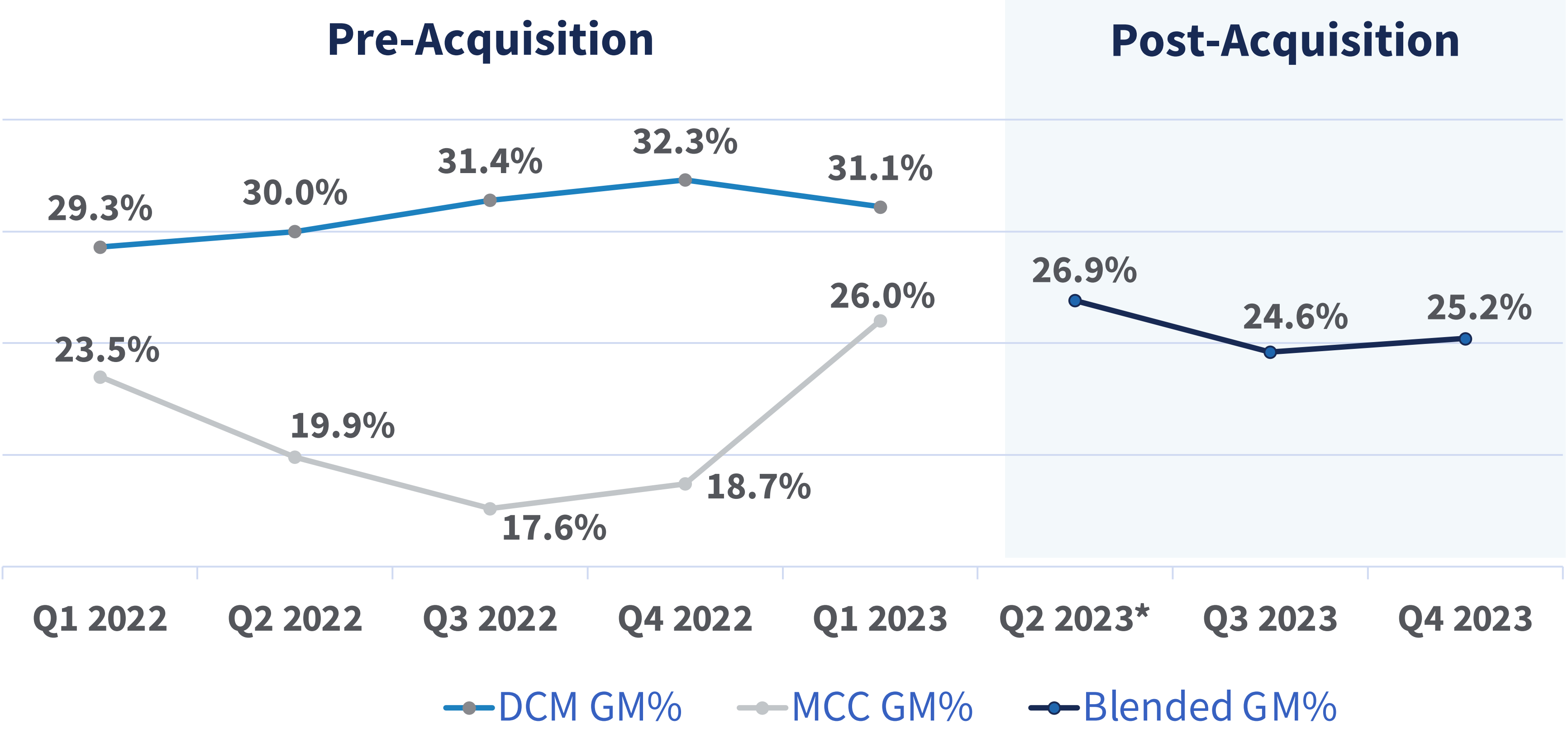
+41.2%
vs. 2022

$118.9M
+$34.7M vs. 2022

26.6%
vs. 30.8% in 2022

Lower gross profit margins from MCC business, actively focused on returning to pre-acquisition margins

