



For Immediate Release

DATA COMMUNICATIONS MANAGEMENT CORP. REPORTS Q2 2025 FINANCIAL RESULTS

DCM DELIVERS STEADY OPERATING PERFORMANCE AMID CHALLENGING MARKET CONDITIONS

- Revenues were \$113.8 million in the second quarter vs. \$125.8 million in Q2 2024
- Gross profit as a percentage of revenues of 26.8% compared to 27.3% in Q2 2024
- SG&A expenses decreased to \$19.9 million vs. \$22.5 million in the prior year quarter
- Adjusted EBITDA¹ represented 14.6% of revenue vs. 13.4% in Q2 2024
- Adjusted EBITDA was \$16.6 million vs. \$16.9 million in Q2 2024
- Pipeline of new business opportunities continues to grow
- Quarterly dividend of \$0.025 per common share declared, payable on September 24, 2025 to shareholders of record as of September 10, 2025

Brampton, Ontario – August 6, 2025 – DATA Communications Management Corp. (TSX: DCM; OTCQX: DCMDF) ("DCM" or the "Company"), a leading Canadian provider of print and digital solutions that help simplify complex marketing communications and workflow, today reported second quarter 2025 financial results.

MANAGEMENT COMMENTARY

"Despite challenging market conditions and stronger than expected revenue headwinds in the second quarter, we continued to deliver solid operating performance with essentially flat adjusted EBITDA and higher adjusted EBITDA margin compared to last year," said Richard Kellam, President & CEO of DCM. "Uncertainty about trade policies, including tariffs, the direction of the economy, and the ongoing labour issues at Canada Post have driven continued market headwinds. These factors have negatively impacted business confidence, resulting in client budget reductions, delayed orders, and inventory drawdowns. As such, revenues in the quarter were down 9.5% compared to last year. Given this ongoing uncertainty, the Company has decided to withdraw all financial guidance until there is greater clarity on these external challenges."

"We are well-positioned financially to manage through the current market conditions with our strong cash flow, a disciplined focus on maintaining margins, and managing overhead costs. We continue to be encouraged by our strong and growing pipeline of new business opportunities, the highest level of which we've seen in years. We expect to more fully realize these efforts as market conditions improve. Additionally, we have the flexibility to pursue M&A opportunities to strengthen our product and service offerings and create more value for our clients," added Kellam.

DCM continues to be guided by four strategic priorities for 2025:

- Maintain our focus on profitable organic growth
- Deliver a return on our new capital investments

- Continue to drive gross margin improvement through operating efficiencies
- Demonstrate agility and adaptability to effectively navigate an uncertain environment.

OTHER BUSINESS HIGHLIGHTS

Dividend Declaration

On August 6, 2025, DCM's board of directors declared a quarterly dividend of \$0.025 per common share, payable on September 24, 2025, to shareholders of record at the close of business on September 10, 2025. This dividend is designated as an "eligible" dividend for the purpose of the Income Tax Act (Canada) and any similar provincial legislation.

Normal Course Issuer Bid Commenced

On June 10, 2025, DCM announced that the Toronto Stock Exchange (the "TSX") accepted a notice filed by the Company of its intention to make a normal course issuer bid with respect to its outstanding common shares (the "Common Shares"). The notice provided that the Company may, during the 12 month period commencing June 12, 2025 and ending no later than June 11, 2026, purchase, through the facilities of the TSX, up to 4,220,210 Common Shares, being approximately 10% of the "public float" (as such term is defined in the policies of the TSX) of such Common Shares as at May 31, 2025. In June 2025, the Company repurchased and cancelled 79,400 common shares for total consideration of \$0.1 million, including transaction costs.

Amended Senior Revolving Credit Facility

On June 2, 2025, DCM entered into a fourth amended and restated credit agreement (the "Bank Credit Facility") with a Canadian chartered bank, extending the maturity date of its senior secured revolving credit facility to May 31, 2028. The Bank Credit Facility also included an expanded leasing facility to finance future equipment purchases along with a number of reporting enhancements.

Amended Senior Term Credit Facility

On July 17, 2025, a third amended and restated credit agreement with Fiera Private Debt ("FPD") was entered into to update certain definitions and incorporate qualitative changes, with no impact to the financial terms of the FPD Facilities.

Q2 2025 EARNINGS CALL DETAILS

The Company will host a conference call and webcast on Thursday, August 7, 2025 at 9:00 a.m. EST

Mr. Kellam and James Lorimer, CFO, will present the second quarter 2025 results followed by a live Q&A.

Register for the webcast prior to the start of the event: [Microsoft Virtual Events Powered by Teams](#)

All attendees must register for the webinar prior to the call. Please complete the phone field in the form at the above link (prior to the start of the event) if you wish to dial in.

