



For Immediate Release

***DATA Communications Management Corp. to Acquire
Canadian Operations of R.R. Donnelley & Sons***

Brampton, Ontario – February 22, 2023 – DATA Communications Management Corp. (TSX: DCM; OTCQX: DCMDF) (“DCM” or the “Company”), a leading provider of marketing and business communication solutions, today announced that it has entered into a share purchase agreement (the “Purchase Agreement”) to acquire the Canadian operations of R.R. Donnelley & Sons (“RRD Canada”) for a total cash purchase price of CDN \$123 million (subject to working capital and other customary post-closing adjustments).

RRD Canada provides print and related services to thousands of customers across Canada, including financial institutions, retailers, insurance providers, transportation companies, government organizations and other regulated industries. RRD Canada generated revenue of approximately \$250 million in 2022 and has 1,000 employees.

“This transaction brings together two companies with complementary operating models, best-in-class products and strong customer relationships across a broad range of industries,” said Richard Kellam, President & Chief Executive Officer of DCM. “RRD Canada will be an excellent strategic fit with our business and will enable us to better serve our customers by adding new capabilities to our existing offerings and accelerating our speed to market for new innovations.”

Added Kellam: “Importantly, we believe that combining DCM and RRD Canada will better position our business for sustainable and long-term success serving customers across North America.”

“Combining our business with DCM will mark an exciting new chapter in our history,” said Rael Fisher, President, RRD Canada. “We look forward to continued success as part of the DCM family, and to building on our proud heritage and long-standing presence serving our customers across Canada.”

BENEFITS OF THE TRANSACTION

Combines two companies with complementary operating models, best-in-class products, and strong customer relationships: the combined company will have a larger presence in Canada from day 1 with more than \$500 million in annual sales, an expanded customer base, enhanced product portfolio, and stronger execution capabilities to deliver greater value and innovation to customers. DCM expects the transaction will deliver a long-term, sustainable business serving Canadian and U.S. customers.

Leverages DCM’s digital-first technology capabilities: DCM expects the combined company will be well positioned to meet the increasingly complex marketing and communications needs of customers by leveraging DCM’s tech-enabled workflow and digital asset management offerings in addition to both companies’ established expertise in conventional print solutions.

Creates meaningful benefits for customers: DCM expects the combination will enable DCM to accelerate its go-to-market strategy by expanding the services and solutions it offers to its full customer base and leveraging joint capabilities to accelerate product development and innovation, all while delivering superior customer support.

Delivers attractive financial benefits: DCM believes the transaction is a compelling strategic opportunity for the combined company to accelerate sales growth, reduce costs, enhance financial performance, drive greater operational efficiency, and position DCM for long-term success and value creation.

TRANSACTION OVERVIEW

Under the terms of the Share Purchase Agreement between DCM and RRD, DCM will acquire all the issued shares of Moore Canada Corporation (RRD Canada), a wholly owned subsidiary of RRD. The Share Purchase Agreement contains various representations, warranties, covenants, indemnities and customary closing conditions.

The transaction is expected to close in the second quarter of 2023, subject to the satisfaction of customary closing conditions and receipt of third party and regulatory approvals including those required under Canada's *Competition Act*.

DCM intends to finance 100 percent of the purchase price in cash through fully committed credit facilities from a Canadian Chartered Bank and Fiera Private Debt.

Included in the purchase price, DCM will acquire three sites currently owned by RRD Canada at an implied net value of approximately \$30 million. Following closing of the acquisition transaction, DCM intends to enter into a sale and lease-back arrangement for each site.

ADVISORS

Boston Consulting Group has provided due diligence counsel to DCM on the acquisition and will serve as lead merger integration advisor to DCM upon the successful close of the transaction. In addition, Clarus Securities Inc. and PricewaterhouseCoopers LLC acted as financial advisors to DCM and McCarthy Tétrault LLP is serving as legal counsel.

ABOUT DATA COMMUNICATIONS MANAGEMENT CORP.

DCM is a marketing and business communications partner that helps companies simplify the complex ways they communicate and operate, so they can accomplish more with fewer steps and less effort. For more than 60 years, DCM has been serving major brands in vertical markets including financial services, retail, healthcare, energy, other regulated industries, and the public sector. We integrate seamlessly into our clients' businesses thanks to our deep understanding of their needs, transformative tech-enabled solutions, and end-to-end service offerings. Whether we're running technology platforms, sending marketing messages, or managing print workflows, our goal is to make everything surprisingly simple.

Additional information relating to DATA Communications Management Corp. is available on www.datacm.com, and in the disclosure documents filed by DATA Communications Management Corp. on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

DCM CONFERENCE CALL AND WEBCAST

DCM will host a conference call and webcast at 9:00 a.m. Eastern Time on Thursday, February 23, 2023 to provide more information on this announcement. Richard Kellam, President & CEO of DCM and James Lorimer, CFO, will host the call.

Instructions on how to access the webcast and call are available below. For those unable to join live, a replay of the webcast will be available on the DCM Investor Relations page.

DCM will be using Microsoft Teams to broadcast the call, which will be accessible via the option below:

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 281 179 087 599

Passcode: kP6ERA

[Download Teams](#) | [Join on the web](#)

Or call in (audio only)

[+1 647-749-9154,,559077258# Canada, Toronto](#)

Phone Conference ID: 559 077 258#

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FORWARD-LOOKING STATEMENTS

This release and associated material change report contain "forward-looking statements." Forward-looking statements can be identified by words such as: "may," "should," "intend" and "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements regarding the ability of DCM to obtain the applicable regulatory approvals of the acquisition; the ability of the combined company to realize anticipated benefits from the combination of DCM and RRD; and the ability of DCM to complete the proposed sales and leasebacks of certain properties.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: financial and economic conditions, changes in customer demands and our success in integrating RRD Canada.

Any forward-looking statement made by us in this release and associated material change report is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by applicable securities laws, we undertake no obligation to publicly update any

forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.