



FISCAL Q3 2024 REPORT TO SHAREHOLDERS.

DCM – TSX | DC MDF – OTCQX

November 13, 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+.

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 STANDARDS 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 Annual and Interim Management’s Discussion & Analysis filed on SEDAR+.





TODAY'S **AGENDA.**

Q3 AND YTD 2024
PROGRESS AND
PRIORITIES

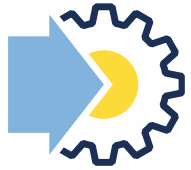
Q3 FINANCIAL RESULTS

QUESTIONS AND
ANSWERS



Q3 & YTD 2024 **PROGRESS & PRIORITIES**

2024 STRATEGIC PRIORITIES



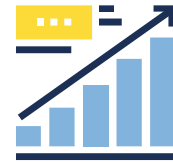
MCC INTEGRATION

- Complete planned plant consolidation
- Harmonize technology platforms (ERP/MRP, FLEX migration, technology apps, security, infrastructure)



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



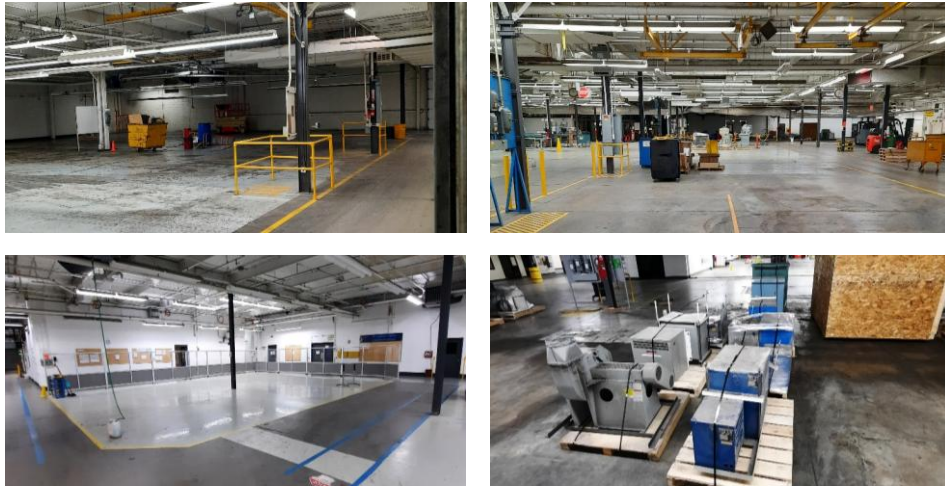
GENERATE HIGHER LEVELS OF FCF

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



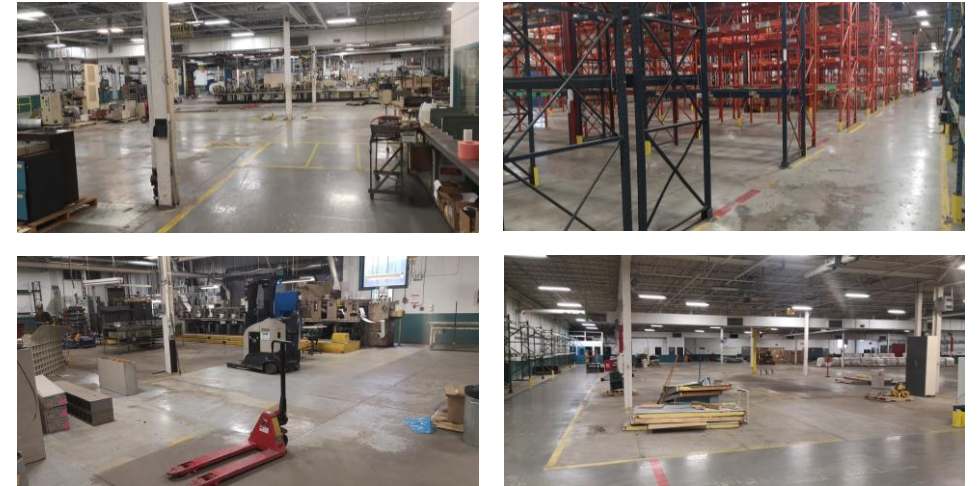
COMPLETING PLANNED FACTORY CONSOLIDATIONS

FERGUS TO DRUMMONDVILLE



- Last production run completed October 4, 2024
- Production fully transferred to Drummondville
- To fully exit Fergus prior to December 31, 2024 (lease-end)