The Company's full results will be posted on its Investor Relations page and on SEDAR+. A video message from Mr. Kellam will also be posted on the Company's website.

Footnotes:

¹ Adjusted EBITDA, Adjusted EBITDA as a percentage of revenues, Adjusted net income (loss), Adjusted net income (loss) as percentage of revenues, Net Debt to Adjusted EBITDA and Free cash flow are non-IFRS Accounting Standards measures. For a description of the composition of these and other non-IFRS Accounting Standards measures used in this press release, and a reconciliation to their most comparable IFRS Accounting Standards measure, where applicable, see the information under the heading "Non-IFRS Accounting Standards Measures", the information set forth on Table 2 and Table 3 herein, and our most recent Management Discussion & Analysis filed on SEDAR+.

TABLE 1 The following table sets out selected historical consolidated financial information for the periods noted.

For the periods ended June 30, 2025 and 2024				
<i>(in thousands of Canadian dollars, except share and per share amounts, unaudited)</i>	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Revenues	\$ 113,794	\$ 125,751	\$ 237,469	\$ 255,005
Gross profit	30,508	34,334	66,768	71,645
Gross profit, as a percentage of revenues	26.8 %	27.3 %	28.1 %	28.1 %
Selling, general and administrative expenses	19,871	22,473	43,330	46,608
As a percentage of revenues	17.5 %	17.9 %	18.2 %	18.3 %
Research & development expenses	1,216	1,391	2,336	2,638
As a percentage of revenues	1.1 %	1.1 %	1.0 %	1.0 %
Adjusted EBITDA	16,568	16,888	35,156	35,553
As a percentage of revenues	14.6 %	13.4 %	14.8 %	13.9 %
Net income for the period	3,714	4,064	8,828	5,539
Adjusted net income	3,891	4,017	9,094	8,920
As a percentage of revenues	3.4 %	3.2 %	3.8 %	3.5 %
Basic earnings per share	\$ 0.07	\$ 0.07	\$ 0.16	\$ 0.10
Diluted earnings per share	\$ 0.06	\$ 0.07	\$ 0.15	\$ 0.10
Adjusted net income per share, basic	\$ 0.07	\$ 0.07	\$ 0.16	\$ 0.16
Adjusted net income per share, diluted	\$ 0.07	\$ 0.07	\$ 0.16	\$ 0.15
Weighted average number of common shares outstanding, basic	55,317,543	55,245,796	55,313,271	55,134,340
Weighted average number of common shares outstanding, diluted	57,156,673	57,835,179	57,198,419	57,746,066

TABLE 2 The following table provides reconciliations of net income to EBITDA and of net income to Adjusted EBITDA for the periods noted.

EBITDA and Adjusted EBITDA reconciliation

For the periods ended June 30, 2025 and 2024				
(in thousands of Canadian dollars, unaudited)	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Net income for the period	\$ 3,714	\$ 4,064	\$ 8,828	\$ 5,539
Interest expense, net	5,120	5,366	10,268	10,919
Debt modification gain	(867)	—	(867)	—
Amortization of transaction costs	131	140	271	280
Current income tax expense	1,445	16	3,516	1,358
Deferred income tax recovery	(359)	947	(1,270)	(216)
Depreciation of property, plant, and equipment	1,792	1,783	3,514	3,306
Amortization of intangible assets	326	306	709	1,034
Depreciation of right-of-use-assets	5,029	4,329	9,831	8,814
EBITDA	\$ 16,331	\$ 16,951	\$ 34,800	\$ 31,034
Acquisition and integration costs	—	243	—	526
Restructuring expenses	58	1,101	58	2,186
Net fair value losses (gains) on financial liabilities at fair value through profit or loss	179	(1,407)	298	1,807
Adjusted EBITDA	\$ 16,568	\$ 16,888	\$ 35,156	\$ 35,553

TABLE 3 The following table provides reconciliations of net income (loss) to Adjusted net income and a presentation of Adjusted net income per share for the periods noted.

Adjusted net income reconciliation

For the periods ended June 30, 2025 and 2024				
(in thousands of Canadian dollars, except share and per share amounts, unaudited)	April 1 to June 30, 2025	April 1 to June 30, 2024	January 1 to June 30, 2025	January 1 to June 30, 2024
Net income for the period	\$ 3,714	\$ 4,064	\$ 8,828	\$ 5,539
Restructuring expenses	58	1,101	58	2,186
Acquisition and integration costs	—	243	—	526
Net fair value losses (gains) on financial liabilities at fair value through profit or loss	179	(1,407)	298	1,807
Tax effect of the above adjustments	(60)	16	(90)	(1,138)
Adjusted net income	\$ 3,891	\$ 4,017	\$ 9,094	\$ 8,920

About DATA Communications Management Corp.

