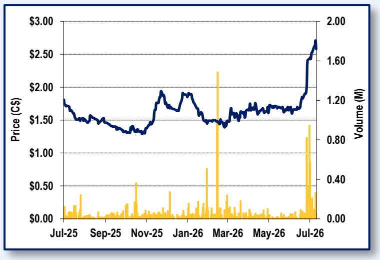
DATA Communications Management Corp.

TSX: DCM | OTC: DCMDF

DCM SURPRISINGLY SIMPLE

Rating: Buy
Target Price: $3.90



REVISIONS	Rev.	Prior
Rating	Buy	Buy
Target Price (C$)	$3.90	$3.90
Revenue 2026E (M)	$467.7	$453.9
EBITDA 2026E (M)	$55.0	$49.2
Adj. EBITDA 2026E (M)	$67.5	$61.7
EPS 2026E (M)	$0.26	$0.26

MARKET DATA	
Date:	Jul 23, 2026
Current Price (C$):	$2.58
Target Price (C$):	$3.90
52-Week Range:	$1.25 / $2.79
Shares O/S (M):	56.2
Mkt Cap (C$M):	$145.0
EV (C$M):	$383.9
Avg. Weekly Vol. (M):	0.31

Website: www.datacm.com

FINANCIALS

($M)	2025A	2026E	2027E
Revenue	$450.4	$467.7	$494.8
EBITDA	$44.4	$55.0	$58.4
Adj. EBITDA	$60.4	$67.5	$68.2
EPS	$0.16	$0.26	$0.22
Cash	$1.9	$5.9	$5.5
Current Assets	$122.1	$134.6	$135.1
Total Assets	$357.9	$400.4	$378.3
Debt	$77.3	$96.8	$75.6
Lease Liabilities	$176.2	$166.3	$156.6
Total Liabilities	$320.5	$341.0	$311.6
Fiscal Year End:	31-Dec		

Sources: Company Reports; S&P Capital IQ
All figures in CAD unless otherwise stated.

DCM Acquires Octacom to Strengthen Its Position in the High-Growth Intelligent Document Processing Market

DATA Communications Management Corp. ("DCM" or "the Company") is a Canadian-based provider of marketing and business communication solutions to companies in North America. Its technology-enabled content and workflow management capabilities solve the complex branding, communications, logistics, and regulatory requirements of leading enterprises so its customers can accomplish more in less time. Its services include printing, content management, digital asset management (DAM), labels & asset tracking, location-specific marketing, social media analytics, and multimedia campaign management.

ACQUISITION UPDATE:

- **Strategic Acquisition:** On July 9, 2026, DCM acquired Octacom Limited ("Octacom"), a leading Canadian provider of intelligent document processing (IDP) and digital transformation solutions, for $54.0 million on a cash-free, debt-free basis.
- **Transaction Structure:** The deal was funded with $43.2M in cash and $10.8M in equity at $1.68/share (18-month lock-up).
- **Amended Credit Facility:** DCM funded the $43.2M cash portion of the transaction through an amended credit agreement expanded to $160M, which also refinances the Company's prior term debt at a lower average cost of capital.
- **Accretive Transaction:** The Company reported that the acquisition is expected to be accretive to its Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EPS, and free cash flow, and accelerates the Company's shift toward higher-growth, higher-margin, technology-enabled services.
- **Strong Financial Profile:** Octacom generated approximately $23 million in revenue for the twelve months ended May 31, 2026, with EBITDA margins that management has indicated run well above DCM's historical target range, and a highly recurring revenue base, with roughly 10% of revenue derived from its Odiss™ SaaS platform.
- **Market Opportunity:** The transaction strengthens DCM's position in the global intelligent document processing market, which, according to Grand View Research, is projected to grow at a 34.5% CAGR, from US$3.0B in 2025 to US$30.7B by 2033.

FINANCIAL ANALYSIS & VALUATION:

- We estimate an equal-weighted price target of $3.92 based on a DCF valuation ($4.28/share), a Revenue Multiple valuation ($3.68/share), and an EBITDA Multiple valuation ($3.80/share).
- We are maintaining our Buy rating and our one-year price target of $3.90.

1.0 ACQUISITION OF INTELLIGENT DOCUMENT PROCESSING PROVIDER OCTACOM

On July 9, 2026, DCM announced that it had acquired all of the issued and outstanding shares of Octacom, a privately held Canadian enterprise software and business process outsourcing company specializing in intelligent document processing ("IDP") and digital transformation solutions, for $54.0 million on a cash-free, debt-free basis.

This acquisition helps DCM accelerate its strategic shift toward a higher-growth, higher-margin, and higher recurring-revenue business, while expanding its addressable market in enterprise workflow automation, AI-enabled data capture, and secure document processing for regulated industries, including banking, finance, insurance, healthcare, and government.

1.1 Octacom's Intelligent Document Processing and Automation Solutions

Founded in 1976, Octacom has established itself as a leading independent Canadian provider of digitization, automation, and document management solutions for large enterprises, with a particular focus on high-volume, document-intensive industries, including banking, finance, insurance, healthcare, government, loyalty programs, and transportation.

Octacom's platform combines AI-enabled data capture, automated workflows, and collaborative process design to help organizations reduce costs, increase processing accuracy, strengthen regulatory compliance, and unlock productivity gains from document-intensive operations.