TRENTON TO TORBRAM



- One remaining active label press
- Production otherwise transferred to Brampton; warehousing to Oshawa
- Final production run mid-November 2024
- To fully exit Trenton by January 15, 2025 (lease-end)

INVESTING IN **NEW PRODUCTION EQUIPMENT**



**HEIDELBERG SPEEDMASTER
XL 106-8-P+L OFFSET PRESS
THISTLE/BOND**



**DURST P5 350 HYBRID DIGITAL
LARGE FORMAT PRESS X2
BURLINGTON AND CALGARY**



**CANON VARIOPRINT IX 3200
DIGITAL INKJET PRESS X2 (2023)
BRAMPTON & CALGARY**



**MULLER MARTINI PRIMERA PRO
SADDLE STITCHER
THISTLE/BOND**



**OMET K-FLEX 530 FLEXOGRAPHIC
LABEL PRESS X3 (BY 12/16/24)
BRAMPTON**



TECHNOLOGY MIGRATION **ON TRACK**



FLEX MIGRATION

- Larger, complex, MCC integrated billing, procure-to-pay clients
- 36 accounts (82%) migrated from legacy tech stack
- Remaining 8 go-live on track by December 31, 2024



Dynamics 365

SAP TO D365 ERP TRANSITION

- MCC customer setup in D365 96% complete, balance on track by year end
- Billing/invoicing transitioning with plant consolidation / production moves
- 100% billing migration expected by year end, other than Tristar (Phase 2)
- Phase 2 for MRP (Vipond/Montreal BCS plants) & Tristar ERP/MRP on track for Q2 2025 completion to not disrupt Q1 2025 production



TECHNOLOGY, SECURITY & INFRASTRUCTURE

- DCM cloud network on track to be deployed across all plants by year end
- 10 legacy applications decommissioned to date; remaining 16 in flight, on track by year end
- BCS data centers (PCI compliant, separate from ERP/MRP) to migrate by Q2 2025

CONTINUED **NEW BUSINESS MOMENTUM**

NEW LOGOS

+\$5.1M REVENUE

Secured year to date from **46 NEW CLIENT WINS** expected to flow into future quarters



Government



Automotive



Loyalty



Healthcare



Retail



Utilities

WALLET SHARE

+\$27.8M REVENUE

Annualized & secured year to date from current clients



Government



Transportation



Lottery



Retail



Healthcare



Grocery



Financials





ACTIVE PACE OF CONTRACT RENEWALS/ EXTENSIONS HIGH RETENTION RATES



Government



Healthcare



Financials



Transportation



Retail



Manufacturing



Not-for-profit

**+15 ENTERPRISE CLIENT RENEWALS
ACROSS CORE VERTICAL MARKETS
REPRESENT ~20% OF REVENUE
100% WIN RATE**

TECH-ENABLED SERVICES WINS

DCMFLEX^{TM/AC}

RECENT CUSTOMER
COMMUNICATIONS
MANAGEMENT WINS



Alt. Lender



Financials (Bank)