DCM is a leading Canadian tech-enabled provider of print and digital solutions that help simplify complex marketing communications and operations workflow. DCM serves over 2,500 clients including 70 of the 100 largest Canadian corporations and leading government agencies. Our core strength lies in delivering individualized services to our clients that simplify their communications, including customized printing, highly personalized marketing communications, campaign

management, digital signage, and digital asset management. From omnichannel marketing campaigns to large-scale print and digital workflows, our goal is to make complex tasks surprisingly simple, allowing our clients to focus on what they do best.

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 SEDAR+ at www.sedarplus.ca.

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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. They 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. We caution readers of this press release not to place undue reliance on our forward-looking statements since a number of factors could cause actual future results, conditions, actions, or events to differ materially from the targets, expectations, estimates or intentions expressed in these forward-looking statements.

The principal factors, assumptions and risks that DCM made or took into account in the preparation of these forward-looking statements and which could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements are described in further detail in our most recent annual and interim Management Discussion and Analysis filed on SEDAR+, and include but are not limited to the following: industry conditions are influenced by numerous factors over which the Company has no control, including: declines in print consumption; labour disruptions at suppliers and customers, including Canada Post; the impact of tariffs and responses thereto (including by governments, trade partners and customers), which may include, without limitation, retaliatory tariffs, export taxes, restrictions on exports to the U.S. or other measures, increases in our input costs, and the effect of governmental regulations and policies in general; our ability to achieve and meet our revenue, profitability, free cash flow and debt reduction targets for 2025 and in the future; while we have received consents from our lenders for the declaration and payment of the special dividend and regular recurring dividend, including the exclusion of the special dividend from our fixed charge coverage ratios, our financial leverage may increase, and there is no guarantee that we will pay such dividends in the future; and, our ability to comply with our financial and other

covenants under our credit facilities, which may preclude us from paying future dividends if our outlook and future financial liquidity changes.

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 Discussion and Analysis and in DCM's 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 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 ACCOUNTING STANDARDS MEASURES

NON-IFRS ACCOUNTING STANDARDS AND OTHER FINANCIAL MEASURES

This press release includes certain non-IFRS Accounting Standards measures, ratios and other financial measures as supplementary information. This supplementary information does not represent earnings measures recognized by IFRS Accounting Standards and does not have any standardized meanings prescribed by IFRS Accounting Standards. Therefore, these non-IFRS Accounting Standards measures, ratios and other financial measures are unlikely to be comparable to similar measures presented by other issuers. Investors are cautioned that this supplementary information should not be construed as alternatives to net income (loss) determined in accordance with IFRS Accounting Standards as an indicator of DCM's performance. Definitions of such supplementary information, together with a reconciliation of net income (loss) to such supplementary financial measures, can be found in our most recent annual and interim Management Discussion and Analysis and filed on SEDAR+ at www.sedarplus.ca.

Condensed interim consolidated statements of financial position

(in thousands of Canadian dollars, unaudited)

	June 30, 2025	December 31, 2024
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	2,887	6,773
Trade receivables	100,697	103,445
Inventories	24,987	23,843
Prepaid expenses and other current assets	3,755	5,989
Income taxes receivable	1,364	3,432
	\$ 133,690	\$ 143,482
Non-current assets		
Other non-current assets	2,201	9,104
Deferred income tax assets	9,071	8,224
Property, plant, and equipment	33,845	34,812
Right-of-use assets	164,159	162,510
Pension assets	3,408	3,142
Intangible assets	7,596	8,282
Goodwill	22,747	22,747
	\$ 376,717	\$ 392,303
Liabilities		
Current liabilities		
Bank overdraft	—	880
Trade payables and accrued liabilities	46,503	59,890
Current portion of credit facilities	8,714	15,175
Current portion of lease liabilities	12,263	10,525
Provisions	3,413	8,016
Deferred revenue	4,564	6,199
	\$ 75,457	\$ 100,685
Non-current liabilities		
Provisions	480	1,279
Credit facilities	79,642	68,515
Lease liabilities	163,295	158,603
Deferred income tax liabilities	—	60
Pension obligations	17,256	18,354
Other post-employment benefit plans	1,307	1,409
Asset retirement obligation	3,492	3,438
	\$ 340,929	\$ 352,343
Equity		
Shareholders' equity		
Shares	284,546	284,592
Warrants	—	219
Contributed surplus	3,219	3,078
Translation Reserve	192	307
Deficit	(252,169)	(248,236)
	\$ 35,788	\$ 39,960
	\$ 376,717	\$ 392,303

