

DSS, Inc. Letter to Shareholders

Apr 15, 2026

ROCHESTER, N.Y., April 15, 2026 (GLOBE NEWSWIRE) -- DSS, Inc. (NYSE American: DSS) today issued the following letter to shareholders from the Interim CEO, **Jason Grady**, highlighting the Company's operational progress, financial improvements, and strategic initiatives.

Dear Fellow Shareholders,

Over the past six months, our stock performance has not fully reflected the progress we have made inside DSS. While we recognize the importance of market perception, it is equally important to separate short-term trading dynamics from the underlying trajectory of the business.

Today, our valuation continues to be influenced by legacy financial results, balance sheet considerations, and the complexity of historically operating across multiple business segments. In addition, limited institutional ownership and low trading volume have created an environment where short-term sentiment can outweigh fundamentals.

That said, the business you own today is meaningfully stronger, more focused, and better positioned than it was a year ago.

Since stepping into my role, we have taken decisive actions to improve the foundation of DSS. We have reduced operating expenses and streamlined our portfolio to better align our businesses with long-term value creation. These structural improvements are already reshaping our cost basis and positioning the company for improved financial performance.

Importantly, DSS today operates across four core strategic segments—Product Packaging, Biotechnology, Commercial Lending, and Securities & Investment Management—providing the Company with a diversified platform for growth and long-term value creation.

Strengthening Our Financial Foundation

In 2025, we made meaningful progress in strengthening the Company's financial foundation and improving operational discipline across the business. Total costs and expenses declined 43% to \$35.2 million, compared with \$61.7 million in 2024, reflecting a significant improvement in our overall cost structure and the impact of actions taken to streamline operations and better align resources.

We also saw encouraging momentum in key operating areas. Within our Product Packaging business, printed products revenue increased 12% to \$18.1 million, driven by new customer orders and stronger-than-forecast demand from existing customers. In our Securities and Investment Management business, Sentinel Brokers delivered a 39% increase in commission revenue, supported by the return of equity trading commissions and underwriting activity during the year.

At the same time, we remained focused on improving efficiency throughout the organization. Sales and marketing expenses declined 20%, while rent and utilities expenses declined 22%, demonstrating our commitment to controlling overhead while continuing to support our core operations.

From a capital management perspective, 2025 also reflected disciplined execution. Net cash provided by investing activities improved to \$18.1 million, compared with \$12.1 million in 2024, supported in part by \$15.7 million of real estate sale proceeds and \$2.4 million from the sale of related-party investments. During the year, we also made \$17.8 million of long-term debt payments, underscoring our focus on liquidity, balance sheet management, and long-term financial flexibility.

Taken together, these results reflect a year of measurable progress. We believe the actions taken in 2025 have better positioned DSS to operate more efficiently, allocate capital more effectively, and build on the opportunities within our core business lines moving forward.

Executing on Strategy: Impact BioMedical Inc.

A key example of executing against our stated business plan is the spin-out of Impact BioMedical, which we completed in September 2024. This transaction was designed to separate and highlight the value of that business while allowing DSS to maintain meaningful participation in its upside.

Impact BioMedical's public market debut represents an important milestone in the evolution of DSS and reflects our strategy of unlocking value within high-potential businesses while maintaining strategic alignment. Impact BioMedical continues to strengthen its innovation platform, supported by 9 issued patents and more than 40 patents pending globally.

Building on that foundation, we are now advancing a proposed reverse merger transaction involving Impact BioMedical. If completed, this transaction is expected to create a more liquid and visible public vehicle while also providing a pathway to unlock additional value for DSS shareholders.

Premier Packaging: Organic Growth and Strategic Expansion

At Premier Packaging, we are seeing continued momentum driven by both organic growth and disciplined operational execution. Premier continues to expand within key sectors including medical device, food and beverage, and health and wellness, markets that continue to show strong demand for compliant and sustainable packaging solutions.

Operationally, we have strengthened our ability to onboard new programs, improved production efficiency, and reinforced the quality systems that our customers depend on. At the same time, we are actively evaluating acquisition opportunities within the folding carton space, with the goal of building scale in a thoughtful way while expanding capabilities, customer reach, and geographic presence.

Sentinel Brokers: Expanding Capital Markets Capabilities

Within Sentinel Brokers, we have made important strides in expanding our service offerings and strengthening our capital markets capabilities.

During 2025, Sentinel received FINRA approval to act as an underwriter and selling group member for corporate securities offerings, including IPOs and follow-on offerings, expanding its ability to participate more directly in capital markets transactions.

Closing the Gap Between Performance and Valuation

We recognize that strong execution must translate into visible financial results. As our operational improvements continue to take hold, we expect to demonstrate more consistent performance and improved financial outcomes.

Importantly, we believe there remains a meaningful disconnect today between our market capitalization and the broader value of our enterprise. With a relatively small equity value and a significantly larger operational footprint, modest improvements in profitability, capital structure, or strategic clarity can have an outsized impact on shareholder value.

Sincerely,

Jason Grady

Interim Chief Executive Officer

DSS, Inc.

Investor Notice

Investing in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the risks, uncertainties and forward-looking statements described under the heading "Risk Factors" in our most recent annual report on Form 10-K and any other periodic reports that we may file with the U.S. Securities and Exchange Commission (the "SEC"). If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. In addition, our past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results in the future. See "Forward-Looking Statements" below.

Forward Looking Statements

This shareholder letter contains forward-looking statements within the meaning of the federal securities laws. All statements, other than statements of historical fact, included in this shareholder letter are forward-looking statements. The words "may," "will," "could," "anticipate," "expect," "intend," "believe," "continue," "target" and similar expressions or variations or negatives of these words are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Such forward-looking statements are based on management's current expectations about future events as of the date hereof and involve many risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in our forward-looking statements. Subsequent events and developments, including actual results or changes in our assumptions, may cause our views to change. We do not undertake to update our forward-looking statements except to the extent required by applicable law. Readers are cautioned not to place undue reliance on such forward-looking statements. All forward-looking statements included herein are expressly qualified in their entirety by these cautionary statements. Our actual results and outcomes could differ materially from those included in these forward-looking statements as a result of various factors, including, but not limited to, the factors set forth under the heading "Risk Factors" in our most recent annual report on Form 10-K and any other periodic reports that we may file with the SEC.

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