Approximately 10% of Octacom's revenue is derived from its proprietary Odiss™ platform, a cloud-based Software-as-a-Service (SaaS) offering for workflow, automation, and data repository management.

Key components of Octacom's platform include:

(1) Large-Scale Scanning and AI-Enhanced Data Capture:

- Octacom's solutions convert high volumes of paper-based and unstructured records into accurate, structured digital data, reducing manual processing time and improving data quality for clients in document-intensive industries.

(2) Odiss™ Workflow and Automation Platform:

- Octacom's cloud-based Odiss™ platform provides secure document management, workflow automation, and data repository capabilities, offering clients a recurring, subscription-based revenue relationship.

(3) Secure Integrations and BPO Support:

- Octacom's solutions integrate with clients' existing systems and are backed by business process outsourcing (BPO) support, helping organizations advance their digital transformation agendas while maintaining compliance in regulated environments.

OCTACOM ACQUISITION

- On July 9, 2026, DCM acquired Octacom for $54.0M, funded through $43.2M cash and $10.8M in shares.
- Octacom generated approximately $23 million in revenue for the twelve months ended May 31, 2026.
- DCM entered an amended $160M credit facility, refinancing prior debt at a lower cost of capital.
- Octacom strengthens DCM's position in the fast-growing global intelligent document processing market.
- The acquisition is expected to be accretive to Adjusted EBITDA, EPS, and free cash flow.

How Octacom Fits into DCM's Strategic Vision

DCM's acquisition of Octacom is in line with its strategy to shift from a traditional print-focused company into a higher-margin, technology-enabled solutions provider.

The Company's recent efforts have concentrated on broadening its portfolio to include digital workflow, digital asset management (DAM), and technology-enabled marketing solutions, making Octacom's intelligent document processing capabilities a complementary addition.

The acquisition supports DCM's strategic objectives:

(1) Expansion into a High-Growth Market:

- The inclusion of Octacom strengthens DCM's capabilities in the fast-growing global IDP market, driven by the rapid expansion of enterprise data, advances in AI and machine learning, and increasing regulatory compliance requirements.
- The global IDP market is expected to grow at a 34.5% CAGR between 2026 and 2033, from US$3.0 billion in 2025 to US$30.7 billion in 2033, according to Grand View Research.

(2) Enhanced Client Value and Cross-Selling:

- DCM serves over 2,500 clients, including 70 of the 100 largest Canadian corporations and leading government agencies.
- Octacom's client base in banking, finance, insurance, healthcare, and government is highly complementary to DCM's existing enterprise relationships, creating opportunities to cross-sell digitization and workflow automation solutions across a broader client base.

(3) Improved Cost of Capital:

- In connection with the transaction, DCM entered into a Fifth Amended and Restated Credit Agreement providing up to $160 million in credit facilities, comprised of a $70 million revolving facility, a $40 million term loan (used to refinance the Company's prior Fiera Private Debt Fund VI indebtedness), and a $50 million acquisition line, with a three-year term maturing July 8, 2029.
- The refinancing is expected to lower DCM's average cost of debt capital relative to the facility it replaces.

(4) Accretive to Key Financial Metrics:

- According to the Company, the transaction is expected to be accretive to DCM's Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EPS, and free cash flow.

1.2 Anticipated Financial Impact

On a management-prepared, unaudited basis, Octacom generated approximately $23 million in revenue for the twelve months ended May 31, 2026.

Octacom's revenue is primarily services-based, generated through large-scale scanning, data capture, and business process outsourcing, with approximately 10% derived from its Odiss™ SaaS platform.

This profile is most comparable to DCM's Technology-Enabled Subscription Services and Fees segment, which grew 7.4% year-over-year to $6.9 million in Q1/2026, representing 5.9% of total revenue. Octacom's revenue is a meaningful addition to DCM's technology-enabled revenue base.

Following the transaction and DCM's Q1/2026 results, we have increased our 2026 revenue estimate to $467.7 million from $453.9 million, and our 2027 estimate to $494.8 million from $460.8 million, reflecting Octacom's partial-year contribution beginning in Q3/2026 and its first full year of consolidation in 2027.

We have similarly increased our Adjusted EBITDA estimates to $67.5 million (2026E) and $68.2 million (2027E) from $61.7 million and $56.0 million, respectively.

The transaction closed on July 9, 2026, and, given DCM's December 31 fiscal year-end, Octacom's financial results will first be reflected in the Company's Q3/2026 financial statements, expected in November 2026.

1.3 Financial Modeling Impact

We have incorporated the Octacom acquisition into our financial model as a discrete revenue and cost stream.

This approach preserves DCM's existing revenue, cost of sales, and operating expense assumptions on an unaffected, stand-alone basis, while allowing Octacom's higher-margin profile to flow through to our consolidated results as a growing share of revenue over the forecast period.

Timing of Consolidation

The transaction closed on July 9, 2026, within DCM's third fiscal quarter (Q3/2026, ending September 30, 2026). We have modeled Octacom's contribution beginning in Q3/2026 on a stub-period basis, with a full quarterly contribution from Q4/2026 onward.

Revenue Growth and Margin Assumptions

We used the Management-prepared figure (Octacom generated approximately $23 million in revenue over the twelve months ended May 31, 2026) as the base for our forward estimates.

We assume revenue growth of 30% per year through 2027, consistent with the growth rate management indicated Octacom has achieved over the past several years and in line with broader growth in the intelligent document processing market.

