

November 3, 2022



Data Storage Corporation Announces Realignment of Management and Operations to Accelerate Growth of Core Business Solutions

Realignment expected to improve gross margins as a result of better utilization of technical teams and improve overall profitability

MELVILLE, N.Y., Nov. 03, 2022 (GLOBE NEWSWIRE) -- Data Storage Corporation (Nasdaq: DTST) ("DSC" and the "Company"), a provider of diverse business continuity solutions for disaster-recovery, cloud infrastructure, cyber-security, and IT services, today announced a realignment of management and operations, which is expected to help accelerate the growth of the Company's core business solutions and improve profitability.

The Company intends to centralize the service delivery, infrastructure and sales engineering teams. This new alignment between the Company's subsidiaries should improve margins as a result of better utilization of its technical teams and expand the use of its client proposal tools and software across the combined sales team. The Company will continue to market its products and services through the CloudFirst, Flagship and Nexxis brands.

"Under the realignment, we plan to increase the focus of our direct sales representatives and channel partner organizations as extended marketers of our managed cloud disaster recovery, cloud infrastructure services and cyber security products that operate through our six technical centers across the United States and Canada," commented Chuck Piluso, CEO of Data Storage Corporation. "Additionally, we are establishing a new major accounts team that will be responsible for supporting our large enterprise level clients, as well as satisfy their equipment, software and IT requirements. As a result, we anticipate our infrastructure solutions and recurring revenue to one-time-sales ratio will significantly improve, which we expect will enhance gross profit and margins. At the same time, we intend to expand our international programs and bolster our already successful U.S. sales and marketing programs. Furthermore, we are reducing redundant operating expenses within the organization, which we expect will help drive increased profitability."

The Company further reports that in addition to his current role as Executive Vice President of the Company, Thomas Kempster has been appointed CEO of the Company's Flagship subsidiary. Mark Wyllie has resigned as Chief Executive Officer of Flagship, and Tom Mitchell has resigned as Vice President of Sales at Flagship. Mr. Wyllie will no longer serve on the Company's Board of Directors or as an officer of the Company.

About Data Storage Corporation

The Company provides a broad range of premium business continuity and analytics solutions from six data centers in the USA and Canada. The Company serves its clients with

cloud infrastructure, disaster recovery, cyber security, telecommunications, and IT services. Clients look to Data Storage Corporation to ensure disaster recovery, business continuity, enhance cyber security, and meet increasing industry, state, and federal regulations. The Company markets to businesses, government, education, and the healthcare industry.

For more information, please visit <http://www.DTST.com/>. Twitter: [@DataStorageCorp](https://twitter.com/DataStorageCorp)

Safe Harbor Provision

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, that are intended to be covered by the safe harbor created thereby. Forward-looking statements are subject to risks and uncertainties that could cause actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements preceded by, followed by or that otherwise include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “plans” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may” and “could” are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can provide no assurance that such expectations will prove to have been correct. These risks should not be construed as exhaustive and should be read together with the other cautionary statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021, subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which it was initially made. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or otherwise.

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