Automotive



Loyalty



Airlines



Healthcare



ASMBL LAUNCHED IN JULY 2024

DCM's proprietary, fully AI-enabled Digital Asset Management ("DAM") solution

DCM COMMERCIAL



Government



Healthcare



Financials



Transportation



Automotive



Emerging Markets



Retail

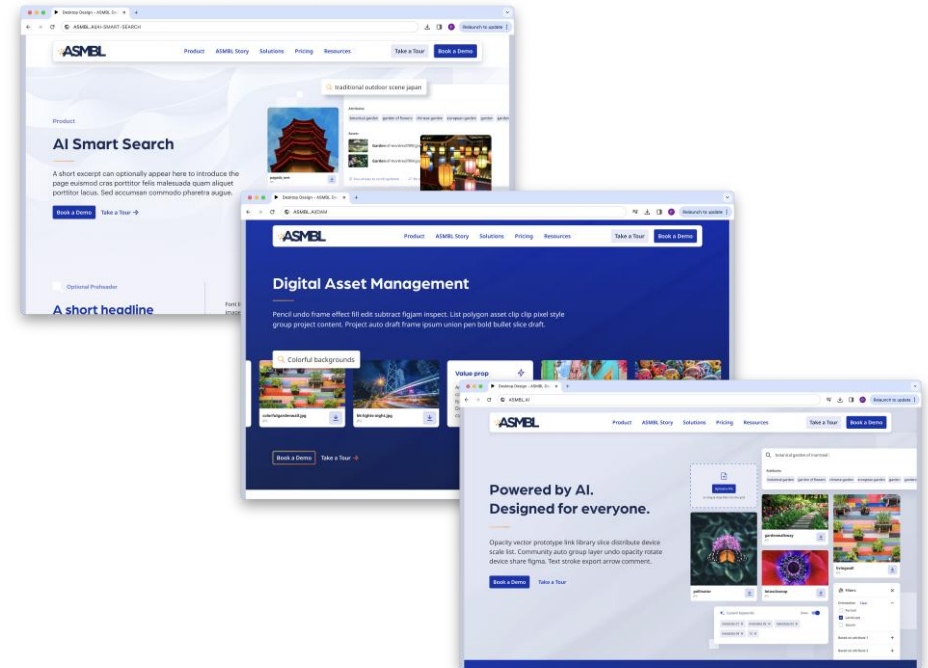


Airlines



Hospitality

ONLINE SAAS SELLING





ACQUISITION OF ZAVY

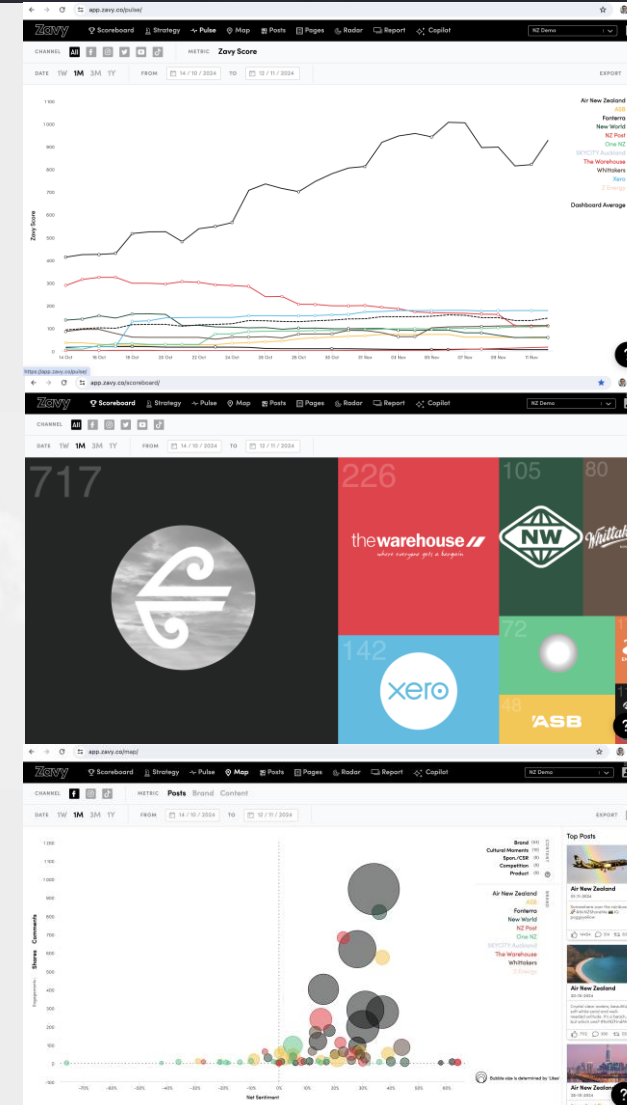


LEADING SOCIAL MEDIA ANALYTICS AND MANAGEMENT SAAS PLATFORM

LARGE AND FAST-GROWING MARKET

The social media analytics solutions and services market is expected to grow at a **24.9% CAGR** over the next 5 years from US\$4.8 billion in 2023 to **US\$14.7 billion** in 2028¹.