We have assumed this growth rate moderates to 20% per year beginning in 2028, reflecting a more conservative long-term view as the business scales.

- We assume a gross margin of 45.0% for Octacom, consistent with a hybrid services/SaaS revenue mix.
- We assume an EBITDA margin of 20.0%, which we apply to Octacom's revenue to derive its SG&A and other operating expenses.

Purchase Price Allocation and Balance Sheet Treatment

Octacom's purchase price allocation has not yet been disclosed by DCM. In the absence of company-reported figures, we have estimated the allocation using a combination of DCM's own balance sheet ratios, for working capital items, and standard purchase-accounting benchmarks, for intangible assets.

Financing and Share Count

We have modeled the $43.2 million cash portion of the purchase price as funded by a new draw on DCM's acquisition line, with an offsetting financing inflow, which results in no net change to DCM's cash position from the transaction itself, before estimated transaction costs.

We have modeled the $40 million term loan used to refinance the Company's prior Fiera Private Debt Fund VI indebtedness, and DCM's existing revolving facility, as continuing on their respective amortization schedules under the terms of the Amended Credit Facility.

We have added 6,428,571 common shares to our share count, effective in the quarter following the close of the transaction (Q3/2026), and have adjusted our share count based on the Early Warning Report filed on July 9, 2026.

2.0 VALUATION

VALUATION

- **DCM** is currently trading at 0.8x our 2026 revenue estimate of $467.7 million and 7.0x our 2026 EBITDA estimate of $55.0 million.
- Conventional Print Solutions peers are trading at 1.0x 2026 Revenue and 6.7x 2026 EBITDA.
- We are maintaining a Buy rating and a one-year price target to $3.90.

2.1 DCM Comps

Comparing DCM to other public companies is complicated given that it has many lines of business but is somewhat simplified as the Company only focuses on three core markets: (1) Conventional Print Solutions, (2) Digital Asset Management (DAM), and (3) Tech-Enabled Marketing Workflow.

Average valuation multiples in the various sectors are as follows (see Appendix B).

(1) Conventional Print Solutions:

- EV/Revenue of 1.0x (2026E Revenue);
- EV/EBITDA of 6.7x (2026E EBITDA).

(2) DAM:

- EV/Revenue of 1.6x (2026E Revenue);
- EV/EBITDA of 6.5x (2026E EBITDA).

(3) Tech-Enabled Marketing Workflow:

- EV/Revenue of 1.2x (2026E Revenue);
- EV/EBITDA of 6.5x (2026E EBITDA).

2.2 DCM Valuation

Currently, DCM is trading at 0.8x our 2026 revenue estimate of $467.7 million and 7.0x our 2026 EBITDA estimate of $55.0 million (see Figure 1).

As DCM shifts to more Tech-Enabled solutions, we expect its valuation multiples to increase.

2.2.1 Target Price Calculation

- Method 1: Discounted Cash Flow (see Figure 3): Using a Weighted Average Cost of Capital (WACC) of 14.0% and a Terminal Multiple of 7.0x EBITDA in 2030, the one-year target share price estimate is $4.28.
- Method 2: Revenue Multiple (see Figure 2): Using a revenue multiple of 1.0x and a one-year forward Revenue estimate of $477.2 million, the one-year target share price estimate is $3.68.
- Method 3: EBITDA Multiple (see Figure 2): Using an EBITDA multiple of 7.0x and a one-year forward EBITDA estimate of $68.7 million, the one-year target share price estimate is $3.80.

The equal-weighted price per share is $3.92 and our one-year price target is $3.90.

Figure 1: Valuation Multiples Comparing our Model to DCM and the Sector Averages (2026E)

	Model	DCM (Market)	Conventional Print Solutions	DAM	Tech-Enabled Marketing Workflow
Revenue	1.0x	0.8x	1.0x	1.6x	1.2x
EBITDA	7.0x	7.0x	6.7x	6.5x	6.5x

Sources: See Appendix B, eResearch Corp.

Figure 2: Target Price (1 Year) Calculation

							SHARES	TARGET
Method 1:	DCF (5-year)	WACC:14%	Terminal Multiple: 7x EBITDA	*See DCF calculation.*			64.8M	$4.28
				ENT. VALUE	Net Debt Q2/2027	MARKET CAP	SHARES	TARGET
Method 2:	Revenue Multiple	1.0x	1 Year Fwd Revenue (Est.): $477.2M	$477.2M	$240.1M	$237.1M	64.5M	$3.68
Method 3:	EBITDA Multiple	7.0x	1-Year Fwd EBITDA (Est.): $68.7M	$480.9M	$240.1M	$240.8M	64.5M	$3.80
Equal-Weighted Target Price (1 year)								**$3.92**

Source: eResearch Corp.

Note: For valuation calculations, for Total Net Debt, we include credit facilities net of cash, plus lease liabilities. Total Net Debt in the valuation calculations is based on Q3/2027 (1-year forward).

This Total Net Debt is applied consistently across all three valuation methodologies (DCF, Revenue multiple, and EBITDA multiple) and differs from DCM's own reported Net Debt, which excludes lease liabilities.

We include lease liabilities in the Total Net Debt calculation as it represents a contractual fixed cash obligation of the Company, and its inclusion provides a more complete picture of the Company's total financial obligations.

