

Condensed interim consolidated statements of financial position

<i>(in thousands of Canadian dollars, unaudited)</i>	September 30, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,945	\$ 901
Trade receivables (note 4)	54,332	51,567
Inventories	21,355	12,133
Prepaid expenses and other current assets	2,614	2,580
Income taxes receivable	14	860
	80,260	68,041
NON-CURRENT ASSETS		
Other non-current assets	519	625
Deferred income tax assets	5,479	5,465
Restricted cash	—	515
Property, plant and equipment	6,899	8,416
Right-of-use assets (note 5)	33,190	33,476
Pension assets	652	2,531
Intangible assets	2,904	4,042
Goodwill	16,973	16,973
	\$ 146,876	\$ 140,084
LIABILITIES		
CURRENT LIABILITIES		
Trade payables and accrued liabilities	\$ 39,788	\$ 37,589
Current portion of credit facilities (notes 1 and 8)	13,936	11,743
Current portion of lease liabilities (note 7)	6,803	6,123
Provisions (note 6)	1,538	3,280
Income taxes payable	2,967	841
Deferred revenue	2,802	3,269
	67,834	62,845
NON-CURRENT LIABILITIES		
Provisions (note 6)	—	1,196
Credit facilities (notes 1 and 8)	19,719	24,556
Lease liabilities (note 7)	32,247	32,976
Pension obligations	6,080	7,499
Other post-employment benefit plans	3,040	2,971
	\$ 128,920	\$ 132,043
EQUITY		
SHAREHOLDERS' EQUITY		
Shares (note 9)	\$ 256,478	\$ 256,478
Warrants (note 9)	869	881
Contributed surplus	3,041	2,791
Translation Reserve	210	173
Deficit	(242,642)	(252,282)
	\$ 17,956	\$ 8,041
	\$ 146,876	\$ 140,084

Commitments and contingencies (note 12); Subsequent event (note 15)

Approved by Board of Directors

(Signed) "J.R. Kingsley Ward" Director

(Signed) "Richard Kellam" Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Condensed interim consolidated statements of operations

<i>(in thousands of Canadian dollars, except per share amounts, unaudited)</i>	For the three months ended September 30, 2022		For the three months ended September 30, 2021	
			<i>(Restated - Note 3)</i>	
REVENUES (note 14)	\$	63,399	\$	56,892
COST OF REVENUES		43,495		39,705
GROSS PROFIT		19,904		17,187
EXPENSES				
Selling, commissions and expenses		7,175		5,516
General and administration expenses		7,689		5,784
Restructuring expenses (note 6)		—		3,084
		14,864		14,384
INCOME BEFORE FINANCE COSTS, OTHER INCOME, AND INCOME TAXES		5,040		2,803
FINANCE COSTS				
Interest expense on long term debt and pensions, net		676		988
Interest expense on lease liabilities (note 7)		557		599
Amortization of transaction costs		84		117
		1,317		1,704
OTHER INCOME				
Government grant income		—		184
INCOME BEFORE INCOME TAXES		3,723		1,283
INCOME TAX EXPENSE				
Current		1,143		383
Deferred		(236)		(121)
		907		262
NET INCOME FOR THE PERIOD	\$	2,816	\$	1,021
BASIC EARNINGS PER SHARE (note 10)	\$	0.06	\$	0.02
DILUTED EARNINGS PER SHARE (note 10)	\$	0.06	\$	0.02

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Condensed interim consolidated statements of operations

<i>(in thousands of Canadian dollars, except per share amounts, unaudited)</i>	For the nine months ended September 30, 2022		For the nine months ended September 30, 2021	
			<i>(Restated - Note 3)</i>	
REVENUES (note 14)	\$	200,759	\$	174,460
COST OF REVENUES		140,089		122,638
GROSS PROFIT		60,670		51,822
EXPENSES				
Selling, commissions and expenses		21,467		18,319
General and administration expenses		20,822		22,208
Restructuring expenses (note 6)		—		7,409
		42,289		47,936
INCOME BEFORE FINANCE COSTS, OTHER INCOME, AND INCOME TAXES		18,381		3,886
FINANCE COSTS				
Interest expense on long term debt and pensions, net		2,146		2,794
Interest expense on lease liabilities (note 7)		1,685		1,921
Amortization of transaction costs		257		438
		4,088		5,153
OTHER INCOME				
Other income		—		1,452
Government grant income		—		4,503
INCOME BEFORE INCOME TAXES		14,293		4,688
INCOME TAX EXPENSE				
Current		3,803		2,055
Deferred		204		(784)
		4,007		1,271
NET INCOME FOR THE PERIOD	\$	10,286	\$	3,417
BASIC EARNINGS PER SHARE (note 10)	\$	0.23	\$	0.08
DILUTED EARNINGS PER SHARE (note 10)	\$	0.22	\$	0.07

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Condensed interim consolidated statements of comprehensive income

<i>(in thousands of Canadian dollars, unaudited)</i>	For the three months ended September 30, 2022	For the three months ended September 30, 2021
		<i>(Restated - Note 3)</i>
NET INCOME FOR THE PERIOD	\$ 2,816	\$ 1,021
OTHER COMPREHENSIVE INCOME (LOSS):		
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO NET INCOME		
Foreign currency translation	24	42
	24	42
ITEMS THAT WILL NOT BE RECLASSIFIED TO NET INCOME		
Re-measurements of pension and other post-employment benefit obligations	(1,346)	540
Taxes related to pension and other post-employment benefit adjustment above	337	(126)
	(1,009)	414
OTHER COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD, NET OF TAX	\$ (985)	\$ 456
COMPREHENSIVE INCOME FOR THE PERIOD	\$ 1,831	\$ 1,477

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Condensed interim consolidated statements of comprehensive income