Objective to return to +30% Gross Margins



*MCC acquisition effective April 24, 2023

Adjusted EBITDA*

$53.4M

+30.3% vs. 2022

11.9%

of Revenue vs.
15.0% in 2022

Synergy realizations commenced in 2023, expected to contribute to improved overall profitability going forward

* Adjusted EBITDA is a non-IFRS measure, for a reconciliation to its most comparable IFRS Accounting Standards measure, net income, see "Non-IFRS Measures"

Restructuring and One-Time Costs

$20.3M

Restructuring Expenses

$10.9M

Acquisition & Integration Expenses (one-time, deal related)

Commenced planned organizational, operational and procurement synergies

Synergies*

Operational

Organizational

Procurement

Revenue

Maintaining objective of $30M - $35M in annualized synergies, focused on achieving full run-rate savings over the next 12 months

* "Annualized synergies" have not been prepared in accordance with IFRS Accounting Standards, nor has a reconciliation to IFRS Accounting Standards been provided. For a description of how we evaluate synergies, why we see these as a useful metrics for investors, and related risks, see "Forward-looking statements" and "Supplementary Financial Measures" in our annual MD&A for the year ended December 31, 2023 and filed on SEDAR+.

Free Cash Flow*

$16.5M
in 2023

$12.5M
in 2022

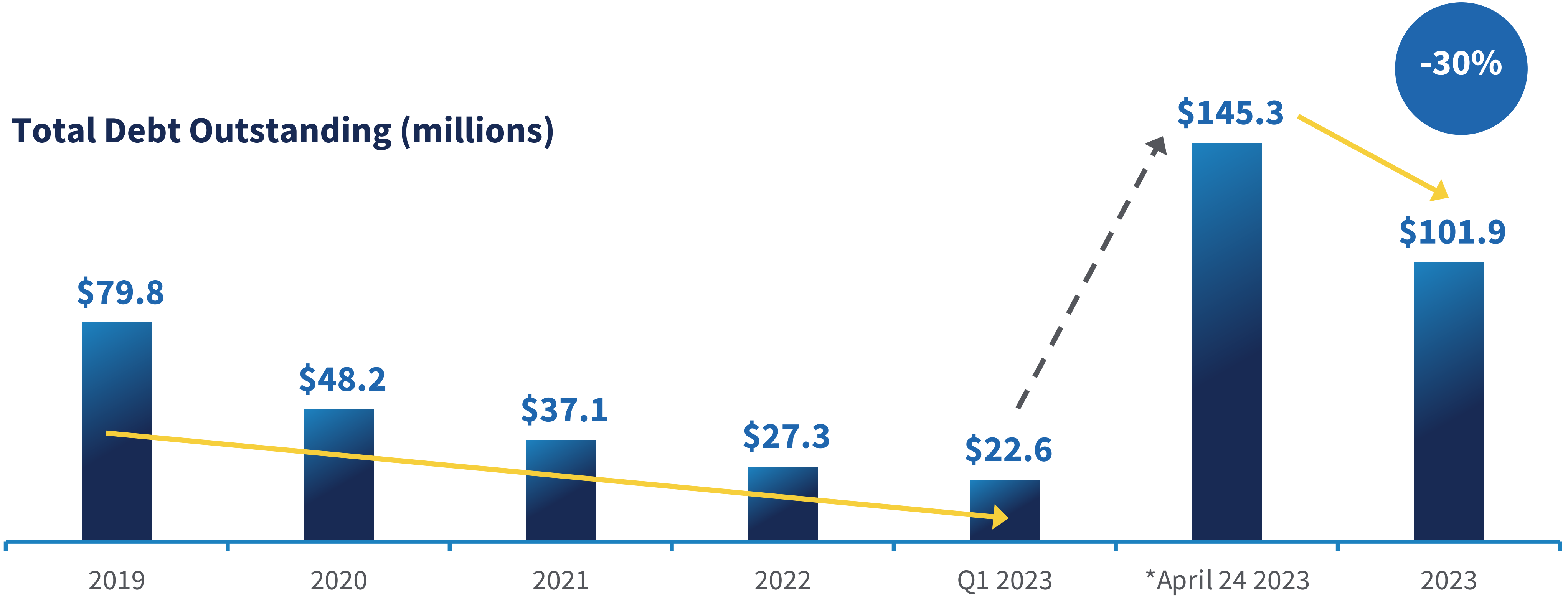
=

+31.9%

2023 excludes first quarter of MCC, typically the highest gross margin (and FCF) contribution to the business