Figure 3: DCF Analysis

DATA Communications Management Corp. FYE (December 31) DCF Analysis (C$)	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Revenue ($)	480.0	450.4	467.7	494.8	508.5	524.0	540.6
Revenue Growth	7.2%	-6.2%	3.9%	5.8%	2.8%	3.0%	3.2%
EBITDA ($)	50.9	44.4	55.0	58.4	62.0	65.9	69.9
EBITDA Growth	27.7%	-12.9%	24.0%	6.2%	6.2%	6.3%	6.0%
EBITDA Margin	10.6%	9.8%	11.8%	11.8%	12.2%	12.6%	12.9%
Depreciation and Amortization	26.2	28.0	27.2	26.5	23.4	20.7	18.4
EBIT ($)	24.7	16.3	27.8	31.9	38.6	45.2	51.5
TAX RATE	32%	19%	24%	25%	25%	25%	25%
NOPAT	16.8	13.3	21.2	23.9	28.9	33.9	38.6
Plus Amortization ($)	26.2	28.0	27.2	26.5	23.4	20.7	18.4
Less Capital Expenditures ($)	(21.2)	(4.5)	(4.8)	(4.0)	(3.6)	(3.3)	(3.0)
Net Working Capital Changes	(8.3)	(13.3)	1.8	0.9	0.5	(0.1)	(0.0)
EPS (Continuing)	0.06	0.16	0.26	0.22	0.29	0.37	0.45
Unlevered Free Cash Flow ($)	13.5	23.4	45.5	47.4	49.3	51.2	53.9
PV of Unlevered FCFs ($)	16.6	25.2	42.9	39.2	35.8	32.6	30.1

Valuation Assumptions:			
Discount Rate	14.0%		
Terminal Multiple	7.0x		
Valuation Analysis:	**Current**	**1-Yr Target**	**2-Yr Target**
Total PV of FCFs ($M)	180.7	205.9	234.8
Terminal Value ($M)	489.1	489.1	514.8
PV of Terminal Value ($M)	273.2	311.5	373.7
Net (debt) cash position	(230.7)	(240.1)	(208.6)
Total Value ($M)	223.2	277.3	399.9
DCF Value/Share (C$)	**C$3.45**	**C$4.28**	**C$6.17**
DCF Value/Share (US$)	**US$2.44**	**US$3.04**	**US$4.38**
FD Shares O/S (M)*	64.8	64.8	64.8
**Using the Treasury Method*			

Source: eResearch Corp.

Figure 4: Sensitivity Chart – Discount Rate and Terminal EV/EBITDA Multiple

		Terminal EV/EBITDA Multiplier						
		4.00	**5.00**	**6.00**	**7.00**	**8.00**	**9.00**	**10.00**
Discount Rate	**10.0%**	2.73	3.51	4.28	5.06	5.84	6.61	7.39
	12.0%	2.47	3.20	3.93	4.66	5.39	6.12	6.85
	14.0%	2.22	2.91	3.59	4.28	4.97	5.65	6.34
	16.0%	1.99	2.64	3.29	3.93	4.58	5.23	5.87
	18.0%	1.78	2.39	3.00	3.61	4.22	4.83	5.44
	20.0%	1.58	2.16	2.73	3.31	3.89	4.46	5.04

Source: eResearch Corp.

APPENDIX A: FINANCIAL STATEMENTS

Figure 5: Income Statement

DCM Income Statement - FYE (December 31); CAD ('000)	2025A	Q126A	Q226E	Q326E	Q426E	2026E	2027E
Total Revenue	**450,358**	**117,443**	**112,500**	**110,000**	**114,000**	**453,943**	**460,752**
Revenue Growth	*-6.2%*	*-5.0%*	*-1.1%*	*4.4%*	*6.0%*	*0.8%*	*1.5%*
Total Cost of Sales	333,674	84,293	83,250	81,400	83,790	332,733	338,653
Total Gross Profit	**116,684**	**33,150**	**29,250**	**28,600**	**30,210**	**121,210**	**122,099**
Gross Margin	*25.9%*	*28.2%*	*26.0%*	*26.0%*	*26.5%*	*26.7%*	*26.5%*
Sales & Marketing	39,422	10,425	9,563	9,460	9,462	38,910	40,546
General and Administrative	40,248	9,423	8,888	8,800	8,892	36,003	36,860
Other operating costs	4,575	1,002	945	935	935	3,817	4,147
Restructuring Charges	935	1,427	-	-	-	1,427	-
Stock Based Compensation	89	(5)	338	330	342	1,005	1,382
Total Operating Expenses	**85,269**	**22,272**	**19,733**	**19,525**	**19,631**	**81,160**	**82,935**
Operating Income	**31,415**	**10,878**	**9,518**	**9,075**	**10,579**	**40,050**	**39,164**
Other Income (Expenses):							
Interest on Loan Payable	(7,141)	(1,436)	(1,771)	(1,612)	(1,467)	(6,286)	(4,521)
Interest Expense on Lease Liabilities	(13,140)	(3,261)	(3,829)	(3,772)	(3,715)	(14,577)	(15,287)
Acquisition and Integration Costs	(493)	(206)	-	-	-	(206)	-
Other	762	-	-	-	-	-	-
Total Other Income	**(20,012)**	**(4,903)**	**(5,600)**	**(5,384)**	**(5,182)**	**(21,069)**	**(19,808)**
EBT	**11,403**	**5,975**	**3,917**	**3,691**	**5,397**	**18,981**	**19,355**
Income Taxes	(2,151)	(1,186)	(979)	(923)	(1,349)	(4,437)	(4,839)
Net Income (Loss)	**9,252**	**4,789**	**2,938**	**2,769**	**4,048**	**14,543**	**14,517**
EPS							
Basic EPS	0.17	0.09	0.05	0.05	0.07	0.26	0.26
Diluted EPS	0.16	0.08	0.05	0.05	0.07	0.26	0.26
Basic EPS- ex-non-recurring items							
Adj. EBITDA	**60,352**	**19,091**	**14,075**	**13,564**	**14,983**	**61,713**	**55,959**
Shares Outstanding							
Shares Outstanding, Basic (Weighted)	55,221	54,991	54,909	54,909	54,909	54,909	54,909
Shares Outstanding, Diluted (Weighted)	56,775	56,429	56,431	56,431	56,431	56,431	56,431
Shares Outstanding, Basic (End of Quarter)	55,061	54,909	-	-	-	-	-