<i>(in thousands of Canadian dollars, unaudited)</i>	For the nine months ended September 30, 2022		For the nine months ended September 30, 2021	
			<i>(Restated - Note 3)</i>	
NET INCOME FOR THE PERIOD	\$	10,286	\$	3,417
OTHER COMPREHENSIVE INCOME (LOSS):				
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO NET INCOME				
Foreign currency translation		37		(9)
		37		(9)
ITEMS THAT WILL NOT BE RECLASSIFIED TO NET INCOME				
Re-measurements of pension and other post-employment benefit obligations		(864)		2,001
Taxes related to pension and other post-employment benefit adjustment above		218		(488)
		(646)		1,513
OTHER COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD, NET OF TAX	\$	(609)	\$	1,504
COMPREHENSIVE INCOME FOR THE PERIOD	\$	9,677	\$	4,921

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Condensed interim consolidated statements of changes in shareholders' equity

<i>(in thousands of Canadian dollars, unaudited)</i>	Shares	Warrants	Contributed surplus	Translation reserve	Deficit <i>(Restated - Note 3)</i>	Total equity
Balance as at December 31, 2020	\$ 256,260	\$ 850	\$ 2,354	\$ 192	\$ (255,842)	\$ 3,814
Net income for the period	—	—	—	—	3,417	3,417
Other comprehensive income (loss) for the period	—	—	—	(9)	1,513	1,504
Total comprehensive income (loss) for the period	—	—	—	(9)	4,930	4,921
Issuance of common shares (note 9)	40	—	—	—	—	40
Issuance of warrants, net (note 9)	—	40	—	—	—	40
Exercise of warrants (note 9)	178	(9)	(51)	—	—	118
Share-based compensation expense (note 9)	—	—	420	—	—	420
BALANCE AS AT SEPTEMBER 30, 2021	\$ 256,478	\$ 881	\$ 2,723	\$ 183	\$ (250,912)	\$ 9,353
BALANCE AS AT DECEMBER 31, 2021	\$ 256,478	\$ 881	\$ 2,791	\$ 173	\$ (252,282)	\$ 8,041
Net income for the period	—	—	—	—	10,286	10,286
Other comprehensive income (loss) for the period	—	—	—	37	(646)	(609)
Total comprehensive income for the period	—	—	—	37	9,640	9,677
Expiration of warrants (note 9)	—	(12)	12	—	—	—
Share-based compensation expense (note 9)	—	—	238	—	—	238
BALANCE AS AT SEPTEMBER 30, 2022	\$ 256,478	\$ 869	\$ 3,041	\$ 210	\$ (242,642)	\$ 17,956

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Condensed interim consolidated statements of cash flows

<i>(in thousands of Canadian dollars, unaudited)</i>	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
CASH PROVIDED BY		<i>(Restated - Note 3)</i>
OPERATING ACTIVITIES		
Net income for the period	\$ 10,286	\$ 3,417
<i>Items not affecting cash</i>		
Depreciation of property, plant and equipment	2,321	2,402
Amortization of intangible assets	1,213	1,308
Depreciation of right-of-use-assets (note 5)	4,999	6,508
Interest expense on lease liabilities (note 7)	1,685	1,921
Share-based compensation expense	238	420
Pension expense	327	358
Loss on disposal of property, plant and equipment	68	—
Provisions (note 6)	—	7,409
Amortization of transaction costs (note 8)	257	438
Accretion of non-current liabilities, capitalized interest expense and accretion of debt modification losses	120	64
Other post-employment benefit plan expense	204	104
Income tax expense	4,007	1,271
	25,725	25,620
Changes in working capital (note 11)	(10,072)	2,033
Contributions made to pension plans	(731)	(692)
Contributions made to other post-employment benefit plans	(135)	—
Provisions paid (note 6)	(2,938)	(5,226)
Income taxes paid	(831)	(1,035)
	11,018	20,700
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(928)	(615)
Purchase of intangible assets	(75)	(1,076)
Proceeds on disposal of property, plant and equipment	56	—
	(947)	(1,691)
FINANCING ACTIVITIES		
Exercise of warrants	—	118
Decrease in restricted cash	515	—
Proceeds from credit facilities (note 8)	5,900	—
Repayment of credit facilities (note 8)	(8,921)	(10,277)
Repayment of promissory notes	—	(2,185)
Lease payments (note 7)	(6,574)	(8,503)
	(9,080)	(20,847)
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	991	(1,838)
CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD	\$ 901	\$ 578
EFFECTS OF FOREIGN EXCHANGE ON CASH BALANCES	53	(5)
CASH AND CASH EQUIVALENTS (BANK OVERDRAFT) – END OF PERIOD	\$ 1,945	\$ (1,265)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)***1 General information and basis of preparation**

DATA Communications Management Corp. ("DCM" or the "Company") 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 over 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 offering. Whether we're running technology platforms, sending marketing messages, or managing print workflows, our goal is to make everything surprisingly simple.

DCM's revenue is subject to mailing patterns of certain customers. Typically, higher revenues and profit are generated in the first quarter relative to the other three quarters, however this can vary from time to time by changes in customers' purchasing decisions throughout the year. As a result, DCM's revenue and financial performance for any single quarter may not be indicative of revenue and financial performance which may be expected for the full year.

These financial statements have been prepared using International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due.

The Company's ability to continue as a going concern is dependent upon management's ability to meet forecast revenue and profitability targets for at least the next twelve months in order to comply with its financial covenants on its credit facilities or to obtain financial covenant waivers from its lenders if necessary. The estimate of future cash flows in the Company's forecasts took into consideration the uncertainty of the continued impact of the COVID-19 pandemic, coupled with other inflationary pressures on both the wider macro-economic environment and the ongoing demand for the Company's services. Management are satisfied that the Company's forecasts and projections, taking account of reasonably possible changes in results and other uncertainties will not result in any breach of the financial covenants on its credit facilities. For this reason, management continues to believe that there is no material uncertainty regarding the ability of the Company to continue as a going concern. The Company's cash flow forecasts for the period to September 30, 2023, to support the assessment of financial covenant compliance and the related liquidity risk, includes considerable judgment applied by management in the determination of key assumptions related to forecast revenues and gross margins (which in turn impact earnings before interest, income taxes, depreciation and amortization (EBITDA)). The estimates of forecasted compliance with financial covenants are sensitive to those assumptions including the ongoing impact of the COVID-19 pandemic, and other inflationary pressures, the effects and duration of which are difficult to project with respect to the Company's business and financial results.