¹ Source: MarketsandMarkets.



INAUGURAL ESG REPORT PUBLISHED

“DCM strives to be an industry leader in sustainable practices that soften our footprint. It makes good business sense, and it’s good for the communities in which we live and work.”

– Richard Kellam, DCM President & CEO

Our four key ESG commitments include:

- Lowering greenhouse gas emissions by establishing science-based targets
- Helping to create a greener planet, including through participation in the PrintReleaf reforestation program
- Building a more inclusive workplace and supporting communities
- Improving the sustainability of DCM’s operations

DCM’s inaugural ESG Report is available for download here:

[DCM ESG Report](#)





Q3 & YTD 2024 FINANCIAL RESULTS



Q3 2024 REVENUE



\$108.7M
-\$14.0M vs. Q3 2023



-11.4%
vs. Q3 2023

EXIT LOWER MARGIN BUSINESS, LEGACY SYSTEMS MIGRATION, ENTERPRISE ACCOUNT BUDGET SHIFTS



YTD 2024 REVENUE.



\$363.7M

vs. \$317.8M YTD 2023



+14.5%

vs. YTD 2023

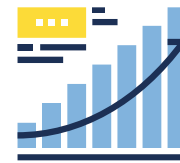
+\$46.0M VS. PRIOR YEAR



Q3 2024 GROSS PROFIT.



25.8%
of revenue vs. 24.7%



\$28.0M
-\$2.3M vs. Q3 2023



-7.7%
vs. Q3 2023

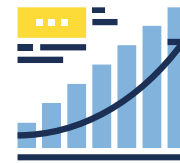
GROSS MARGIN IMPROVEMENT OF +1.1% VS. Q3 2023 REFLECTING CONTINUED PROGRESS RETURNING TO PRE-ACQUISITION MARGINS



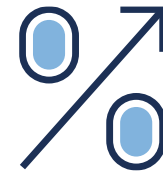
YTD 2024 GROSS PROFIT.



27.4%
of revenue vs. 27.1%



\$99.7M
vs. \$86.2M YTD 2023



+15.7%
vs. YTD 2023

GROSS MARGIN BETTER BY +0.3% VS. Q3 YTD 2023; LOWER OVERALL MCC MARGINS (JANUARY – APRIL IN 2024), OFFSET BY MARGIN IMPROVEMENT INITIATIVES



Q3 2024 SG&A.



\$22.4M

vs. \$25.1M in Q3 2023



20.6%

of Revenue vs.
20.4% in Q3 2023

**ORGANIZATIONAL IMPROVEMENT SAVINGS REFLECTED IN
THE QUARTER WITH **-\$2.7M** REDUCTION IN Q3 2024 VS. Q3 2023**



YTD 2024 SG&A.