Source: S&P Capital IQ; eResearch Corp.

Figure 6: Balance Sheet

DCM Balance Sheet - FYE (December 31); CAD ('000)	2025A	Q126A	Q226E	Q326E	Q426E	2026E	2027E
Current Assets							
Cash	1,941	6,035	5,218	4,906	4,199	4,199	1,892
Account Receivables	95,745	97,986	97,331	95,168	94,883	94,883	95,039
Prepaid Expenses & Other Assets	4,899	6,333	6,163	6,095	6,115	6,115	6,128
Inventory	19,272	20,449	19,328	18,899	18,352	18,352	18,255
Income taxes receivable	245	0	0	0	0	0	0
Held for Sale	0	0	0	0	0	0	0
Total Current Assets	**122,102**	**130,803**	**128,040**	**125,067**	**123,549**	**123,549**	**121,598**
Non-Current Assets							
Deferred Income Tax Assets	9,180	10,035	10,035	10,035	10,035	10,035	10,035
Property and Equipment	32,045	32,118	31,477	30,832	30,199	30,199	27,795
Pension Assets	4,269	4,603	4,603	4,603	4,603	4,603	4,603
Intangible Assets	7,072	6,753	6,449	6,159	5,882	5,882	4,892
Goodwill	22,747	22,747	22,747	22,747	22,747	22,747	22,747
Right-of Use and Other	160,520	155,268	150,531	145,944	141,497	141,497	125,023
Total Assets	**357,935**	**362,327**	**353,882**	**345,387**	**338,512**	**338,512**	**316,693**
Current Liabilities							
Accounts Payables/Accrued Liabilities	43,822	51,187	50,144	49,029	47,716	47,716	48,432
Lease Liability	12,228	12,658	7,875	7,700	7,980	7,980	8,100
Current Portion of Debt/Promissory Notes	11,856	11,464	11,026	10,568	9,805	9,805	8,288
Provisions	2,350	2,650	2,650	2,650	2,650	2,650	2,650
Deferred Revenue - Current	3,918	4,184	4,500	4,400	4,560	4,560	4,628
Other Liabilities	0	1,407	1,407	1,407	1,407	1,407	1,407
Total Current Liabilities	**74,174**	**84,086**	**78,138**	**76,291**	**74,654**	**74,654**	**74,041**
Non-Current Liabilities							
Term Loan/Promissory Notes	65,470	59,390	53,451	48,106	43,295	43,295	24,088
Credit Facilities	0	0	0	0	0	0	0
Lease Liabilities	163,982	161,392	163,564	161,168	158,355	158,355	148,477
Provision/Loan Payable/Benefits Payable	13,345	12,560	12,555	12,550	12,545	12,545	12,525
Other	3,548	3,577	3,577	3,577	3,577	3,577	3,577
Total Liabilities	**320,519**	**321,005**	**311,285**	**301,691**	**292,426**	**292,426**	**262,708**
Shareholders Equity							
Capital Stock	284,206	283,950	283,950	283,950	283,950	283,950	283,950
Warrants & Options	0	0	0	0	0	0	0
Accumulated OCI	192	244	244	244	244	244	244
Contributed Surplus	2,806	2,798	3,136	3,466	3,808	3,808	5,190
Deficit	(249,788)	(245,670)	(244,732)	(243,964)	(241,916)	(241,916)	(235,399)
Total Shareholders Equity	**37,416**	**41,322**	**42,597**	**43,696**	**46,086**	**46,086**	**53,985**
Total Liabilities & Shareholders Equity	**357,935**	**362,327**	**353,882**	**345,387**	**338,512**	**338,512**	**316,693**
Net Debt (excluding Leases)	**75,385**	**64,819**	**59,259**	**53,768**	**48,901**	**48,901**	**30,485**

Source: S&P Capital IQ; eResearch Corp.

