



DIRECT COMMUNICATION SOLUTIONS, INC.
www.dcsbusiness.com

DCSI-CSE DCSX-OTCQX

7QU-FSE

DISCLAIMER

In addition to current and historical information, this presentation may contain forward-looking statements. These statements relate to our future operations, prospects, potential products, services, developments, business strategies or our future financial performance. Forward-looking statements reflect our expectations and assumptions only as of the date of this presentation and are subject to risks and uncertainties. Actual events or results may differ materially. We have included a discussion of certain risks and uncertainties that could cause actual results and events to differ materially from our forward-looking statements in the section titled "Risk Factors" in the U.S. offering circular filed with the SEC. We undertake no obligation to update or revise publicly any forward-looking statement after the date of this report, whether as a result of new information, future events or otherwise.





Who we are

- Established in 2006 and headquartered in San Diego, CA, Direct Communications Solutions, Inc (DCSI CSE, DCSX –OTCQX, 7QU Frankfurt) is a leading provider of information technology solutions for the Internet of Things (IoT market). Direct Communication Solutions, Inc. is a technology innovation company in the sensor sector of information technology solutions for the Internet of Things (IoT) market. We are the experts in Smart Hardware, SaaS Software Solutions, and the Industry Technology Innovation.
- We serve our clients by simplifying IoT technologies, making them less costly, easier to deploy, and overall, more efficient. We intend to continue to enhance our long-standing relationships with strategic partners and jointly build scalable IoT solutions based on integrated third-party equipment along with our application software.

OUR LEADERSHIP

Chris Bursey

Konstantin Lichtenwald

Eric Placzek

Mike Lawless

Founder & CEO

20+ Years Industry Experience Recently appointed to Verizon's advisory board Chief Financial Officer

15+ Years Finance & Accounting and Public Company Experience Chief Technology Officer

Software, Cloud, IoT, Telecom **Dave Scowby**Chief Operations Officer

18+ Years Industry Experience, B.S.E from Princeton University EVP, SaaS Business

20+ Years Sales & Management. B.Sc. Information Technology



We believe who we are invited to partner with makes all the difference...

- Chris Bursey is a member of the Verizon IOT Advisory Board and they categorize him as a pioneer in the sector who creates simple cost-effective solutions to complex problems.
- Our strategic partners help us deliver the finest products in the industry to our clients.
- We continue to seek quality partners as our business grows. In last 6 months we have added, Ingram Micro and Amit wireless to our fold.
- These growing relationships provide a wider variety of product and opportunities for our customers.

CONNECTIVITY PARTNERS



























STRATEGIC PARTNERS



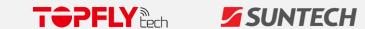


































IoT

One of the fastest growing industries in the world today

According to IoT Analytics...

- Researchers see 50B connected devices as of 2020
- Annual Industry Growth estimates range from 14-29%
- For every person on earth there are at least 2, maybe even 6 connected things as of 2020
- IDC reports that as of 2020 the industry is at \$2.3
 Trillion
- GE claims it is already (2020) generating \$1B in IoT related revenues and is saying it is now changing its strategy to become an IoT company.
- IDC is suggesting the industry will grow to \$7 Trillion by 2026. That is almost half the size of the US Economy in 2020. (\$16 Trillion).

This rapid industry growth has spawned partial and incomplete solutions

- DCS addresses these problems by simplifying IoT technologies, making them less costly, easier to deploy, and ultimately more efficient.
- " DCS connects us to decision making data."
- Chris Bursey CEO, Direct Communications Solutions





We provide services, solutions and innovations with a proven track record

DCS continues to capture the market opportunities from the 2G/3G transition to 4G/5G in the United States. We deliver customizable, end-to-end solutions for IoT customers.

21% of DCS's Gross Profit is recurring SaaS revenue, with a 70% gross profit margin. Our Smart Hardware revenue averages a 27% gross profit margin and is growing due to the expansion of more profitable product lines

Continuous growing Revenues and Profitable

- At the end of Q1 2022, our revenues have grown to a new high of \$7.8M in shipped/booked sales. By comparison, the total revenue for Q1 2021 was \$4.3M.
- This increase is a direct result of the 2G/3G to 4G/5G transition that starts in 2022 with AT&T and ends with Verizon in December of 2022.



Industries we serve

We can connect anything anywhere; Fleet Management, Restaurants, Commercial Real Estate, Offices, Shipping and Logisitics, Supply chain, Oil Rigs, Remote Equipment, Machinery, Agriculture, Construction

Our products run on connected or solar power and can operate in just about any environment.





The DCS Advantage Disruptive, Simple, and Easy to Deploy

Smart Hardware, on a fully installed basis, are great value for costs compared to competing products in the market today.

SaaS solutions, are cloud-based and has intuitive asset management application, designed to lower the total cost of entry for its users.