\$71.7M

vs. \$61.9M YTD 2023



19.7%

of Revenue vs.
19.5% YTD 2023

SG&A EXPENSES ARE +\$9.8M VS. 2023 YTD DUE TO INCLUSION OF MCC RESULTS IN FULL FIRST NINE MONTHS OF 2024



Q3 2024 ADJUSTED EBITDA*



+6.6%
vs. Q3 2023



\$12.6M
+\$0.8M vs. Q3 2023



11.6%
of Revenue vs.
9.6% in Q3 2023

**REALIZING SYNERGY BENEFITS, FURTHER SIGNIFICANT INTEGRATION
INITIATIVES ON PLAN THROUGH Q3 YTD 2024**



YTD 2024 ADJUSTED EBITDA*



+25.4%
vs. YTD 2023



\$48.1M
vs. \$38.4M YTD 2023



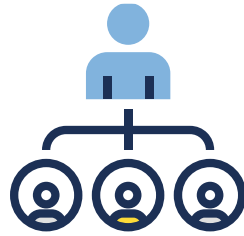
13.2%
of Revenue vs.
12.1% YTD 2023

+\$9.7M VS. PRIOR YEAR

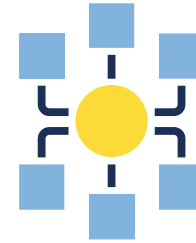
SYNERGIES*



OPERATIONAL



ORGANIZATIONAL



PROCUREMENT



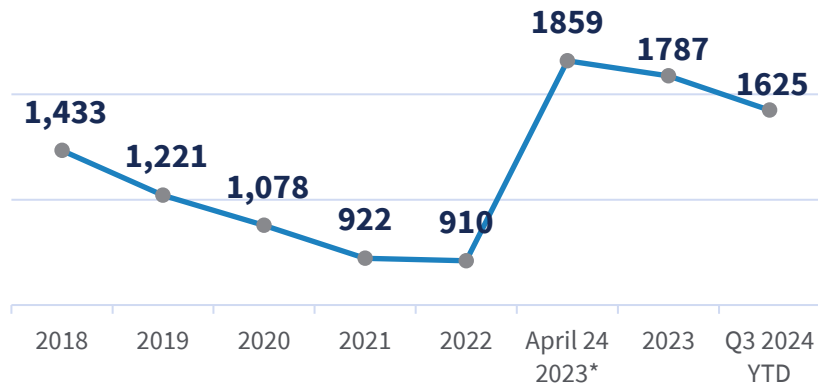
REVENUE

SUBSTANTIALLY COMPLETED PLANS TO DRIVE OBJECTIVE OF \$30M–\$35M IN ANNUALIZED SYNERGIES

* “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 most recent annual and interim MD&A filed on SEDAR+.

REVENUE PER ASSOCIATE*

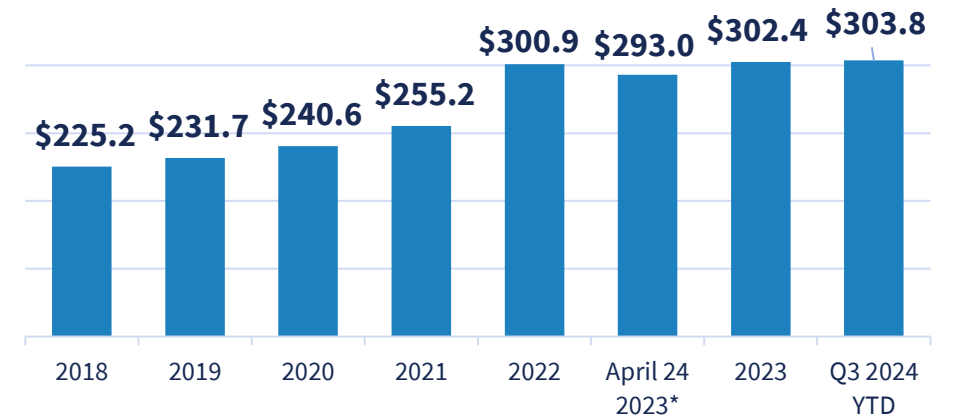
HEADCOUNT AT END OF PERIOD



*Total Active employees on Date of Acquisition

-9.1% vs. FY2023
-12.6% vs. April 24, 2023

REVENUE PER ASSOCIATE (THOUSANDS)



* TTM Revenue used for April 24, 2023 (date of acquisition) and Q3 2024 calculations