Figure 7: Cash Flow Statement

DCM Cash Flow Statement - FYE (December 31); CAD ('000)	2025A	Q126A	Q226E	Q326E	Q426E	2026E	2027E
Cash Provided By Operating Activities							
Net Income (Loss)	9,252	4,789	2,938	2,769	4,048	14,543	14,517
Amortization of Intangibles	1,342	319	338	322	308	1,287	1,099
Depreciation of Property & Equipment	6,909	1,659	1,604	1,590	1,558	6,411	5,918
Depreciation of Right-of-Use Assets	19,769	4,906	4,737	4,587	4,447	18,677	16,474
Interest Expense on Lease Liabilities	-	-	-	-	-	-	-
Stock Based Compensation Expense	89	-	338	330	342	1,010	1,382
Pension and other Benefit Expenses	(19)	(5)	(5)	(5)	(5)	(20)	(20)
Provisions	935	1,427	-	-	-	1,427	-
Income Tax Expense	205	(318)	-	-	-	(318)	-
Finance Cost	-	-	-	-	-	-	-
Other	(100)	111	-	-	-	111	-
Changes in Non-Cash Working Capital							
Account & Other Receivables	7,700	(2,241)	655	2,163	285	862	(156)
Inventory	4,571	(1,177)	1,121	430	546	920	97
Investment/Income Tax Credits	-	-	-	-	-	-	-
Prepaid Expenses & Other Current Assets	399	(1,366)	170	68	(20)	(1,148)	(13)
Accounts Payable & Other Payables	(16,050)	7,179	(1,043)	(1,114)	(1,313)	3,708	716
Other	-	-	-	-	-	-	-
Provisions	(7,665)	(1,226)	-	-	-	(1,226)	-
Deferred (Unbilled) Revenue	(2,281)	266	316	(100)	160	642	68
Total Cash Provided By Operating Activities	**25,056**	**14,323**	**11,168**	**11,039**	**10,356**	**46,886**	**40,082**
Investing Activities							
Purchase of Property & Equipment	(4,371)	(1,735)	(964)	(944)	(925)	(4,568)	(3,514)
Purchase of Intangibles	(132)	-	(34)	(32)	(31)	(97)	(110)
Business (Acquisition) Sale	-	-	-	-	-	-	-
Total Cash From Investing Activities	**2,191**	**(1,735)**	**(997)**	**(977)**	**(956)**	**(4,665)**	**(3,624)**
Financing Activities							
Proceeds from Loan/Promissory Notes	(880)	15,000	-	-	-	15,000	-
Repayment of Loan/Promissory Notes	-	(21,678)	(6,377)	(5,803)	(5,574)	(39,432)	(20,724)
Operating Line/Credit Facility (Repayment)	(5,676)	-	-	-	-	-	-
Repayment of Other Liabilities	-	-	-	-	-	-	-
Transaction Costs	(419)	-	-	-	-	-	-
Lease Payments	(7,455)	(1,888)	(2,611)	(2,572)	(2,533)	(9,603)	(9,758)
Proceeds from exercise of Stock Options and Warrants	-	-	-	-	-	-	-
Issue/Repurchase of Equity	(966)	(264)	-	-	-	(264)	-
Total Cash From Financing Activities	**(31,975)**	**(8,830)**	**(10,988)**	**(10,375)**	**(10,107)**	**(40,299)**	**(38,482)**
Effect of Exchange Rates on Cash	**(104)**	**52**	**-**	**-**	**-**	**52**	**-**
Net Increase in Cash	**(4,832)**	**3,810**	**(817)**	**(312)**	**(707)**	**1,974**	**(2,023)**
Beginning Cash	**6,773**	**2,225**	**6,035**	**5,218**	**4,906**	**1,941**	**3,915**
Ending Cash	**1,941**	**6,035**	**5,218**	**4,906**	**4,199**	**3,915**	**1,892**

Source: S&P Capital IQ; eResearch Corp.

APPENDIX B: COMPANY COMPARABLES BY INDUSTRY

Figure 8: U.S. and Canadian Comps – Conventional Print Solution Providers and DAM Solution Providers