COVID-19

While sales are starting to recover in 2022 with customer demand improving as the economy recovers from the effects of the pandemic, it is not currently possible to accurately quantify the long-term impact of the pandemic on the Company's operations or financial results.

During the nine months ended September 30, 2022, DCM continued to experience delays, extended lead times and price increases in certain raw materials in its supply chain and increases in freight input costs due to shortages in supply (relative to demand) resulting from the post COVID-19 return of consumer movements.

During the nine months ended September 30, 2021, DCM qualified for \$4,503 of government grant income from the Canada Emergency Wage Subsidy ("the CEWS") and Canada Emergency Rent Subsidy ("the CERS") before those COVID support programs ended in October 2021. DCM does not expect any similar subsidies in 2022.

The common shares of DCM are listed on the Toronto Stock Exchange ("TSX") under the symbol "DCM" and trade on OTCQX under the symbol "DCMDF". The address of the registered office of DCM is 9195 Torbram Road, Brampton,

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)

Ontario. These condensed interim consolidated financial statements were approved by the Board of Directors ("Board") of DCM, on November 8, 2022.

2 Significant accounting policies

DCM prepares its condensed interim consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). These condensed interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial reports, including International Accounting Standard ("IAS") 34 "Interim Financial Reporting". The accounting policies followed in these condensed interim consolidated financial statements are the same as those applied in DCM's consolidated financial statements for the year ended December 31, 2021, except for certain new accounting pronouncements which have been adopted by DCM on January 1, 2022 and disclosed in note 3. Where applicable, DCM has consistently applied the same accounting policies throughout all periods presented, as if these policies had always been in effect.

The accounting policies applied in these condensed interim consolidated financial statements are based on IFRS effective for the year ending December 31, 2022, as issued and outstanding as of November 8, 2022, the date the Board of Directors ("Board") approved these condensed interim consolidated financial statements.

The condensed interim consolidated financial statements should be read in conjunction with DCM's consolidated annual financial statements for the year ended December 31, 2021 which have been prepared in accordance with IFRS.

3 Change in accounting policies*a) New and amended standards adopted***CONFIGURATION OR CUSTOMIZATION COSTS IN A CLOUD COMPUTING ARRANGEMENT (IAS 38)**

In April 2021 the IFRS Interpretations Committee published an agenda decision clarifying how configuration and customization costs incurred in implementing a cloud computing arrangement should be accounted for. In that agenda decision certain configuration and customization activities undertaken in implementing such arrangements may give rise to a separate asset in limited circumstances where the company controls the intellectual property of the underlying software code (e.g. the development of bridging modules to existing on-premise systems or bespoke additional software capability). In all other instances, configuration and customization costs are to be expensed as incurred as an operating expense.

Where a change in accounting policy is required, comparative financial information is to be retrospectively restated to derecognize previously capitalized costs in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The company previously capitalized \$12,037 of costs as an intangible asset relating to the 2019 implementation of its cloud-based ERP system which was being amortized over its estimated useful life of 5 years. In the fourth quarter of 2021, management completed its analysis and determined that none of these costs would qualify to be capitalized and amortized in accordance with the IFRS Interpretations Committee's agenda decision and would be required to be expensed in the period the costs were incurred. The adoption of the interpretation was implemented retrospectively. The following table summarizes the impact on DCM's condensed interim consolidated statement of operations for the period ended September 30, 2021:

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)

	Nine months ended September 30, 2021 prior to the adoption	Impact	Nine months ended September 30, 2021 after the adoption
General and administration expense	\$ 24,010	\$ (1,802)	\$ 22,208
Deferred tax recovery	(1,241)	457	(784)

	Three months ended September 30, 2021 prior to the adoption	Impact	Three months ended September 30, 2021 after the adoption
General and administration expense	\$ 6,384	\$ (600)	\$ 5,784
Deferred tax recovery	(273)	152	(121)

The following table summarizes the impact on DCM's condensed interim consolidated statement of cash flows for the period ended September 30, 2021:

	Nine months ended September 30, 2021 prior to the adoption	Impact	Nine months ended September 30, 2021 after the adoption
Net income for the period	\$ 2,072	\$ 1,345	\$ 3,417
Amortization of intangible assets	3,110	(1,802)	1,308
Income tax expense	814	457	1,271

The following table summarizes the impact on DCM's condensed interim consolidated statement of financial position as of December 31, 2020:

	As of December 31, 2020 prior to the adoption	Impact	As of December 31, 2020 after the adoption
Deficit	\$ (249,697)	\$ (6,145)	\$ (255,842)

IFRS 3 REFERENCE TO CONCEPTUAL FRAMEWORK

In May 2020, the IASB issued an amendment to IFRS 3 to (i) clarify references to the 2018 Conceptual Framework in order to determine what constitutes an asset or liability in a business combination, (ii) add an exception for certain liabilities and contingent liabilities to refer to IAS 37 or IFRIC 21 and (iii) clarify that an acquirer should not recognize contingent assets at the acquisition date. The mandatory effective date would be annual periods beginning on or after January 1, 2022, with early adoption permitted. This amended standard was adopted effective January 1, 2022 and did not have an impact on the condensed interim consolidated financial statements.