+0.5% vs. FY2023
+3.7% vs. April 24, 2023

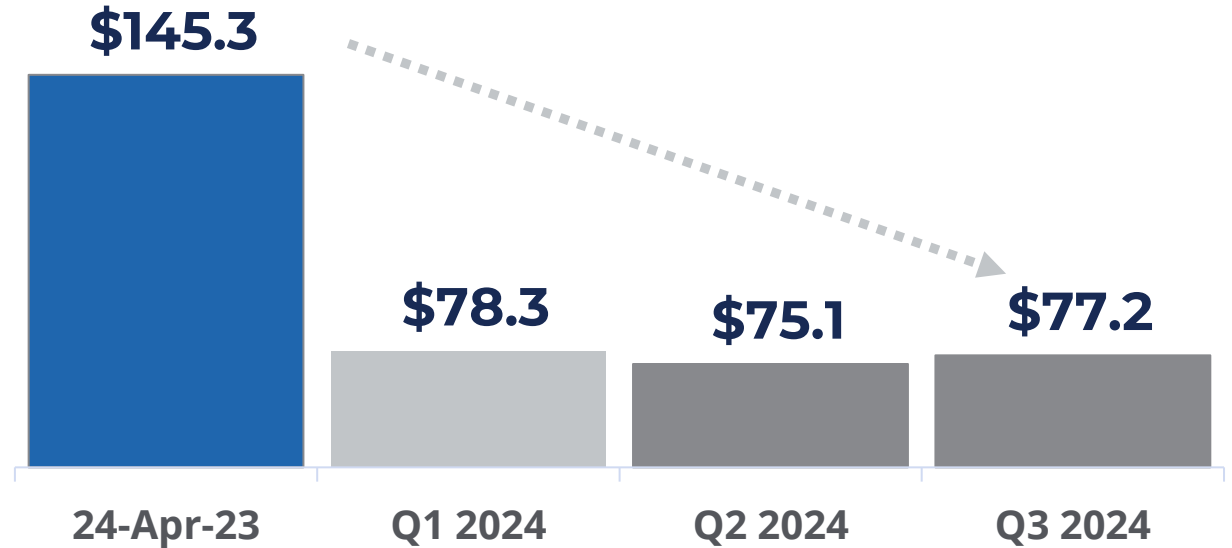
REVENUE PER ASSOCIATE CONTINUES TO IMPROVE SINCE ACQUISITION, +3.7%

*Revenue per associate is a supplementary, non-IFRS measure. For a definition of revenue per associate, see "Supplementary Financial Measures" in our annual and most recent interim MD&A filed on SEDAR+.



NET DEBT*

NET DEBT REDUCTION SINCE MCC ACQUISITION (millions)



-\$68.1M
NET DEBT
REDUCTION

-46.9%
SINCE MCC
ACQUISITION

* 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 most recent annual and interim MD&A filed on SEDAR+. ** Net Debt Pro Forma MCC Acquisition includes pre-acquisition debt plus acquisition-related debt, net of cash on hand.



QUESTIONS AND ANSWERS



CONTACT INFORMATION

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Q3 AND 2024 YTD SUMMARY P&L'S

THIRD QUARTER 2024

SUMMARY FINANCIAL RESULTS

Selected financial information	Q3 2024	Q3 2023	Better/(Worse)
Revenue	\$108.7	\$122.7	(\$14.0)
Gross profit	\$28.0	\$30.3	(\$2.3)
Gross margin (%)	25.8%	24.7%	+110 bps
SG&A	\$22.4	\$25.1	+\$2.9
Restructuring expenses	\$1.2	\$7.0	+\$5.8
Acquisition & Integration Costs	\$2.1	\$0.2	(\$1.8)
NFV (gains)/losses on financial liabilities*	\$0.1	\$0.7	+\$0.6
Net (loss) income for the period	(\$2.7)	(\$4.2)	+\$1.5
Adjusted Net (loss) income**	(\$0.2)	\$1.8	(\$1.9)
As percent of revenue	(0.2%)	1.4%	(1.6%)
Adjusted EBITDA***	\$12.6	\$11.8	+\$0.8
As percent of revenue	11.6%	9.6%	+200 bps

QUARTER
ENDED
SEPTEMBER 30,
IN MILLIONS

- * Mark-to Market accounting adjustment (\$0.03 share price decrease since June 30, 2024 driving -\$114.5K reduction) & 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 YTD SUMMARY FINANCIAL RESULTS