Name	Ticker	Jul 23, 2026 Close ($)	Mkt Cap ($M)	EV ($M)	REVENUE ($M) 2025A	REVENUE ($M) 2026E	REVENUE ($M) 2027E	EBITDA ($M) 2025A	EBITDA ($M) 2026E	EBITDA ($M) 2027E	EV/Revenue 2025A	EV/Revenue 2026E	EV/Revenue 2027E	EV/EBITDA 2025A	EV/EBITDA 2026E	EV/EBITDA 2027E
DATA Communications	**TSX:DCM**	**$2.58**	**$145**	**$384**	**$450.4**	**$467.7**	**$494.8**	**$40.6**	**$55.0**	**$58.4**	**0.9x**	**0.8x**	**0.8x**	**9.5x**	**7.0x**	**6.6x**
US Comps - Conventional Print Solution Providers																
Canon	TSE:7751	US$27.38	US$23,472	US$28,410	US$29,497	US$29,113	US$29,909	US$4,494	US$4,154	US$4,450	1.0x	1.0x	0.9x	6.3x	6.8x	6.4x
Cimpress	NASDAQ:CMPR	US$97.35	US$2,359	US$3,986	US$3,564	US$3,888	US$4,132	US$331	US$506	US$562	1.1x	1.0x	1.0x	12.1x	7.9x	7.1x
Ennis	NYSE:EBF	US$21.33	US$540	US$499	US$395	US$391	US$396	US$67	US$72	US$72	1.3x	1.3x	1.3x	7.4x	7.0x	6.9x
Quad/Graphics	NYSE:QUAD	US$8.30	US$428	US$925	US$2,420	US$2,324	US$2,288	US$183	US$195	US$198	0.4x	0.4x	0.4x	5.0x	4.8x	4.7x
Xerox	NASDAQ:XRX	US$2.61	US$341	US$4,432	US$7,022	US$7,606	US$7,484	US$316	US$630	US$716	0.6x	0.6x	0.6x	14.0x	7.0x	6.2x
Mean (EV/Rev <20; EV/EBITDA <100)											**0.9x**	**0.9x**	**0.8x**	**9.0x**	**6.7x**	**6.2x**
Median											**1.0x**	**1.0x**	**0.9x**	**7.4x**	**7.0x**	**6.4x**
Cdn Comps - Conventional Print Solution Providers																
CCL Industries	TSX:CCL.B	$89.11	$15,267	$16,644	$7,664	$8,083	$8,461	$1,551	$1,690	$1,762	2.2x	2.1x	2.0x	10.7x	9.9x	9.4x
Supremex	TSX:SXP	$3.62	$88	$193	$275	$279	$0	$23	$32	$0	0.7x	0.7x		8.3x	6.0x	
Transcontinental	TSX:TCL.A	$5.34	$453	$912	$2,750	$1,139	$1,133	$400	$215	$212	0.3x	0.8x	0.8x	2.3x	4.2x	4.3x
Mean (EV/Rev <20; EV/EBITDA <100)											**1.1x**	**1.2x**	**1.4x**	**7.1x**	**6.7x**	**6.9x**
Median											**0.7x**	**0.8x**	**1.4x**	**8.3x**	**6.7x**	**6.3x**
US Comps - Digital Asset Management (DAM) Solution Providers (PaaS/SaaS)																
Adobe	NASDAQ:ADBE	US$212.17	US$84,338	US$85,789	US$23,769	US$26,523	US$28,919	US$9,242	US$12,668	US$13,651	3.6x	3.2x	3.0x	9.3x	6.8x	6.3x
Box	NYSE:BOX	US$28.28	US$3,918	US$4,501	US$1,177	US$1,279	US$1,386	US$94	US$396	US$450	3.8x	3.5x	3.2x	47.8x	11.4x	10.0x
Fluent	NASDAQ:FLNT	US$3.41	US$102	US$122	US$209	US$210	US$241	-US$7	-US$3	US$7	0.6x	0.6x	0.5x			16.9x
LiveRamp	NYSE:RAMP	US$37.68	US$2,290	US$1,933	US$796	US$869	US$961	US$79	US$195	US$240	2.4x	2.2x	2.0x	24.3x	9.9x	8.1x
Open Text	NASDAQ: OTEX	US$21.52	US$5,222	US$10,380	US$5,180	US$5,213	US$5,295	US$1,518	US$1,839	US$1,938	2.0x	2.0x	2.0x	6.8x	5.6x	5.4x
QuinStreet	NASDAQ:QNST	US$14.98	US$861	US$837	US$1,106	US$1,408	US$1,528	US$34	US$132	US$149	0.8x	0.6x	0.5x	24.4x	6.3x	5.6x
TechTarget	NASDAQ:TTGT	US$3.56	US$257	US$345	US$487	US$498	US$512	US$73	US$95	US$100	0.7x	0.7x	0.7x	4.7x	3.6x	3.4x
Mean (EV/Rev <20; EV/EBITDA <100)											**2.0x**	**1.8x**	**1.7x**	**19.6x**	**7.3x**	**7.9x**
Median											**2.0x**	**2.0x**	**2.0x**	**16.8x**	**6.5x**	**6.3x**
CDN Comps - Digital Asset Management (DAM) Solution Providers (PaaS/SaaS)																
illumin	TSX:ILLM	$0.61	$32.0	-$1.0	$144	$151	$158	-$13.9	-$0.5	$5.0	0.0x	0.0x	0.0x	0.1x	2.1x	
Fobi AI	TSXV:FOBI	$0.04	$9.0	$7.9	$1	$0	$0	-$0.6	$0.0	$0.0	10.9x					
Mean (EV/Rev <20; EV/EBITDA <100)											**5.4x**	**0.0x**	**0.0x**	**0.1x**	**2.1x**	
Median											**5.4x**	**0.0x**	**0.0x**	**0.1x**	**2.1x**	

Source: S&P Capital IQ; eResearch Corp.

Figure 9: U.S. and Canadian Comps – Tech-Enabled Marketing Workflow Providers & Canadian Advertising, Marketing & Technology