Condensed interim consolidated statements of operations

<i>(in thousands of Canadian dollars, except per share amounts, unaudited)</i>	For the three months ended June 30, 2025	For the three months ended June 30, 2024	For the six months ended June 30, 2025	For the six months ended June 30, 2024
Revenues	\$ 113,794	\$ 125,751	\$ 237,469	\$ 255,005
Cost of revenues	83,286	91,417	170,701	183,360
Gross profit	30,508	34,334	66,768	71,645
Expenses				
Selling, commissions and expenses	9,649	10,178	20,609	21,042
General and administration expenses	10,222	12,295	22,721	25,566
Research & development expenses	1,216	1,391	2,336	2,638
Restructuring expenses	58	1,101	58	2,186
Acquisition and integration costs	—	243	—	526
Net fair value losses (gains) on financial liabilities at fair value through profit or loss	179	(1,407)	298	1,807
	21,324	23,801	46,022	53,765
Income before finance costs and income taxes	9,184	10,533	20,746	17,880
Finance costs				
Interest expense on long term debt and pensions, net	1,837	2,307	3,708	4,805
Interest expense on lease liabilities	3,283	3,059	6,560	6,114
Amortization of transaction costs	131	140	271	280
Debt modification gain	(867)	—	(867)	—
	4,384	5,506	9,672	11,199
Income before income taxes	4,800	5,027	11,074	6,681
Income tax expense				
Current	1,445	16	3,516	1,358
Deferred	(359)	947	(1,270)	(216)
	1,086	963	2,246	1,142
Net income for the period	\$ 3,714	\$ 4,064	\$ 8,828	\$ 5,539
Other comprehensive income:				
Foreign currency translation	(110)	14	(115)	44
	(110)	14	(115)	44
Items that will not be reclassified to net income				
Re-measurements of pension and other post-employment benefit obligations	1,816	1,755	1,431	8,768
Taxes related to pension and other post-employment benefit adjustment above	(461)	(406)	(363)	(2,248)
	1,355	1,349	1,068	6,520
Other comprehensive income for the period, net of tax	\$ 1,245	\$ 1,363	\$ 953	\$ 6,564
Comprehensive income for the period	\$ 4,959	\$ 5,427	\$ 9,781	\$ 12,103
Basic earnings per share	0.07	0.07	0.16	0.10
Diluted earnings per share	0.06	0.07	0.15	0.10

Condensed interim consolidated statements of cash flows

(in thousands of Canadian dollars, unaudited)

	For the six months ended June 30, 2025	For the six months ended June 30, 2024
	\$	\$
Cash provided by		
Operating activities		
Net income for the period	\$ 8,828	\$ 5,539
Items not affecting cash		
Depreciation of property, plant, and equipment	3,514	3,306
Amortization of intangible assets	709	1,034
Depreciation of right-of-use-assets	9,831	8,814
Share-based compensation expense	89	321
Net fair value losses on financial liabilities at fair value through profit or loss	298	1,807
Pension expense	742	943
Gain on disposal of sale and leaseback	—	(11)
Loss on disposal of property, plant and equipment	—	149
Provisions	58	2,186
Debt modification gain	(867)	—
Amortization of transaction costs	271	280
Accretion of asset retirement obligations	54	65
Other post-employment benefit plan expense	87	298
Right-of-use assets impairment	—	97
Income tax expense	2,246	1,142
Changes in non cash working capital	(12,173)	764
Contributions made to pension plans	(675)	(604)
Contributions made to other post-employment benefit plans	(189)	(115)
Provisions paid	(5,460)	(6,526)
Income taxes paid	(1,448)	(1,599)
Total cash generated from operating activities	5,915	17,890
Investing activities		
Proceeds on sale and leaseback transaction	6,694	8,661
Purchase of property, plant, and equipment	(2,536)	(6,989)
Purchase of intangible assets	(23)	—
Purchase of non-current assets	(143)	(6,499)
Proceeds on disposal of property, plant, and equipment	—	431
Total cash provided by (used in) investing activities	3,992	(4,396)
Financing activities		
Exercise of options	—	337
Proceeds from credit facilities	53,733	30,185
Repayment of credit facilities	(48,054)	(43,726)
Decrease in bank overdrafts	(880)	(1,564)
Transaction costs	(417)	—
Dividends paid	(13,829)	—
Principal portion of lease payments	(4,005)	(3,500)
Repurchases of shares	(213)	—
Total cash (used in) financing activities	(13,665)	(18,268)
Change in cash and cash equivalents during the period	(3,758)	(4,774)
Cash and cash equivalents – beginning of period	6,773	17,652
Effects of foreign exchange on cash balances	(128)	51
Cash and cash equivalents – end of period	\$ 2,887	\$ 12,929