Selected financial information	Q3 YTD 2024	Q3 YTD 2023*	Better/(Worse)
Revenue	\$363.7	\$317.8	+\$46.0
Gross profit	\$99.7	\$86.2	+\$13.5
Gross margin (%)	27.4%	27.1%	+30 bps
SG&A	\$71.7	\$61.9	(\$9.7)
Restructuring expenses	\$3.3	\$9.7	+\$6.4
Acquisition & Integration Costs	\$2.6	\$10.2	+\$7.6
NFV (gains)/losses on financial liabilities**	\$1.9	\$8.1	+\$6.2
Net (loss) income for the period	\$2.9	(\$9.5)	+\$12.4
Adjusted Net (loss) income***	\$8.8	\$11.5	(\$2.7)
As percent of revenue	2.4%	3.6%	(120 bps)
Adjusted EBITDA***	\$48.1	\$38.4	+\$9.7
As percent of revenue	13.2%	12.1%	+110 bps

NINE MONTHS
ENDED
SEPTEMBER 30,
IN MILLIONS

- * Q3 YTD 2023 includes 5 months + 1 week of actual MCC results based on the timing of acquisition (April 24, 2023).
- ** Mark-to Market accounting adjustment & 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."





NON-IFRS ACCOUNTING STANDARDS MEASURES

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”.

EBITDA and Adjusted EBITDA reconciliation

For the periods ended September 30, 2024 and 2023	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
<i>(in thousands of Canadian dollars, unaudited)</i>				
Net income (loss) for the period	\$ (2,668)	\$ (4,185)	\$ 2,871	\$ (9,496)
Interest expense, net	5,273	5,072	16,192	9,654
Amortization of transaction costs net of debt extinguishment gain	140	141	420	320
Current income tax expense	647	(1,495)	2,005	842
Deferred income tax (recovery) expense	(1,158)	(2,227)	(1,374)	(5,128)
Depreciation of property, plant and equipment	1,832	2,051	5,138	4,107
Amortization of intangible assets	482	888	1,516	2,052
Depreciation of the ROU Asset	4,674	3,575	13,488	8,012
EBITDA	\$ 9,222	\$ 3,820	\$ 40,256	\$ 10,363
Acquisition and integration costs	2,077	244	2,603	10,199
Restructuring expenses	1,160	7,009	3,346	9,738
Net fair value losses on financial liabilities at fair value through profit or loss	108	717	1,915	8,078
Adjusted EBITDA	\$ 12,567	\$ 11,790	\$ 48,120	\$ 38,378



ADJUSTED NET INCOME RECONCILIATION

The following table provides reconciliations of net income to Adjusted net income and a presentation of Adjusted net income per share for the periods noted. See “Non-IFRS Accounting Standards measures” section in our most recent interim and annual filings on SEDAR+ for more information.

Adjusted net income reconciliation

For the periods ended September 30, 2024 and 2023 <i>(in thousands of Canadian dollars, except share and per share amounts, unaudited)</i>	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Net income (loss) for the period	\$ (2,668)	\$ (4,185)	\$ 2,871	\$ (9,496)
Restructuring expenses	1,160	7,009	3,346	9,738
Acquisition and integration costs	2,077	244	2,603	10,199
Net fair value losses on financial liabilities at fair value through profit or loss	108	717	1,915	8,078
Tax effect of the above adjustments	(842)	(2,007)	(1,980)	(7,054)
Adjusted net (loss) income	\$ (165)	\$ 1,778	\$ 8,755	\$ 11,465
Adjusted net income (loss) per share, basic	—	0.03	0.16	0.23
Adjusted net income (loss) per share, diluted	—	0.03	0.15	0.22
Weighted average number of common shares outstanding, basic	55,308,952	55,022,883	55,192,969	49,420,414
Weighted average number of common shares outstanding, diluted	55,308,952	57,895,056	57,784,458	52,084,116
Number of common shares outstanding, basic	55,308,952	55,022,883	55,308,952	55,022,883
Number of common shares outstanding, diluted	55,308,952	59,051,883	57,900,441	59,032,752





THANK YOU