



For Immediate Release

## **DCM ANNOUNCES STRATEGIC ACQUISITION OF OCTACOM, STRENGTHENING ITS POSITION IN HIGH-GROWTH INTELLIGENT DOCUMENT PROCESSING MARKET**

- Accelerates DCM's revenue shift towards higher-growth, higher-margin, tech-enabled services solutions
- Strengthens DCM's capabilities in enterprise workflow automation, AI-enabled data capture, information technology security and infrastructure, serving regulated industries including government, healthcare, banking, finance and insurance
- Transaction expected to be accretive to Adjusted EBITDA, Adjusted EPS and free cash flow<sup>1</sup>
- Amended \$160 million credit facility lowers average cost of debt capital

**Brampton, Ontario – July 9, 2026** – 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 announced that it has acquired Octacom Limited (“**Octacom**”), a leading Canadian provider of intelligent document processing (“**IDP**”) and digital transformation solutions, for \$54.0 million (the “**Transaction**”) on a cash-free and debt-free basis. In addition, the Company has entered into a fifth amended and restated credit agreement (the “**Amended Credit Facility**”) with a Canadian chartered bank (the “**Bank**”), which provides for up to \$160 million of credit facilities, a portion of which have been used to fund the Transaction.

Founded in 1976, Octacom is a privately held enterprise software and services company that provides business process outsourcing and automation solutions across a broad range of industries. By combining AI-enabled data capture, automated workflows, and collaborative process design, Octacom helps organizations reduce costs, increase processing accuracy, strengthen compliance, and unlock productivity gains from document-intensive operations. Octacom has delivered strong, sustained growth in both revenue and profitability, including generating approximately \$23 million in revenue<sup>2</sup> for the 12-month period ended May 31, 2026. The acquisition is expected to be accretive to DCM's Adjusted EBITDA and Adjusted EBITDA margin, Adjusted EPS, and free cash flow<sup>1</sup>.

“We believe this acquisition will accelerate the Company's strategic shift toward a higher-growth, higher-margin, and higher recurring-revenue business. At a time when enterprise clients are increasing their investment in

automation, digitization and AI-enabled workflow, this Transaction enhances our capabilities in intelligent document automation and meaningfully expands DCM's potential addressable market," said Richard Kellam, President & Chief Executive Officer of DCM. "This Transaction broadens our portfolio of tech-enabled services and solutions, deepens our strategic relevance with our clients and we believe strengthens our platform for sustainable earnings growth to create long-term shareholder value."

"Combining our business with DCM marks an exciting new chapter for Octacom, expanding our ability to deliver secure and innovative solutions that help organizations improve operating performance and advance their digital transformation agendas," said Lee Berger, Chief Executive Officer of Octacom. "With DCM's national reach of secure document processing facilities, complementary client relationships, and strong commitment to leadership in the IDP space, the combined organization will be well positioned to deliver broader value to customers and capitalize on attractive growth opportunities."

## **STRATEGIC BENEFITS OF THE TRANSACTION**

- Strengthens DCM's position in the fast-growing global IDP market, driven by the rapid expansion of enterprise data, advances in AI and machine learning, and increasing regulatory compliance requirements. The global IDP market is expected to grow at a 34.5% CAGR between 2026 and 2033, from US\$3.0 billion in 2025 to US\$30.7 billion in 2033.<sup>3</sup>
- Expands DCM's tech-enabled product and service offerings with a leading independent Canadian provider of digitization, automation, and document management solutions for large enterprises, particularly in high-volume document-intensive verticals including banking, finance, insurance, healthcare, government, loyalty programs, and transportation, markets that are highly complementary to DCM's own client base and our longstanding relationships.
- Octacom's proprietary AI-enabled information and data capture solutions and Odiss™ workflow, automation, and data repository platform are expected to enhance DCM's ability to deliver scalable embedded solutions with strategic value to clients. This enhanced solution mix is expected to support improved margins, stronger customer retention and features a highly recurring revenue base, with approximately 10% of Octacom's revenue derived from the Odiss™ cloud-based SaaS platform.
- Creates meaningful benefits for DCM's clients, who are focused on accelerating their digital transformation, by enabling them to digitize paper-based workflows and records, reduce paper dependency, improve accuracy, and unlock value from unstructured data and legacy records.

## **TRANSACTION OVERVIEW**

DCM has acquired all of the issued and outstanding shares of Octacom. The aggregate purchase price is comprised of \$43.2 million paid in cash and \$10.8 million settled through the issuance of 6,428,571 common shares in the capital of DCM ("**Shares**") at a deemed price of \$1.68 per Share. On closing, Octacom shareholders hold approximately 10.3% of DCM's issued and outstanding Shares. Shares issued to Octacom's selling shareholders are subject to an 18-month lock-up period following closing. Going forward, Octacom will operate as a division of DCM retaining the Octacom name, operations footprint, and the full team, including its leadership.

## **KEY TERMS OF AMENDED CREDIT FACILITY**

DCM funded the cash portion of the consideration from borrowings under the Amended Credit Facility, which provides for up to \$160 million of funds. A portion of the proceeds drawn under the Amended Credit Facility were used to repay DCM's outstanding indebtedness with Fiera Private Debt Fund VI LP ("**FPD VI**"). In connection with the syndication of the Amended Credit Facility, the Bank may, upon prior written consultation with the Company, change the terms of the Amended Credit Facility, where the Bank reasonably determines, on a commercially reasonable basis, that such change is necessary to facilitate a successful syndication of the Amended Credit Facility or in the event a successful syndication cannot be completed.