IAS 37 ONEROUS CONTRACTS: COST OF FULFILLING A CONTRACT

In May 2020, the IASB issued an amendment to IAS 37 to clarify which costs to include in estimating the cost of fulfilling a contract for the purpose of assessing whether that contract is onerous. The mandatory effective date would be annual periods beginning on or after January 1, 2022, with early adoption permitted. This amended standard was adopted effective January 1, 2022 and did not have an impact on the condensed interim consolidated financial statements.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)***IFRS 9 FINANCIAL INSTRUMENTS: FEES IN THE '10 PER-CENT' TEST FOR DERECOGNITION OF FINANCIAL LIABILITIES**

In May 2020, the IASB issued Annual Improvements to IFRS Standards 2018 - 2020. This amendment clarifies which fees an entity includes when it applies the '10 per cent' test of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The mandatory effective date would be for annual periods beginning on or after January 1, 2022 with early application permitted. This amended standard was adopted effective January 1, 2022 and did not have a significant impact on the condensed interim consolidated financial statements.

b) Future accounting standards not yet adopted

AMENDMENTS TO IAS 1, PRESENTATION OF FINANCIAL STATEMENTS AND IAS 8, ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

These standards were amended to introduce the definition of an accounting estimate and include other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendments are effective for annual periods beginning on or after January 1, 2023. DCM is currently evaluating the impact on the condensed interim consolidated financial statements.

AMENDMENTS TO IAS 12, DEFERRED TAXES RELATED TO ASSETS AND LIABILITIES ARISING FROM A SINGLE TRANSACTION

This standard was amended to require companies to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This amendment is effective for annual periods beginning on or after January 1, 2023. DCM is currently evaluating the impact on the condensed interim consolidated financial statements.

There are no other IFRS or International Financial Reporting Interpretations Committee ('IFRIC') interpretations that are not yet effective that would be expected to have a significant impact on DCM.

4 Trade receivables

	September 30, 2022	December 31, 2021
Trade receivables	\$ 56,364	\$ 52,850
Provision for expected credit losses	(2,032)	(1,283)
	\$ 54,332	\$ 51,567

As at September 30, 2022, trade receivables include unbilled receivables of \$13,542 (2021 – \$16,457), net of an expected credit loss allowance of \$1,150 (2021 – \$750).

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)***5 Right-of-use asset**

The following tables present changes in the right-of-use ("ROU") assets for the nine months ended September 30, 2022:

		Property	Office Equipment	Production Equipment	Total
Balance - Beginning of period	\$	28,308	\$ 141	\$ 5,027	\$ 33,476
Additions for the period		261	3,308	—	3,569
Modifications for the period		504	543	190	1,237
Depreciation for the period		(2,634)	(404)	(1,961)	(4,999)
Sublease Receivable		(111)	—	—	(111)
Effect of movement in exchange rates		17	(6)	7	18
Closing net book value	\$	26,345	\$ 3,582	\$ 3,263	\$ 33,190

As at September 30, 2022

Cost	\$	41,419	\$ 6,655	\$ 15,842	\$ 63,916
Accumulated depreciation		(15,074)	(3,073)	(12,579)	(30,726)
Net book value	\$	26,345	\$ 3,582	\$ 3,263	\$ 33,190

During the three and nine months ended September 30, 2022, DCM modified certain leases by entering into renewal and/or amending agreements to extend a lease term and/or increase/reduce the lease payments.

6 Provisions

		Termination provisions	Plant Closure	Total
Balance – December 31, 2021	\$	3,926	\$ 550	\$ 4,476
Utilized during the period		(2,388)	(550)	(2,938)
Balance - September 30, 2022	\$	1,538	\$ —	\$ 1,538
Less: Current portion of provisions		(1,538)	—	(1,538)
Balance - Long-term portion of provisions	\$	—	\$ —	\$ —

		Termination provisions	Plant Closure	Total
Balance – December 31, 2020	\$	1,276	\$ —	\$ 1,276
Additional charge during the period		7,409	—	7,409
Utilized during the period		(5,226)	—	(5,226)
Balance - September 30, 2021	\$	3,459	\$ —	\$ 3,459
Less: Current portion of provisions		(3,207)	—	(3,207)
Balance - Long-term portion of provisions	\$	252	\$ —	\$ 252

TERMINATION PROVISIONS

During for the three and nine months ended September 30, 2021, DCM incurred restructuring initiatives which resulted in \$3,084 and \$7,409, respectively, of provisions due to headcount reduction across DCM's operations including senior executive management in the condensed interim consolidated statement of operations.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)

During the nine months ended September 30, 2022, cash payments of \$2,938 (2021 - \$5,226) were made to former employees for severances, to a landlord for closure of a manufacturing location and for other restructuring costs. The remaining severance and restructuring accruals of \$1,538 at September 30, 2022 are expected to be paid in 2022 and 2023.

7 Lease liabilities

DCM currently leases office space, office equipment and production equipment. A lease liability has been recognized equal to the present value of remaining lease payments discounted at the interest rate implicit in the lease, or if that rate cannot be readily determined, DCM's weighted average incremental borrowing rate.

		Property	Office Equipment	Production Equipment	Total
Balance - Beginning of period	\$	34,359	\$ 116	\$ 4,624	\$ 39,099
Additions during the period		261	3,308	—	3,569
Modifications during the period		549	543	169	1,261
Payments during the period		(4,534)	(412)	(1,628)	(6,574)
Interest charge for the period		1,414	65	206	1,685
Effect of movement in exchange rates		11	(6)	5	10
As at September 30, 2022	\$	32,060	\$ 3,614	\$ 3,376	\$ 39,050

The contractual undiscounted cash flows of DCM's lease liabilities are as follows:

	Contractual Cash Flows	Extension Options	Total as at September 30, 2022
Not later than one year	\$ 8,877	\$ —	\$ 8,877
Later than one and not later than five years	18,714	651	19,365
Later than five years	646	25,465	26,111
Total undiscounted lease liabilities	\$ 28,237	\$ 26,116	\$ 54,353
Discounted using the incremental borrowing rate			(15,303)
Lease liabilities			\$ 39,050
Current			\$ 6,803
Non-current			\$ 32,247

All extension options that are reasonably certain to be exercised have been included in the measurement of the lease obligation. The Company reassesses the likelihood of extension option to be exercised when there was a significant event or change in circumstances. During the nine months ended September 30, 2022, extension options that are not reflected in the measurement of the lease liability total \$651 (December 31, 2021 - \$1,063).