Name	Ticker	Jul 23 Close ($)	Mkt Cap ($M)	EV ($M)	REVENUE ($M)			EBITDA ($M)			EV/Revenue			EV/EBITDA		
					2025A	2026E	2027E	2025A	2026E	2027E	2025A	2026E	2027E	2025A	2026E	2027E
DATA Communications	**TSX:DCM**	**$2.58**	**$145**	**$384**	**$450.4**	**$467.7**	**$494.8**	**$40.6**	**$55.0**	**$58.4**	**0.9x**	**0.8x**	**0.8x**	**9.5x**	**7.0x**	**6.6x**
Tech-Enabled Marketing Workflow Providers																
Cimpress	NASDAQ:CMPR	US$97.35	US$2,359	US$3,986	US$3,564.4	US$3,888.3	US$4,132.5	US$330.8	US$506.2	US$561.8	1.1x	1.0x	1.0x	12.1x	7.9x	7.1x
Deluxe	NYSE:DLX	US$25.57	US$1,171	US$2,590	US$2,238.0	US$2,213.4	US$2,213.4	US$404.0	US$436.0	US$460.5	1.2x	1.2x	1.2x	6.4x	5.9x	5.6x
dotdigital Group	AIM:DOTD	£0.46	£140	£106	£85.7	£98.6	£109.3	£15.4	£31.0	£34.2	1.2x	1.1x	1.0x	6.8x	3.4x	3.1x
Galaxy Digital	NASDAQ:GLXY	$24.32	$6,563	$12,319	$86,593	$62,396	$74,300	US$60,118.6	-US$71.4	US$825.6	0.1x	0.2x	0.2x	0.2x		14.9x
Harte Hanks	NASDAQ:HHS	US$2.39	US$18	US$35	US$159.6	US$0.0	US$0.0	US$5.4	US$0.0	US$0.0	0.2x			6.5x		
HubSpot	NYSE:HUBS	US$190.01	US$9,732	US$8,288	US$3,131.3	US$3,707.5	US$4,286.2	US$30.8	US$908.7	US$1,080.3	2.6x	2.2x	1.9x	269.0x	9.1x	7.7x
Publicis Groupe	ENXTPA:PUB	€ 86.18	€ 21,521	€ 24,820	€ 17,399.00	€ 15,149.25	€ 16,232.93	€ 2,882.00	€ 3,347.43	€ 3,604.77	1.4x	1.6x	1.5x	8.6x	7.4x	6.9x
Quadient	ENXTPA:QDT	€ 12.62	€ 428	€ 1,122	€ 1,050.68	€ 1,024.46	€ 1,039.68	€ 186.90	€ 232.87	€ 237.00	1.1x	1.1x	1.1x	6.0x	4.8x	4.7x
Teleperformance	ENXTPA:TEP	€ 54.36	€ 3,161	€ 7,134	€ 10,209.00	€ 10,018.09	€ 10,145.15	€ 1,602.90	€ 1,924.97	€ 1,969.99	0.7x	0.7x	0.7x	4.5x	3.7x	3.6x
TTEC Holdings	NASDAQ:TTEC	US$1.99	US$97	US$1,000	US$2,136.9	US$2,030.0	US$2,029.6	US$187.8	US$222.6	US$223.1	0.5x	0.5x	0.5x	5.3x	4.5x	4.5x
Zeta Global	NYSE:ZETA	US$19.38	US$4,831	US$4,760	US$1,304.7	US$1,787.2	US$2,075.0	US$80.3	US$397.4	US$485.0	3.6x	2.7x	2.3x	59.3x	12.0x	9.8x
Mean (EV/Rev <20; EV/EBITDA <100)											**1.3x**	**1.2x**	**1.1x**	**11.6x**	**6.5x**	**6.8x**
Median											**1.1x**	**1.1x**	**1.0x**	**6.7x**	**6.7x**	**6.9x**

Name	Ticker	Jul 23 Close (C$)	Mkt Cap (C$ M)	EV (C$ M)	REVENUE ($M)			EBITDA ($M)			EV/Revenue			EV/EBITDA		
					2025A	2026E	2027E	2025A	2026E	2027E	2025A	2026E	2027E	2025A	2026E	2027E
Canadian Advertising, Marketing & Technology Comps																
illumin	TSX:ILLM	$0.61	$32.0	-$1.0	$143.6	$151.3	$158.0	-$13.9	-$0.5	$5.0				0.1x	2.1x	
Adcore	TSX:ADCO	$0.16	$9.5	$5.0	$23.8			-$0.6			0.2x					
Prospect P	TSXV:MKT	$0.30	$21.0	$20.2				-$0.7								
EQ Inc.	TSXV:EQ	$0.97	$67.5	$68.3	$10.1			-$1.2			6.8x					
Fobi AI	TSXV:FOBI	$0.04	$9.0	$7.9	$0.7			-$0.6			10.9x					
Gatekeeper	TSXV:GSI	$1.67	$185.8	$179.1	$30.4	$45.5	$69.9	-$5.2	$4.2	$10.0	5.9x	3.9x	2.6x		42.7x	18.0x
Reklaim	TSXV:MYID	$0.09	$11.6	$11.9	$5.0			-$0.9			2.4x					
Snipp Interactive	TSXV:SPN	$0.05	$12.9	$6.3	$22.0	$21.2	$22.1	-$2.3	$0.2	$1.2	0.3x	0.3x	0.3x		31.5x	5.3x
YANGAROO	TSXV:YOO	$0.04	$2.5	$5.3	$7.1			$0.3			0.7x			18.3x		
Yellow Pages	TSX:Y	$13.23	$182.0	$161.4	$198.9	$183.8	$171.4	$37.3	$34.5	$29.3	0.8x	0.9x	0.9x	4.3x	4.7x	5.5x
Zoomd	TSXV:ZOMD	$0.49	$48.9	$19.5	$61.3	$31.4	$32.3	$13.8	$0.5	$6.7	0.3x	0.6x	0.6x	1.4x	39.1x	2.9x
Mean (EV/Rev <20; EV/EBITDA <100)											**3.1x**	**1.4x**	**1.1x**	**6.0x**	**3.4x**	**7.9x**
Median											**0.8x**	**0.8x**	**0.8x**	**2.9x**	**31.5x**	**5.4x**

Source: S&P Capital IQ; eResearch Corp.

APPENDIX C: ERESEARCH DISCLOSURE

eResearch Corporation

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