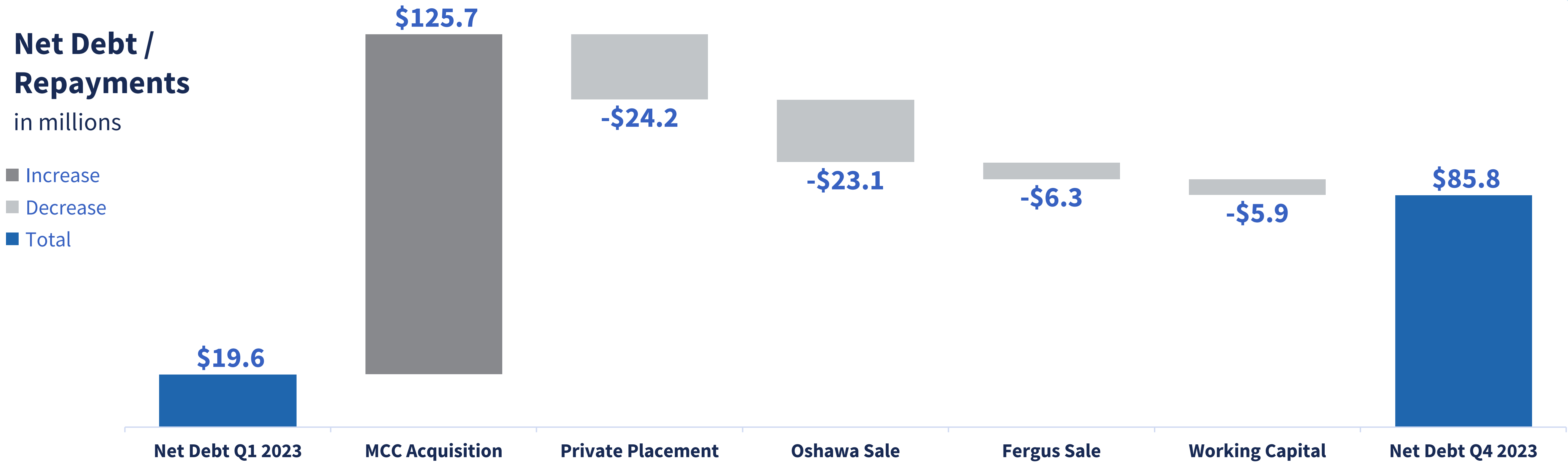
* Free Cash Flow (FCF) is a non-IFRS measure; for a reconciliation to its most comparable IFRS Accounting Standards measure, total cash generated from operating activities, see "Definition of Non-IFRS Accounting Standards, Financial Measures and Ratios" and "Additional Reconciliations of Non-IFRS Accounting Standards Financial Measures" in our annual MD&A for the year ended December 31, 2023 and filed on SEDAR+.

Total Debt



-30% reduction in total debt since MCC acquisition

Net Debt*



… and a net debt reduction of -39% to $85.8M since MCC Acquisition

Subsequent to year end, sale of Trenton contributed +$8.5M of net proceeds

MCC Acquisition at initial purchase price, net of cash on hand.

* Net debt is a non-IFRS measure, for a reconciliation to its most comparable IFRS Accounting Standards measure, credit facilities, see "Definition of Non-IFRS Accounting Standards, Financial Measures and Ratios" and "Additional Reconciliations of Non-IFRS Accounting Standards Financial Measures" in our annual MD&A for the year ended December 31, 2023 and filed on SEDAR+.