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)***8 Credit facilities**

	September 30, 2022	December 31, 2021
Term loans		
- 6.10% term debt, maturing October 15, 2022 (FPD III Credit Facility)	\$ 939	\$ 1,743
- 6.95% term debt, maturing March 10, 2023 (FPD IV Credit Facility)	6,049	9,432
- 6.95% term debt, maturing May 15, 2023 (FPD V Credit Facility)	1,475	2,200
- 5.95% term debt, maturing December 15, 2026 (FPD VI Credit facility)	9,822	11,000
- floating rate debt, maturing May 8, 2024 (Bank Term Loan)	6,859	9,690
Revolving facilities		
- floating rate debt, maturing November 8, 2024 (Bank Credit Facility)	8,869	2,969
Credit facilities	\$ 34,013	\$ 37,034
Unamortized debt premiums and discount	260	140
Unamortized transaction costs	(618)	(875)
	\$ 33,655	\$ 36,299
Less: Current portion of Credit facilities	(13,936)	(11,743)
Credit facilities	\$ 19,719	\$ 24,556

CREDIT AGREEMENTS**BANK FACILITIES**

DCM has established a revolving credit facility (as amended, the "Bank Credit Facility") pursuant to an agreement ("the Bank Credit Agreement") with a Canadian chartered bank (the "Bank"). Under the terms of the Bank Credit Agreement, the maximum principal amount available under the Bank Credit Facility is \$15,000 and the Bank Credit Facility matures on November 8, 2024. The Revolving Facility is available to be drawn by way of either Prime Rate Loans, Base Rate Loans, Canadian Dollar Offered Rate (CDOR Loans), London Interbank Offered Rate (LIBOR Loans), and/or Letters of Credit. Prime rate loans charge interest at the greater of the Bank's published reference rate on Canadian Dollar denominated commercial loans and the CDOR rate for a period of 30 days plus 100 basis points per annum. Currently advances under the Bank Credit Facility may not, at any time, exceed the lesser of \$15,000 and a fixed percentage of DCM's aggregate accounts receivable and inventory (less certain amounts). Advances under the amended Bank Credit Facility are subject to floating interest rates based upon the Canadian prime rate plus an applicable margin of 0.5% for a rate of 5.95% as at September 30, 2022. On November 8, 2021, DCM established a term loan ("Bank Term Loan") with the Bank for \$10,000 to in part refinance the Crown Facility. The Bank Term Loan matures on May 8, 2024 and is subject to a floating interest rate based upon the Canadian prime rate plus an applicable margin of 3.50% for a rate of 8.95% as at September 30, 2022. On May 16, 2022 Refinitiv Benchmark Services Limited, the benchmark administrator of the CDOR announced that the calculation and publication of all tenors of CDOR will permanently cease after June 28, 2024. The Canadian Overnight Repo Rate Average (CORRA) has been nominated as a replacement for CDOR. When CDOR is phased out we expect the Bank Credit Facility will be amended to remove the CDOR borrowing option and the Prime rate will then be based solely on the Bank's reference rate. The amended facility also includes an "accordion" feature which can provide of up to \$10,000 of additional capacity under the revolving facility. As at September 30, 2022, DCM had access to \$5,623 of available credit under the Bank Credit Facility. The cash and cash equivalents of \$1,945 shown on the condensed

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

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interim consolidated statement of financial position as at September 30, 2022 represents outstanding deposits which when cashed would reduce the borrowing under the Bank Credit Facility.

FPD FACILITIES

DCM has four amortizing term loan facilities (the "FPD Credit Facilities" and, collectively with the Bank Credit Facility, the "Credit Facilities") with Fiera Private Debt Fund III L.P., Fiera Private Debt Fund IV L.P., Fiera Private Debt V L.P., and Fiera Private Debt VI L.P., all of which are funds managed by Fiera Private Debt Fund GP Inc. ("FPD").

COVENANT REQUIREMENTS

Each of the Bank Credit Agreement and the FPD Credit Agreements contains customary representations and warranties, certain financial covenant requirements, as well as certain restrictive covenants which limit the discretion of the Board and management with respect to certain business matters including the declaration or payment of dividends on the common shares of DCM without the consent of the Bank, FPD III, FPD IV, FPD V and FPD VI, as applicable. As of September 30, 2022, DCM was in compliance with all of its financial covenants.

The continued ability to comply with financial covenants on the Company's credit facilities for at least the next twelve months is contingent on management's ability to meet budgeted revenue, profitability and working capital targets. The estimate of future cash flows in the Company's forecasts include a number of key assumptions to support the financial covenant calculations, specifically related to forecast revenues and gross margins (which in turn impact earnings before interest, income taxes, depreciation and amortization (EBITDA)). The estimates of forecasted compliance with financial covenants (particularly for the fixed charge coverage ratio) are sensitive to those assumptions including the ongoing impact of the ongoing impact of the COVID-19 pandemic on global supply chains and other inflationary pressures, the effects and duration of which are difficult to project with respect to the Company's business and financial results.