Our products are designed to deliver as endto-end solutions resulting in reduced risk, cost, and time for customers.

We also act as a Technical Service Provider to offer Data As A Service, Large Client Customizations, and Industry-wide Innovations.



The Opportunity turning confusion into order

The Multi \$B IOT Industry is plagued with partial and incomplete solutions. The industry is frustrated with the lack of end-to—end solutions capable of bringing true value to the end user. The industry is segmented into hardware, connectivity, and software providers who traditionally do not work cohesively with one another.

DCS's multi year experience crafting solutions in this industry positions us to develop seamless, end-to-end hardware to cloud software solutions in the most efficient and cost-effective manner. The end result...solutions for mass adoption, saving clients time money and effort.



SaaS and Industry Innovation Brands

MîFleet

MîSensors







MîFleet

FLEET & ASSET MANAGEMENT

Our Clients offer MiFleet™ to Enterprise/SMB transportation, construction, mining, delivery, services, municipalities, school bus companies and more.

- Turnkey, GPS Fleet & Asset Management Application
- Web & Mobile Application (iOS, Android)
- Consumer & Commercial Editions
- Cross Cellular Carrier Compatibility
- Vast Device Catalog (Light & Heavy Duty, and more...)
- Real-Time Alerts & Monitoring
- Comprehensive Regulatory Reporting



MîSensors

REMOTE SENSOR MONITORING

Set and forget event based remote monitoring. Sensors connect to gateway, then to network, then to platform/mobile app. On the platform/mobile app you can see up-to-date information instantly! Know about a costly problem before it happens.

- A Turnkey, Sensor Monitoring Application
- Web & Mobile Application (iOS, Android)
- Cross Cellular Carrier Compatibility
- MiTag Multi-Sensor (8-in-1), BlueTooth 5.0
- · Real-Time Alerts & Monitoring
- Comprehensive Reporting





BEER LIFE CYLCE MONITOR & CONTROL SYSTEM

Smart handling of Temperature, CO2 Pressure, Inventory Management, critical timing and prevent after hours pours or staff giveaways. A comprehensive inventory tracking system helping clients to reduce waste, theft and non-automated interfaces – promoting better production.

- A Turnkey, Beer Monitoring Application
- Web & Mobile Application (iOS, Android)
- Cross Cellular Carrier Compatibility
- Proprietary Beer Monitoring Appliance
- Real-Time Alerts & Monitoring
- · Comprehensive Reporting

BrewSee is scheduled for release in late 2022.



Brewsee industry-wide innovation solution originated by DCS

- The North American Keg on Tap beer market represents \$120B in annual revenues
- Estimated revenue losses due to employee theft, lack of temperature control, excessive foam, spillage and stale dating of inventory exceeds \$20B/year in North America.
- Brewsee will address these issues with a proprietary monitoring solution
- Brewsee represents the first real change in beer keg monitoring in over 50 years.

THE **FINANCIALS**





Financial Highlights



\$7.8M Q1 2022 in Revenue

81% YOY growth



\$2.4M Q1 2022 in Gross Profit

100% YOY growth



Our blended corporate profit margin is 31%

Cashflow Positive



We have over 400 customers. Some of our customers have 100's of customers.



Strong Partnerships to fuel the growing SaaS recurring revenue

Where we are going. Recurring revenue is the Key

- Recurring revenues we receive from Cloud-Based SaaS yield 70% margins
- Smart Hardware is important. Sales offered in a Bundled Services format enable DCS to gain more recurring revenue from cloud-based SaaS solutions.
- Our goal is to increase recurring revenue substantially within the next 2 years. We believe we have substantial "low hanging fruit" within our ecosystem to achieve this goal.
- We believe we can increase the profit margins in Smart Hardware from 30% to 45% by utilizing bundled services following this model.
- We believe this recurring revenue model may add significant value to DCS's Book Value on an M&A basis as recurring revenue is typically valued at 4-6x in the market.

REVENUES & HISTORY

Revenues

- US\$14,257M 2020
- US\$16,525M 2021
- US\$ 7,800M Q1 2022

Gross Profit

- US\$ 4,077M 2020
- US\$ 4,604M 2021
- US\$ 2,407M Q1 2022





IoT Industry M&A record breaking activity

FTI, an IoT industry research group, says " over the past several years there has a lot of buzz surrounding IoT. Recent M&A transaction values and volumes indicate IoT is a firmly entrenched part of mainstream growth strategies..."

Recent comparable transactions:

Xirgo sold for 4x revenue in 2021

ODM sold for 4x revenue in 2021



CONTACT US

11021 Via Frontera, Suite C San Diego, CA 92127

www.DCSbusiness.com

Investor Relations, Bill Espley, Director 604-630-3072 (office) bespley@dcsbusiness.com

Mike Zhou, Director 604.338.6485 mzhou@dcsbusiness.com