SG&A

$87.2M

+60.3% vs. 2022

19.5%

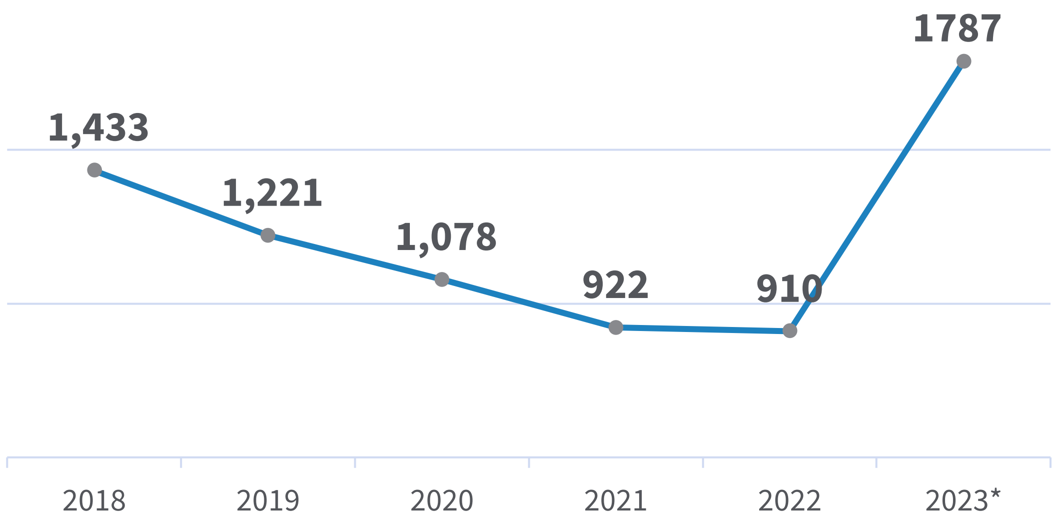
of revenue

vs. 19.9% in 2022

SG&A expenses as percent of revenue improved post-acquisition

Revenue per Associate*

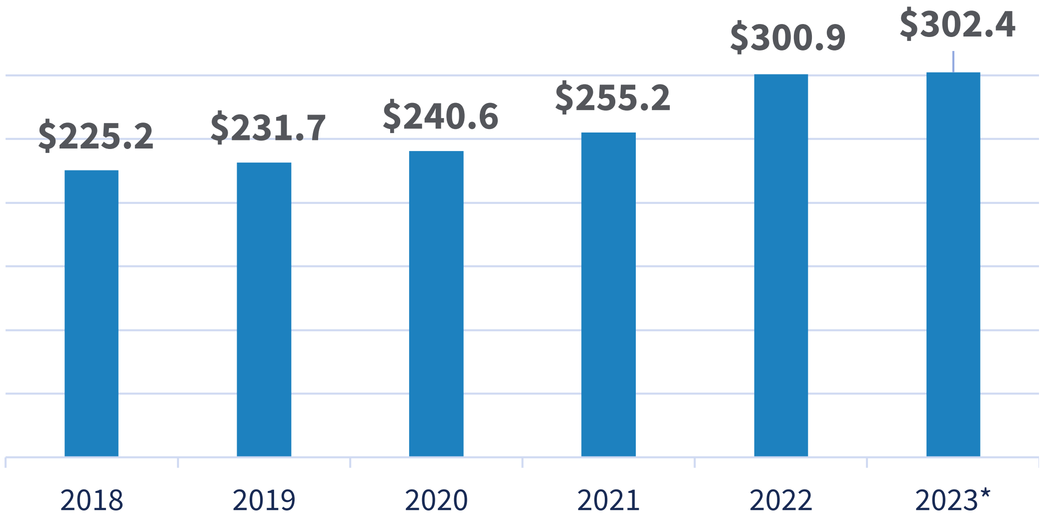
Headcount at End of Period



* 2023 Active employees

+96.4% vs. 2022
+24.7% vs. 2018

Revenue per Associate (thousands)



* 2023 calculation based on FY Normalized Revenue of $540.4M

+0.5% vs. 2022
+34.3% vs. 2018

Revenue per Associate continued to improve with 2023 initiatives

* Revenue per associate is a supplementary, non-IFRS measure. For a definition of revenue per associate, see "Supplementary Financial Measures" in our annual MD&A for the year ended December 31, 2023 and filed on SEDAR+.