A failure by DCM to comply with its obligations under the Bank Credit Agreement or the FPD Credit Agreements, together with certain other events, including a change of control of DCM and a change in DCM's Chief Executive Officer, President or Chief Financial Officer (unless a replacement officer acceptable to FPD, acting reasonably, is appointed within 60 days of the effective date of such officer's resignation), could result in an event of default which, if not cured or waived, could permit acceleration of the indebtedness outstanding under each of those agreements. DCM anticipates it will be in compliance with the covenants in its credit facilities for the next twelve months or that it shall be able to receive waivers from its lenders to the extent required; however there can be no assurance that DCM will be successful in achieving the results targeted in its operating plans or in complying with its covenants, or obtaining waivers from its lenders over the next twelve months (see note 1).

INTER-CREDITOR AGREEMENT

DCM's obligations under its Credit Facilities are secured by conventional security charging all of the property and assets of DCM and its subsidiaries. DCM entered into an inter-creditor agreement between the Bank, FPD III, FPD IV, FPD V, and FPD VI, respectively, which, among other things, establishes the rights and priorities of the respective liens of the Bank, FPD III, FPD IV, FPD V, and FPD VI on the present and after-acquired property of DCM and its subsidiaries.

The movement in credit facilities during the nine months ended September 30, 2022 and for the year ended December 31, 2021 are as follows:

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)

	September 30, 2022	December 31, 2021
Balance - Beginning of period / year, net of transaction costs and debt premiums and discounts	\$ 36,299	\$ 45,739
Changes from financing cash flows		
Proceeds from credit facilities	5,900	21,000
Repayment of credit facilities	(8,921)	(30,696)
Transaction costs	—	(489)
Balance after the changes in financing cash flows	33,278	35,554
Non-cash movements		
Amortization of transaction costs	257	941
Debt modification losses	—	260
Capitalized interest on Crown advances	—	585
Accretion of premium and discount	120	(1,041)
Balance - End of period / year, net of transaction costs and debt premiums and discounts	\$ 33,655	\$ 36,299

The scheduled principal repayments on the long-term debt are as follows:

	September 30, 2022
2022	\$ 3,694
2023	11,661
2024	12,371
2025	1,571
2026	4,716
	\$34,013

9 Shares and warrants**SHARES**

DCM is authorized to issue an unlimited number of common shares. The common shares have a stated capital of one dollar. Each common share is entitled to one vote at any meeting of shareholders. Each holder of the common shares will be entitled to receive dividends if, as and when declared by the Board. In the event of the liquidation, dissolution, winding up of DCM or other distribution of assets of DCM among its shareholders for the purpose of winding up its affairs, the holders of the common shares will be entitled to receive assets of DCM upon such a distribution. Such distribution will be made in equal amounts per share on all the common shares at the time outstanding without preference or distinction.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)

The following summarizes the change in number of issued and outstanding common shares during the periods below:

	Number of Common shares		Amount
Balance – January 1, 2022 and September 30, 2022	44,062,831	\$	256,478
	Number of Common shares		Amount
Balance – January 1, 2021	43,867,030	\$	256,260
Shares issued - January 18, 2021	35,725		20
Shares issued - February 18, 2021	35,725		20
Exercise of warrants - June 20, 2021	15,351		21
Exercise of warrants - July 5, 2021	109,000		157
Balance – September 30, 2021	44,062,831	\$	256,478

WARRANTS

A summary of warrant activities for the nine months ended September 30, 2022 and the year ended December 31, 2021 is as follows:

	Nine months ended September 30, 2022		Year ended December 31, 2021	
	Number of Warrants	Weighted average Exercise Price	Number of Warrants	Weighted average Exercise Price
Warrants outstanding - beginning of period / year	1,863,607	\$ 0.28	1,920,092	\$ 0.33
Granted	—	—	67,866	0.32
Expired	(215,450)	0.185	—	—
Exercised	—	—	(124,351)	(0.95)
Warrants outstanding - end of period / year	1,648,157	\$ 0.30	1,863,607	\$ 0.28

The outstanding warrants had an exercise price range as follows:

	September 30, 2022 Number of Warrants	December 31, 2021 Number of Warrants
\$0.99	77,078	77,078
\$0.32	61,079	61,079
\$0.26	1,510,000	1,510,000
\$0.185	—	215,450
Warrants outstanding	1,648,157	1,863,607

SHARE-BASED COMPENSATION

DCM has adopted a Long-Term Incentive Plan ("LTIP") to: recruit and retain highly qualified directors, officers, employees and consultants (the "Participants"); provide Participants with an incentive for productivity and an opportunity to share in the growth and the value of DCM; and, align the interests of Participants with those of the shareholders of DCM. Awards to Participants are primarily based on the financial results of DCM and services

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)

provided. The aggregate maximum number of common shares available for issuance from DCM's treasury under the LTIP is 4,406,283 common shares or 10% of the issued and outstanding common shares of DCM. On April 21, 2021, DCM received confirmation from TSX that 878,769 options issued to the CEO have been listed and reserved as an employment inducement and will be allocated as a separate reserve. This separate reserve does not impact the aggregate maximum number of common shares of 4,406,283. The shares to be awarded will be authorized and unissued shares.

DCM's share-based compensation plan consists of five types of awards: restricted share unit ("RSUs"), options, deferred share unit ("DSUs"), restricted shares or stock appreciation right ("SARs") awards. No SARs have been granted to date.

(a) Restricted share unit ("RSU")

Under the RSU portion of the LTIP, selected employees are granted RSUs where each RSU represents the right to receive a distribution from DCM in an amount equal to the fair value of one DCM common share. RSUs granted are performance and non-performance based. The performance component is based on Company specific financial targets approved by the Board and the non-performance component is based on continued employment. RSUs generally vest over three years, require continued employment with DCM for the duration of the vesting period and settle in cash upon final vesting.

A liability for RSUs is measured at fair value on the grant date and is subsequently adjusted for changes in fair value. The liability is recognized on a graded vesting basis over the vesting period, with a corresponding charge to compensation expense, as a component of costs of revenues, selling, commissions and expenses, and general and administration expenses. The RSUs payable are included in trade payables and accrued liabilities. Compensation expenses for RSUs incorporate an estimate for expected forfeiture rates based on which the fair value is adjusted.

