

Direct Communication Solutions Announces Q3 Financials and Strong Revenue Growth

Highlights:

- For the Quarter ending September 2022, Quarterly Revenues were USD \$4.7 Million (CAD \$6.3 Million) VS USD \$2.8 Million in Q3 2021 representing a YOY 68% increase
- Q3 Gross Profit of \$1.2 Million (CAD \$1.6 Million) VS USD \$0.8 Million IN Q3 2021 representing a roughly a 50% YOY increase
- For the Nine Months ending September 2022, Revenues were USD \$18.3 Million (CAD \$24.3 Million) VS USD \$10.8 Million In 2021 representing a YOY 69% increase
- Gross Profits for the Nine Months ending September 2022 were \$5.7 Million (CAD \$7.6 Million) VS USD \$3.0 Million IN 2021 REPRESENTING AN YOY 90% INCREASE

San Diego, California--(Newsfile Corp. - December 1, 2022) - Direct Communication Solutions, Inc. (OTCQX: DCSX) (CSE: DCSI) (FSE: 7QU) (the "Company", "Direct Communication Solutions" or "DCS"), a leading provider of information technology solutions for the Internet of Things (IoT) market, is pleased to announce Q3 Financials with strong revenue growth. For the quarter ending September 30, 2022, ("Q3 2022") revenues were USD \$4.7 million, versus USD \$2.8 million in Q3 2021 (September 30, 2021) representing an increase of 68%. Revenues for the nine months ending September 2022, were reported at USD \$18.3 million versus USD \$10.8 million in 2021 representing an increase of 69%.

For the quarter ending September 30, 2022, ("Q3 2022") gross profit was USD \$1.2 million, versus USD \$0.8 million in Q3 2021 (September 30, 2021) representing an increase of 50%. The nine months gross profit ending Q3 2022, was reported at USD \$5.7 million versus USD \$3 million in 2021 representing an increase of 90%.

The nine months Adjusted EBITDA ending Q3 2022 was reported at USD \$1.6 million versus a loss of USD \$1.4 million in 2021, representing an increase of USD \$3.0 million. For the nine months ended September 2022, we have 19,776 active subscribers for our SaaS Solutions (13,180 active subscribers for the year ended December 2021) representing a growth of 50% in active subscribers. The Annual recurring revenues ("ARR") measured on September 30, 2022 were reported at USD \$2.1 million.

The conversion rate is 1 USD to 1.33 CAD

"The momentum continues in the 4G/5G transition in the USA," says Chris Bursey, CEO of DCS, "We are excited about our accomplishments in the third 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. 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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