Capital Investment

$4.2M

in PP&E

+vs. $1.5M in 2022

2024 Outlook

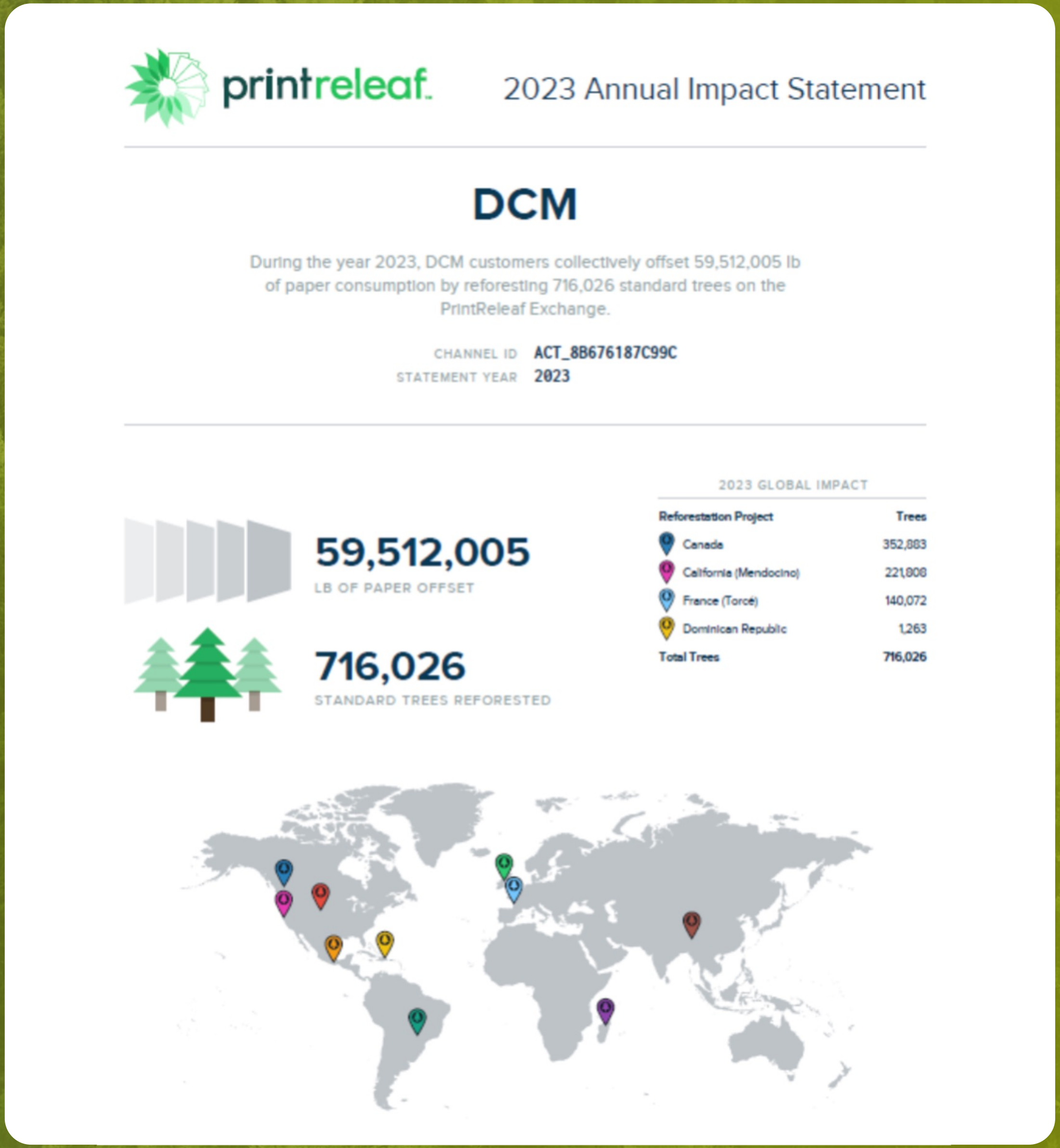
Strategic Investments

Increased spend in 2023 for facility prep / consolidation

Realized $29.5M net from sale/leaseback of facilities, and $1.3M from sale of equipment in 2023