The Amended Credit Facility currently has a three-year term maturing on July 8, 2029, and includes: (a) a \$70 million revolving credit facility, available for working capital and general corporate purposes, which replaces the Company's existing revolving credit facility with the Bank; (b) a \$40 million non-revolving term loan used to refinance the Company's outstanding indebtedness with FPD VI; and (c) a \$50 million acquisition line. The term loan and acquisition line amortize over a 10-year period, with funds available on the acquisition line used to pay for the cash portion of the Transaction.

The Amended Credit Facility is available to be drawn by way of Prime Rate loans, Base Rate loans, CORRA loans, SOFR loans, and/or Letters of Credit.

The terms and conditions of the Amended Credit Facility are set out in the Fifth Amended and Restated Credit Agreement, a copy of which will be filed under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Footnotes:

<sup>1</sup> Adjusted EBITDA, Adjusted EPS, 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" in our most recent Management Discussion & Analysis filed on SEDAR+.

<sup>2</sup> Based on Octacom's management prepared unaudited financial statements for the fiscal year ended May 31, 2026.

<sup>3</sup> Grand View Research. Intelligent Document Processing Market (2026 - 2033).

## **EARLY WARNING DISCLOSURE**

As a result of the Transaction, Octacom Holdings LP (the “**LP**”), a former shareholder of Octacom acquired 6,388,203 Shares (the “**Consideration Shares**”), representing approximately 10.21% of the currently issued and outstanding Shares. Prior to completion of the Transaction, the LP did not hold any Shares. The Consideration Shares have an aggregate value of \$10,732,181.04 (being \$1.68 per Consideration Share).

The acquisition of the Consideration Shares by the LP was completed in connection with the Transaction and the Consideration Shares were issued from treasury and formed a portion of the purchase price payable by DCM. Depending on market conditions and subject to the lock up agreement entered into with DCM, the LP may, from time to time, distribute Consideration Shares to its partners, acquire additional securities of DCM, dispose of some or all of the Consideration Shares or additional securities of DCM or may continue to hold the Consideration Shares and/or other securities of DCM.

An early warning report will be filed by the LP in accordance with applicable securities laws and will be available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) or may be obtained directly from James Lorimer upon request at (905) 791-3151. The LP's head and registered office is located at 45 Staples Avenue, Suite 120 Richmond Hill, ON L4B 4W6 Canada.

## **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](http://www.datacm.com), and in the disclosure documents filed by DATA Communications Management Corp. on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **About Octacom Limited**

Octacom is an enterprise software and business process services provider, delivering intelligent document and data management solutions that help organizations automate, optimize and govern their most critical workflows. Since 1976, the company has partnered with clients to address complex operational challenges through large-scale scanning, AI-enhanced capture, secure integrations and comprehensive BPO (Business Process Outsourcing) support.

Octacom's cloud platform, Odiss™, offers robust, secure and cost-effective document management and workflow automation for organizations across diverse industries. Backed by a dedicated, client-focused team, Octacom provides solutions that seamlessly integrate with existing systems and drive long-term efficiency gains. Octacom is committed to enabling true digital transformation — empowering clients to reduce paper dependency, improve accuracy and continuously optimize their business performance.

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#### **FORWARD-LOOKING STATEMENTS**

This press release contains statements which constitute “forward-looking statements” and “forward-looking information” within the meaning of applicable securities laws (collectively, “forward-looking statements”), including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to future business activities and operating performance. Forward-looking statements are often identified by the words “may”, “would”, “could”, “should”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” or similar expressions. Forward-looking statements in this press release 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. In addition, forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

These forward-looking statements involve a number of risks, uncertainties, and assumptions, many of which are beyond the Company's control. 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 DCM's 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 DCM's actual results and financial condition to differ materially from those indicated in the forward-looking statements, include those described in further detail in the Company's most recent Annual Information Form of DCM for the year ended December 31, 2025, a copy of which is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com), and include but are not limited to the following: DCM's ability to realize the anticipated financial and strategic benefits from the Transaction, including client and customer retention, the ability of DCM to continue to realize on Octacom's historical revenue growth rates and profitability levels in the future; DCM's ability to capitalize on the forecast growth in the IDP market and DCM's ability to compete in this market, which contains competitors that may be larger and better capitalized than DCM; the ability of DCM to integrate the business and operations of Octacom into DCM; the ability of DCM to obtain additional capital to fund our business plans on satisfactory terms (or at all), including, without limitation, with respect to accelerating growth and investments in digital innovation; the ability of the Bank to syndicate the Amended Credit Facility on the terms agreed to with the Company; the continued availability of the Amended Credit Facility; the acceptability by the Company of any required adjustments to the Amended Credit Facility; DCM's ability to comply with the financial covenants in the Amended Credit Facility or to obtain financial covenant waivers from our lenders if necessary; the ability of DCM to continue with the Company's current dividend policy; the outstanding indebtedness under our bank credit facility is subject to adjustment and floating interest rates and therefore is subject to fluctuations in interest rates, an increase in which would increase our borrowing costs; 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 financial objectives and targets for 2026 and in the future; and DCM's ability to retain key personnel, including those at Octacom. Forward-looking

statements reflect DCM's current views regarding future events and operating performance, are based on information currently available to management of DCM, and speak only as of the date of this press release.

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.