



Route1 Acquires DataSource Mobility

Route1's PCS Mobile Named Genetec™ AutoVu™ Premier Partner of the Year

Toronto, Canada, March 29, 2021 - [Route1 Inc.](#) (OTCQB: ROIUF and TSXV: ROI) (the “Company” or “Route1”), an advanced North American provider of data-centric business empowerment solutions, today announced that it has acquired DataSource Mobility, LLC and its wholly owned subsidiary, VetSource Mobility, LLC (collectively “DSM”).

Founded in 2007 by William Presler, DSM, operating as DataSource Mobility, is primarily a reseller of ruggedized tablets and laptops along with associated accessories. DSM offers guidance and state-of-the-art mobile devices for a wide range of sectors including public safety, utilities, field services, logistics and healthcare as well as state and local governments.

[DSM](#) is located in Clarksville, Tennessee and serves markets in the Southeastern United States including Alabama, Missouri, Tennessee and Texas. Route1 paid U.S. \$1.3 million in cash at closing to acquire DSM and did not assume any debt.

Route1 has also agreed to share with DSM’s prior owners the gross profit generated by defined DSM accounts once the actual gross profit exceeds a threshold for the balance of the 2021 calendar year and 2022 calendar year. The threshold is U.S. \$375,000 for the last nine months of 2021 and U.S. \$500,000 for calendar year 2022.

In millions of US dollars	FY 2019	FY 2020
Revenue	\$4.21	\$5.10
Gross Profit	\$0.40	\$0.49

Note: The numbers presented above are unaudited. DSM’s fiscal year end is December 31st.

On closing, Route1 acquired net working capital of approximately U.S. \$40,000 with no long-term liabilities or debt. There were no property leases or other leases as part of the transaction.

Route1 is acquiring DSM for the following reasons. The acquisition:

- accelerates Route1’s planned expansion of its business model into Texas, a strong and growing market;
- grows our key enterprise and public safety accounts in the energy, logistics and local government sectors;



- provides us with the opportunity to add to the size and quality of our sales team; and
- allows us to leverage DSM’s current and future sales of rugged mobile devices to expand Route1’s profitable field service installation business providing customers with end-to-end service including configuration, asset tagging and vehicle installation.

Genetec AutoVu Premier Partner of the Year

Earlier this month, Route1’s wholly owned subsidiary PCS Mobile was been named “AutoVu™ Premier Partner of the Year – USA” by [Genetec Inc.](#). This is the fifth consecutive year PCS Mobile has won the award.

Warrant Exercise

On March 19, 2021 the holder of 3,000,000 Route1 common share purchase warrants issued by Route1 on March 22, 2018 with an exercise price of \$0.50 (the “March 2018 Warrants”) were exercised in full on a cashless basis resulting in the issuance of 1,355,443 common shares. This particular holder now owns 3,855,443 Route1 common shares amounting to 9.6% of Route1’s issued and outstanding common shares.

After the cashless warrant exercise described above, Route1 has outstanding: 40,049,463 common shares; 3,574,411 common share purchase warrants expiring June 16, 2022 with a Canadian dollar \$1.00 strike price; and 3,312,500 common share stock options.

[About Route1 Inc.](#)

Route1 Inc. is an advanced North American technology company that empowers their clients with data-centric solutions necessary to drive greater profitability, improve operational efficiency and gain sustainable competitive advantages, while always emphasizing a strong cybersecurity and information assurance posture. Route1 delivers exceptional client outcomes through real-time secure delivery of actionable intelligence to decision makers, whether it be in a manufacturing plant, in-theater or in a university parking lot. Route1 is listed on the OTCQB in the United States under the symbol ROIUF and in Canada on the TSX Venture Exchange under the symbol ROI. For more information, visit: www.route1.com.

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

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