



## **DCS Announces Financial and Operational Restructuring Updates**

**San Diego, CA – June 13, 2024** – Direct Communication Solutions, Inc. (**OTCQX: DCSX**) (**CSE: DCSI**) (**FSE: 7QU**) (“**DCS**” or the “**Company**”) a leading provider of information technology and managed solutions for the Internet of Things (IoT) market, is excited to announce it has made significant progress in executing on our strategic plan of transitioning to a Software as a Service (“SaaS”) focused company. DCS restructured financial and operational obligations significantly, which will allow the company to focus on higher margin, long-term recurring revenue opportunities.

DCS is pleased to announce that the company has restructured a \$6.1M financial obligation with one of our key suppliers. The supplier will forgive DCS 3M in overdue accounts payable; restructuring will reduce the debt by 47% and provide a 5-year term loan for the remaining \$3.1M bearing 10% annual interest with no principal payment required for the duration of the loan term. DCS is required to do a minimum capital raise of \$1M, which is in process. “Working with our partner to restructure this financial obligation will allow us to focus on growing the recurring revenue.” said Chris Bursey, CEO “I am humbled and honored that our partner recognized the value DCS brings to the IoT market. I look forward to continuing the long partnership in the future.

During the first quarter of 2024, DCS restructured the company and significantly reduced costs and will continue to reduce costs as necessary to focus on the SaaS recurring revenues. DCS reduced overall operational cost reduction expenses by 30% in Q1 2024. These cost reduction measures were difficult, but necessary to get the company back to profitability and provide the value our shareholders expect. “Restructuring and cost reductions are never easy, but sometimes they are necessary for companies to execute on a strategy transition.” Said Bursey

DCS will continue to reduce operational costs to create efficiencies as we continue to execute on our business strategy of transitioning to a SaaS solutions enabler and focus on creating value in the company by growing the recurring revenue. DCS is growing and positive updates show that our strategy is working as our recurring revenue grows, and most importantly, we have partners that recognize the value we have, and they support us long term.

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## **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.

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## **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.*

*Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.*