ESG Structure

- **Environment**
  - Sustainability Management System (SMS) Certified — SGP Sustainable Green Printing Partnership
    - printreleaf.
    - SCIENCE BASED TARGETS — DRIVING AMBITIOUS CORPORATE CLIMATE ACTION
    - FSC — FORESTS FOR ALL FOREVER™
- **Social**
  - Sustainability Management System (SMS) Certified
    - DEI
    - Associate Wellness
    - Giving Back
- **Governance**
  - Regulatory Compliance
  - Open Communication
  - Board Management
  - Business Ethics
  - Safety & Security



printreleaf

2023 Annual Impact Statement

DCM

During the year 2023, DCM customers collectively offset 59,512,005 lb of paper consumption by reforesting 716,026 standard trees on the PrintReleaf Exchange.

CHANNEL ID ACT_8B676187C99C
STATEMENT YEAR 2023

59,512,005
LB OF PAPER OFFSET

716,026
STANDARD TREES REFORESTED

2023 GLOBAL IMPACT

Reforestation Project	Trees
Canada	352,883
California (Mendocino)	221,808
France (Torcé)	140,072
Dominican Republic	1,263
Total Trees	716,026

You print one. We’ll plant one.

Reforested **+1.5M trees** since commencement of program in mid-2022 and now **almost 1M annually** post acquisition including MCC contribution

Q4 2023 Results

Fourth Quarter 2023 Key Financial Results

Quarter ended December 31, in millions

Selected financial information	Q4 2023	Q4 2022*	Better/(Worse)
Revenue	$130.0	$73.0	+$56.9
Gross profit	$32.8	$23.6	+$9.2
Gross margin (%)	***25.2%***	***32.2%***	***(700 bps)***
SG&A	$25.3	$13.6	($11.7)
Restructuring expenses	$10.6	-	($10.6)
Acquisition & Integration Costs	$0.7	$1.9	+$1.2
NFV (gains)/losses on financial liabilities**	($1.0)	$1.2	+$2.2
Net (loss) income for the period	**($6.4)**	**$3.7**	**($10.0)**
Adjusted Net (loss) income***	$1.4	$6.3	($4.9)
As percent of revenue	1.0%	8.6%	*(760 bps)*
Adjusted EBITDA* **	**$15.0**	**$12.6**	**+$2.4**
As percent of revenue	***11.6%***	***17.2%***	***(560 bps)***

* Q4 2022 actuals do not include MCC.
** Mark-to Market accounting adjustment ($0.34 share price decrease since Sept 30, 2023 driving -$1.0M) & vesting of RSU's / DSU's.
*** For a reconciliation of Adjusted EBITDA and Adjusted Net (loss) income to net (loss) income to their most comparable IFRS Accounting Standards measure, net income, see "Non-IFRS Measures"

2024 Priorities

2024 Strategic Priorities

MCC Integration

- Plant consolidation
- Harmonize back-office systems

Gross Profit Improvement

- Strategic revenue management
- Lower overheads, operating costs
- Investment in new capital
- Operating efficiencies

Growing our Business

- Expanding product / services offerings
- Leverage combined capabilities
- Cross-sell / up-sell
- Vertical market focus
- Digital acceleration

Generate Higher Levels of FCF

- Focus on margin improvement & overhead controls
- Prudent capital allocation

Contact Information

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Non-IFRS Measures

EBITDA and Adjusted EBITDA Reconciliation

For the years ended December 31, 2023, 2022 and 2021 *(in thousands of Canadian dollars, unaudited)*		**January 1 to December 31, 2023**		January 1 to December 31, 2022		January 1 to December 31, 2021
Net income for the year	**$**	**(15,854)**	$	13,966	$	1,565
Interest expense, net		**15,321**		4,965		5,839
Debt modification losses and prepayment fees		**—**		—		473
Amortization of transaction costs		**457**		344		941
Current income tax expense		**1,209**		5,456		2,238
Deferred income tax expense (recovery)		**(7,799)**		473		(1,159)
Depreciation of property, plant and equipment		**6,165**		2,965		3,133
Amortization of intangible assets		**2,881**		1,606		3,589
Depreciation of the ROU Asset		**12,677**		6,609		8,428
EBITDA	**$**	**15,057**	$	36,384	$	25,047
Acquisition and integration costs		**10,903**		1,870		—
Restructuring expenses		**20,308**		—		9,691
Net fair value (gains) losses on financial liabilities at fair value through profit or loss		**7,122**		2,711		2,302
Other income		—		—		(1,452)
Adjusted EBITDA	**$**	**53,390**	$	40,965	$	35,588

