

August 22, 2022



# DCS Reports Strong Q2 Revenues and Growth

## Highlights:

- For the Quarter ending June 2022, Quarterly Revenues were reported at (Q2Revenue) USD \$5.8 Million (CAD \$7.5 Million) vs USD \$3.7 Million in Q2 2021 representing an YOY 57% increase
- Q2Gross Profit of \$2.1 Million (CAD \$2.7 Million) vs USD \$1.0 Million IN Q2 2021 representing an YOY 110% increase
- For the Six Months ending June 2022, The Six Months Revenues were reported at USD \$13.6M (CAD \$17.7M) vs USD \$8.0M in 2021 representing an YOY 70% increase
- The Six Months Gross Profit of \$4.5 Million (CAD \$5.9 Million) vs USD \$2.2 Million in 2021 representing an YOY 105% increase
- The Six Months Net Income of USD \$0.7 Million (CAD \$0.9 Million) vs Net Loss of USD \$1.0 million in 2021 representing a significant turnaround with an increase of USD \$1.7 Million
- Announced the successful launch of the Smart ESG program to provide customers with tracking, monitoring and managing their Environmental, Social and Governance (ESG) assets and data
- Announced Strengthening the Board and Audit Committee to be NASDAQ compliant

San Diego, California--(Newsfile Corp. - August 22, 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 Q2'2022 revenues of USD \$5.8 million versus USD \$3.7 million in Q2'2021 representing an increase of 57% year over year. The six months revenues ending June 2022, were reported at USD \$13.6 million versus USD \$8.0 million in 2021 representing an increase of 70%.

Q2'2022 gross profit of USD \$2.1 million versus USD \$1.0 million in Q2'2021, representing a 110% increase. The six months gross profit ending June 2022, were reported at USD \$4.5 million versus USD \$2.2 million in 2021 representing an increase of 105%. The six months net income ending June 2022, were reported at USD \$0.7 million versus a net loss of USD \$1.0 million in 2021 representing a significant turnaround with an increase of \$1.7 million.

In Q2 2022, the DCS team took further advantage of the quick-to-market strategy and capture significant revenue growth from the 4G/5G transition in the United States. As the network upgrades continue in 2022, DCS is aiming to continue its growth through Smart-

Hardware, SaaS solutions, Managed Services, and Connectivity.

The conversion rate is 1 USD to 1.30 CAD.

### **About ESG**

Environmental, social, and governance (ESG) refer to a collection of performance evaluation criteria that assess the robustness of an entity's governance mechanisms and its ability to effectively manage its environmental and social impacts. ESG data is an abbreviation of Environmental, Social, and Governance metrics. In effect, Environmental criteria show how green the entity is, Social criteria look at the working conditions, health & safety, and the community, and Governance deals with areas such as monitor & controls, diversity, and fraud prevention.

### **Strengthening the Board**

On July 29<sup>th</sup>, 2022 DCS announced that Ms. Julie Hajduk and Mr. David Diamond have been appointed as members of its Board of Directors.

Mr. David Diamond is a results-oriented leader providing strategic guidance and operational oversight to CEOs and Board Directors. He is currently a Managing Director of CBIZ (NYSE: CBZ), and Lead Independent Director and Audit Committee Chair for RenovoRX (NASDAQ: RNXT). David has significant experience assisting management teams and board directors with capital financing and strategic business planning especially IPOs, exit strategies, and complex business challenges nationally and internationally. David has built strong relationships with Wall Street Bankers and has a track record of making introductions that have resulted in millions of dollars in corporate financing. His record of success is built on 30+ years of experience in both public accounting and industry. He is an active CPA and a former auditor. David is current on FASBs and changes in the accounting industry. David successfully grew two local CPA firms in San Diego and sold them to national CPA firms.

Ms. Hajduk is a multifaceted investor relations specialist with over 20 years' experience working in the junior mining sector with Vancouver-based resource companies as well as US based companies. Julie has previously served on the Board for several public companies. Ms. Hajduk has successfully raised seed, non-brokered and brokered capital for her clients using her broad contact base that includes a particular emphasis on the retail market. Today, she is the President and CEO of Li-FT Power (CSE: LIFT), a precious metal exploration company engaged in the acquisition, exploration, and development of mineral properties, specifically lithium pegmatite projects located in Canada.

"We are thrilled to achieve Board Diversity and a majority of Independent Directors, which has been our intention as part of meeting NASDAQ listing requirements," says Chris Bursey, CEO of DCS. "We are excited about our accomplishments in the second quarter of 2022 and our growth prospects going forward."

### **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](http://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](http://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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