

May 30, 2022



DCS Reports Strong Q1 Revenues and Earnings

Highlights:

- For the Quarter ending March 2022, Quarterly Revenues WERE REPORTED AT (Q1Revenue) **USD \$7.8 Million (CAD \$9.7 Million) VS USD \$4.3 Million IN Q1 2021 REPRESENTING AN YOY 81% INCREASE**
- **Q1Gross Profit of \$2.4 Million (CAD \$3.0 Million) VS USD \$1.2 Million IN Q1 2021 REPRESENTING AN YOY 100% INCREASE**
- **Q1Revenue of USD \$7.8 Million (CAD \$9.7 Million) VS Q4Revenue 2021 of USD \$5.7 Million REPRESENTING AN 37% INCREASE**
- **Q1 Net Income of USD \$0.6 Million (CAD \$0.8 Million) VS Net Loss of USD \$0.2 Million IN Q1 2021 REPRESENTING a significant turnaround with an increase of \$0.8 Million**
- Announced strategic partnership with Streamline Transportation Technologies in Canada to kick-off international expansion strategy for SaaS by delivering next-generation video telematics solutions.

San Diego, California--(Newsfile Corp. - May 30, 2022) - Direct Communication Solutions, Inc. (**OTCQX: DCSX**) (**CSE: DCSI**) (**FSE: 7QU**) a leading provider of information technology solutions for the Internet of Things (IoT) market, is excited to announce Q1'2022 revenues of USD \$7.8 million versus USD \$4.3 million in Q1'2021 representing an increase of 81% year over year. Q1'2022 revenues of \$7.8 million versus USD \$5.7 million in Q4'2021, representing a 37% increase.

The gross profit was reported at \$2.4 million for Q1'2022 (\$1.2 million for Q1'2021), representing an increase of 100% year over year. Q1'2022 net income of USD \$0.6 million versus a net loss of USD \$0.2 million in Q1'2021 represents a significant turnaround with an increase of \$0.8 million.

In Q1 2022, the DCS team kept the advantage of a quick-to-market strategy and capture significant revenue growth from the 4G/5G transition from 2G/3G in the United States. As the network upgrades continue in 2022, DCS is aiming to continue its growth through Smart-Hardware, SaaS solutions, and Industry IoT Innovations.

Streamline Strategic Partnership

Streamline is a division of Arrow Transportation, a 100+ year-old, well-known logistics company in Canada. With over 1,000 employees, Arrow is leading the way with developing service focused transportation solutions in truck transportation, logistics, marine services,

manufacturing, transportation technology, facilities management, civil construction (environmental), and distribution systems. On March 29th 2022, DCS announced a strategic partnership with Streamline Transportation Technologies to deliver SaaS solutions on next-generation Video Telematics. Video Telematics provides the customer with video evidence in the event of a crash, and key insights into driver behavior through Artificial Intelligence (AI).

"We are thrilled to establish the strategic partnership with Streamline and Arrow Transportation to expand our product and services beyond the United States," says Chris Bursey, CEO of DCS, "We are excited about our accomplishments in the first quarter of 2022 and our growth prospects going forward. Uplisting to Nasdaq is another potential step in our evolution."

About DCS

DCS is a technology solutions integrator focusing on connecting the Internet of Things. We provide real solutions that solve real problems. Our software applications and scalable cloud services collect and assess business-critical data from all types of assets. DCS is headquartered in San Diego, California and is publicly traded on the OTCQX ("DCSX"), Canadian Securities Exchange ("DCSI") and Frankfurt Stock Exchange ("7QU"). For more information, visit www.dcsbusiness.com. DCS and the DCS logo are among the trademarks of DCS in the United States. Any other trademarks or trade names mentioned are the property of their respective owners.

Forward-Looking Statements

This release contains forward-looking statements, which reflect management's current views of future events and operations. These statements are based on current expectations and assumptions that are subject to risks and uncertainties that could cause actual results to differ materially. We believe that these potential risks and uncertainties include, without limitation: the ongoing COVID-19 pandemic, the Company's dependence on third-party manufacturers, suppliers, technologies and infrastructure; risks related to intellectual property; industry risks including competition, online security, government regulation and global economic conditions; and the Company's financial position and need for additional funding. Statements in this release should be evaluated in light of these factors. These risk factors and other important factors that could affect our business and financial results are discussed in our Management's Discussion and Analysis, periodic reports and other public filings which are available on SEDAR at www.sedar.com and posted with the OTC Disclosure and News Service. DCS undertakes no duty to update or revise any forward-looking statements.

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