EBITDA and Adjusted EBITDA Reconciliation

The following table provides reconciliations of net (loss) income to EBITDA and of net (loss) income to Adjusted EBITDA for the periods noted, following adoption of "net fair value (gains) losses on financial liabilities at fair value through profit or loss".

(in thousands of Canadian dollars, unaudited)		**October 1 to December 31, 2023**		October 1 to December 31, 2022		October 1 to December 31, 2021
Net income (loss) for the period	**$**	**(6,358)**	$	3,680	$	(1,857)
Interest expense, net		**5,667**		1,134		1,124
Debt modification losses and prepayment fees		**—**		—		473
Amortization of transaction costs		**137**		87		503
Current income tax expense		**367**		1,653		183
Deferred income tax expense (recovery)		**(2,671)**		269		(371)
Depreciation of property, plant and equipment		**2,058**		644		731
Amortization of intangible assets		**829**		393		2,282
Depreciation of the ROU Asset		**4,665**		1,610		1,920
EBITDA	**$**	**4,694**	$	9,470	$	4,988
Acquisition and integration costs		**704**		1,870		—
Restructuring expenses		**10,570**		—		2,282
Net fair value (gains) losses on financial liabilities at fair value through profit or loss		**(956)**		1,225		2,087
Adjusted EBITDA	**$**	**15,012**	$	12,565	$	9,357

Adjusted Net Income Reconciliation

For the years ended December 31, 2023, 2022 and 2021 *(in thousands of Canadian dollars, except share and per share amounts, unaudited)*		**January 1 to December 31, 2023**		January 1 to December 31, 2022		January 1 to December 31, 2021
Net income for the year	**$**	**(15,854)**	$	13,966	$	1,565
Acquisition and integration costs		**10,903**		1,870		—
Restructuring expenses		**20,308**		—		9,691
Net fair value (gains) losses on financial liabilities at fair value through profit or loss		**7,122**		2,711		2,302
Other Income		**—**		—		(1,452)
Tax effect of the above adjustments		**(9,652)**		(1,159)		(2,120)
Adjusted net income for the year	**$**	**12,827**	$	17,388	$	9,986
Adjusted net income per share, basic	**$**	**0.25**	$	0.39	$	0.23
Adjusted net income per share, diluted	**$**	**0.25**	$	0.37	$	0.22
Weighted average number of common shares outstanding, basic		**50,832,543**		44,062,831		43,993,494
Weighted average number of common shares outstanding, diluted		**50,832,543**		46,572,066		46,136,507
Number of common shares outstanding, basic		**55,022,883**		44,062,831		44,062,831
Number of common shares outstanding, diluted		**50,832,543**		46,572,066		46,205,844

Adjusted Net Income Reconciliation

(in thousands of Canadian dollars, unaudited)		**October 1 to December 31, 2023**		October 1 to December 31, 2022		October 1 to December 31, 2021
Net income (loss) for the period	**$**	**(6,358)**	$	3,680	$	(1,857)
Acquisition and integration costs		**704**		1,870		—
Restructuring expenses		**10,570**		—		2,282
Net fair value (gains) losses on financial liabilities at fair value through profit or loss		**(956)**		1,225		2,087
Tax effect of above adjustments		**(2,598)**		(473)		(625)
Adjusted net income (loss)	**$**	**1,362**	$	6,302	$	1,887
Adjusted net income per share, basic	**$**	**0.02**	$	0.14	$	0.04
Adjusted net income per share, diluted	**$**	**0.02**	$	0.13	$	0.04
Weighted average number of common shares outstanding, basic		**55,022,883**		44,062,831		44,062,831
Weighted average number of common shares outstanding, diluted		**55,022,883**		46,796,407		46,439,445

Thank you