	September 30, 2022	December 31, 2021
	Number of RSUs	Number of RSUs
Balance - beginning of period/year	2,400,715	2,662,561
Units granted	536,778	1,480,637
Units forfeited	—	(740,701)
Units paid out	(150,617)	(1,001,782)
Balance - end of period/year	2,786,876	2,400,715

During the nine months ended September 30, 2022, the Chief Executive Officer ("CEO") of DCM was granted 224,652 RSUs (nine months ended September 30, 2021 – 302,529 RSUs) and 312,126 RSUs (nine months ended September 30, 2021 – 1,150,461 RSUs) were awarded to other members of DCM's management.

Of the total outstanding RSUs at September 30, 2022, nil (December 31, 2021 – nil) have vested and are payable. The carrying amount of the liability relating to the RSUs at September 30, 2022 was \$2,784 (December 31, 2021 – \$1,962).

During the nine months ended September 30, 2022, compensation expense of \$1,022 (nine months ended September 30, 2021 – \$932) was recognized in the condensed interim consolidated statement of operations related to vesting of RSUs granted, and fair value adjustments. RSUs and DSUs are categorized as level 2 inputs in the fair value hierarchy given their valuations include inputs other than quoted prices for which all significant inputs are observable, either directly or indirectly. There were no transfers between levels 1, 2 or 3 during the period.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)**(b) Options ("Options")*

A summary of Options activities for the nine months ended September 30, 2022 and the year ended December 31, 2021 is as follows:

	Nine months ended September 30, 2022		Year ended December 31, 2021	
	Number of Options	Weighted average Exercise Price	Number of Options	Weighted average Exercise Price
Options outstanding - beginning of period/year	3,950,886	\$ 0.91	1,587,486	\$ 1.33
Granted	750,000	1.30	2,625,000	0.70
Expired/forfeited	—	—	(261,600)	(1.29)
Options outstanding - end of period/year	4,700,886	\$ 0.97	3,950,886	\$ 0.91
Exercisable	2,867,553	\$ 0.99	2,322,253	\$ 1.06

The Black-Scholes option-pricing model inputs used to compute compensation expense for the options granted under the fair value-based method are as follows:

	September 30, 2022
Expected life (years)	7.0
Expected volatility	40 %
Dividend yield	— %
Risk free rate of return	2.41
Weighted average fair value of options granted	\$ 0.58
Forfeiture rate	10 %

On April 4, 2022, options to purchase up to 750,000 common shares were awarded to a member of management. Once vested, the options are exercisable for a period of seven years from the grant date at an exercise price of \$1.30 per share, representing the fair value of the Common Shares on the date of grant. The 750,000 options vest at a rate of 1/3 each year beginning on April 4, 2023.

The outstanding Options had an exercise price range as follows:

	September 30, 2022	December 31, 2021
	Number of Options	Number of Options
\$0.69	2,500,000	2,500,000
\$0.85	125,000	125,000
\$1.38	671,886	671,886
\$1.29	654,000	654,000
\$1.30	750,000	—
Options outstanding	4,700,886	3,950,886

During the nine months ended September 30, 2022, compensation expense of \$238 (nine months ended September 30, 2021 – \$420) was recognized in the condensed interim consolidated statement of operations related to the vesting of options granted.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)**(c) Deferred share unit ("DSU")*

Each director is required to receive at least half of his or her annual retainer in DSUs and has the option to elect to receive all or part of his or her other compensation in DSUs.

Each DSU represents the right to receive a distribution from DCM in an amount equal to the fair value of one DCM common share on the date of the termination of service of the respective director. The number of DSUs payable to each director is determined by multiplying the total Director Fees payable by the percent elected to be paid in DSUs and dividing the product by the Fair Value of one DCM common share on the grant date. A liability for DSUs is measured at fair value on the grant date and is subsequently adjusted for changes in fair value. The DSUs payable is included in trade payables and accrued liabilities.

During the nine months ended September 30, 2022, 271,878 (nine months ended September 30, 2021 - 237,972) DSUs were granted and nil were paid out (2021 - 183,510). The carrying amount of the liability relating to the 2,346,999 DSUs outstanding at September 30, 2022 was \$3,051 (December 31, 2021 – \$2,656 and 2,075,121 DSUs outstanding).

During the nine months ended September 30, 2022, \$464 (nine months ended September 30, 2021 – \$1,154) was recognized in the condensed interim consolidated statement of operations related to DSUs granted, and fair value adjustments.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)***10 Earnings per share**

	For the three months ended September 30, 2022	For the three months ended September 30, 2021
BASIC EARNINGS PER SHARE		
		<i>(Restated - Note 3)</i>
Net income for the period attributable to common shareholders	\$ 2,816	\$ 1,021
Weighted average shares	44,062,831	44,056,907
Basic earnings per share	\$ 0.06	\$ 0.02

DILUTED EARNINGS PER SHARE

Net income for the period attributable to common shareholders	\$ 2,816	\$ 1,021
Weighted average shares	46,501,606	46,477,944
Diluted earnings per share	\$ 0.06	\$ 0.02

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
BASIC EARNINGS PER SHARE		
		<i>(Restated - Note 3)</i>
Net income for the period attributable to common shareholders	\$ 10,286	\$ 3,417
Weighted average shares	44,062,831	43,970,128
Basic earnings per share	\$ 0.23	\$ 0.08

DILUTED EARNINGS PER SHARE

Net income for the period attributable to common shareholders	\$ 10,286	\$ 3,417
Weighted average shares	46,516,249	46,025,059
Diluted earnings per share	\$ 0.22	\$ 0.07

For the three and nine months ended September 30, 2022, options to purchase up to 2,075,886 common shares where the average market price of the common shares was less than the exercise price were excluded from the computation of diluted earnings per share as their effect would have been anti-dilutive. For the three and nine months ended September 30, 2022, warrants to purchase up to nil common shares were excluded from the computation of diluted earnings per share as they were out-of-the-money as of September 30, 2022.

For the three and nine months ended September 30, 2021, options to purchase up to 1,369,486 common shares where the average market price of the common shares was less than the exercise price were excluded from the computation of diluted earnings per share as their effect would have been anti-dilutive. For the three and nine months ended September 30, 2021, warrants to purchase up to 77,078 common shares were excluded from the computation of diluted earnings per share as they were out-of-the-money as of September 30, 2021.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)***11 Changes in working capital**

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Trade receivables	\$ (2,765)	\$ 10,905
Inventories	(9,222)	(1,708)
Prepaid expenses and other current and non current assets	183	(202)
Trade and accrued liabilities	2,199	(6,297)
Deferred revenue	(467)	(665)
	\$ (10,072)	\$ 2,033

12 Commitments and Contingencies

DCM and its subsidiaries are subject to various claims, potential claims and lawsuits. While the outcome of these matters is not determinable, DCM's management does not believe that the ultimate resolution of such matters will have a material adverse impact on DCM's financial position.

Directors and officers are indemnified by the Company for various items including, but not limited to, costs to settle lawsuits or actions due to their association with the Company, subject to certain restrictions. DCM has purchased directors' and officers' liability insurance to mitigate the costs of any potential future lawsuits or actions. The term of the indemnification covers the period during which the indemnified party served as a director or officer of the Company.

In the normal course of business, DCM has entered into agreements that include indemnities in favour of third parties, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, leasing contracts and license agreements. These indemnification arrangements may sometimes require such third parties to compensate counterparties for losses as a result of breaches in representations, covenants and warranties provided by the Company or as a result of litigation or other third party claims or statutory sanctions that may be suffered by the counterparties as a consequence of the relevant transaction. In some instances, the terms of these indemnities are not explicitly defined. No accruals have been required to be made as at September 30, 2022 with respect to these agreements.

Executive employment agreements allow for additional payments of approximately \$1,785 if the individuals are terminated without cause, and approximately \$1,785 in the event of a change in control.

Notes to The Condensed Interim Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

*(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)***13 Related party transactions****COMPENSATION OF KEY MANAGEMENT**

Key management personnel are deemed to be Directors on DCM's Board, the CEO, the President, the Chief Financial Officer and other members of the senior executive team. Compensation awarded to key management personnel, excluding compensation awarded to Directors which are described below, included:

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Salaries and other short-term employee benefits	\$ 1,371	\$ 2,122
Termination and retirement benefits	—	2,726
Post-employment benefits	10	20
Share-based compensation expense	620	1,154
Total	\$ 2,001	\$ 6,022

During the nine months ended September 30, 2022, key management personnel (excluding compensation awarded to Directors) were granted 424,279 RSUs (2021 – 844,996 RSUs), and nil RSUs (2021 – 479,265 RSUs) were forfeited. During the nine months ended September 30, 2021, key management personnel (excluding compensation awarded to Directors) were also granted options to purchase up to 2,625,000 Common Shares. During the nine months ended September 30, 2022, DCM's general and administration expenses include a charge of \$119 (2021 – \$418) for these past share-based compensation awards related to options.

During the nine months ended September 30, 2022, DCM's general and administration expenses include a net recovery of \$76 (2021 – expense of \$1,153) for the duties performed by DCM's Board, of which a recovery of \$344 (2021 – expense of \$818) relates to DSU fair value expense (note 9).

14 Segmented information

The CEO of DCM is the chief operating decision maker ("CODM").

DCM has a single operating segment, being the Company as a whole, reflecting the manner in which the operating results are being reviewed by the CODM to make decisions about resources to be allocated and to assess the Company's performance.

Management evaluates the performance of its reportable segment based on income before finance costs, other income and income taxes. Certain corporate expenses, certain non-recurring expenses, interest expense, finance costs and income taxes are not taken into account in the evaluation of the performance of the reporting segment.

All significant external sales are to customers located in Canada. DCM established operations in Chicago, Illinois in order to service the U.S. operations of a large customer and is seeking to grow its U.S. sales, however at September 30, 2022, U.S. sales were not significant to disclose separately.

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(in thousands of Canadian dollars, except percentages, shares and per share amounts, unaudited)

DCM has disclosed revenue on a disaggregated basis based on the nature of the major products and services it provides to its customers as follows:

<i>(in thousands of Canadian dollars, unaudited)</i>	For the three months ended September 30, 2022	For the three months ended September 30, 2021
Product sales	\$ 55,921	\$ 50,496
Technology-enabled hardware solutions	1,801	1,017
Warehousing services	2,182	1,870
Freight services	1,994	1,542
Marketing and other services	146	526
Technology-enabled subscription services and fees	\$ 1,355	\$ 1,441
	\$ 63,399	\$ 56,892

<i>(in thousands of Canadian dollars, unaudited)</i>	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Product sales	\$ 175,505	\$ 153,105
Technology-enabled hardware solutions	\$ 8,652	\$ 4,963
Warehousing services	6,054	5,823
Freight services	6,332	5,105
Marketing and other services	586	1,886
Technology-enabled subscription services and fees	3,630	3,578
	\$ 200,759	\$ 174,460

During the nine months ended September 30, 2022, DCM includes two new categories in this disclosure: technology-enabled hardware solutions and technology-enabled subscription services. These two revenue streams are considered significant by management of DCM. The three and nine months ended September 30, 2021 were restated accordingly, and reclassified out of product sales.

15 Subsequent event

On October 14, 2022, the principal balance and accrued interest of \$939 for the FPD III Credit Facility was repaid in full.