UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, DC 20549

FORM 8-K

CURRENT REPORT Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 14, 2023

	DecisionPoint Systems, Inc.	
(1	Exact name of registrant as specified in its charte	r)
Delaware	001-41376	37-1644635
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)
DecisionPoint Systems, Inc. 1615 South Congress Avenue Suite 10 Delray Beach, Florida	3	33445
(Address of principal executive office	s)	(Zip Code)
Registrar	nt's telephone number, including area code: (561)	900-3723
(Form	er name or former address, if changed since last	report)
Check the appropriate box below if the Form 8-K filing is in General Instruction A.2. below):	tended to simultaneously satisfy the filing obligation	on of the registrant under any of the following provisions (see
□ Written communications pursuant to Rule 425 under the	Securities Act (17 CFR 230.425)	
□ Soliciting material pursuant to Rule 14a-12 under the Exe	change Act (17 CFR 240.14a-12)	
□ Pre-commencement communications pursuant to Rule 14	dd-2(b) under the Exchange Act (17 CFR 240.14d-20	(b))
□ Pre-commencement communications pursuant to Rule 13	Se-4(c) under the Exchange Act (17 CFR 240.13e-4((c))
Securities registered pursuant to Section 12(b) of the Act:		
Common Stock, \$0.001 par value	Trading Symbol DPSI	Name on Each Exchange on Which Registered NYSE American
Indicate by check mark whether the registrant is an emerging the Securities Exchange Act of 1934 (§240.12b-2 of this chapt		urities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of
Emerging growth company □		
If an emerging growth company, indicate by check mark if th accounting standards provided pursuant to Section 13(a) of the		sition period for complying with any new or revised financial

Item 2.02 Results of Operations and Financial Condition

On November 14, 2023, DecisionPoint Systems, Inc. issued an earnings release for the three and nine months ended September 30, 2023, and provided guidance for the remainder of 2023. The earnings release also announced the quarter-end conference call and webcast to discuss operating results. A copy of the earnings release is furnished as Exhibit 99.1 to this Current Report on Form 8-K. Information in this Current Report on Form 8-K including Exhibit 99.1 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of DecisionPoint Systems, Inc. dated November 14, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DECISIONPOINT SYSTEMS, INC.

Date: November 14, 2023

By: /s/ Melinda Wohl

Name: Melinda Wohl

Title: Chief Financial Officer



DecisionPoint Systems Announces Third Quarter 2023 Results

Record third quarter revenue of \$27.1 million (+5.5%)

Record gross margin of 27.6% (+520 bps) and software/services mix of 46%

Provides 2023 guidance of 14-16% revenue growth and 13-17% adjusted EBITDA growth

DELRAY BEACH, Fla., November 14, 2023 /PRNewswire/ — DecisionPointTM Systems, Inc. (NYSE American: DPSI), the leading mobility-first enterprise services and solutions company, today announced third quarter 2023 financial results ended September 30, 2023.

Steve Smith, chief executive officer of DecisionPoint Systems, commented: "Our services-oriented strategy is fueling our growth model and clearly differentiates us from our peers in the industry. We continued to show year-over-year growth in the third quarter, driven by a record mix of software and services at 46% of revenue. This differentiation has allowed us to buck industry trends and drive profitable growth.

"We also continued to see synergies from our acquisition of Macro Integration Services (MIS) and are already creating growth opportunities due to the cross-selling activities across the Company. For example, we're conducting broader, CIO-level meetings around our combined mobile and services portfolio at several MIS customers.

"Finally, strong cash flow from operations enabled us to pay down another \$1.2 million in debt related to the Macro Integration Services acquisition."

Third Quarter Highlights (2023 versus 2022)

- Revenue increased 5.5% to \$27.1 million;
- Gross Profit increased 30.0% to \$7.5 million; Gross Margin increased 520 basis points to 27.6%;
- GAAP Operating Income remained flat;
- GAAP Net Income remained flat and diluted EPS decreased 13.3% to \$0.13;
- Non-GAAP Net Income¹ and non-GAAP diluted EPS decreased 8.4% and 12.5% to \$1.1 million and \$0.14, respectively;
- Adjusted EBITDA¹ remained flat at \$2.3 million;
- Paid down \$1.2 million of debt related to the April 1, 2023 acquisition of MIS.
- 1 See GAAP to non-GAAP explanations and reconciliations at the end of this release

Third Quarter Select Financial Metrics: 2023 versus 2022

(in \$M except for EPS)	 3Q23	3Q22	Change	Y	TD 2023	Y	TD 2022	Change
Total Revenue	\$ 27.1	\$ 25.7	5.5%	\$	85.1	\$	72.9	16.7%
Hardware Solutions	\$ 15.4	\$ 21.0	-26.5%	\$	57.3	\$	59.2	-3.1%
Software and Services Revenue	\$ 11.7	\$ 4.7	147.7%	\$	27.7	\$	13.7	102.5%
Gross Profit	\$ 7.5	\$ 5.8	30.0%	\$	21.3	\$	16.8	26.7%
Operating Income	\$ 1.5	\$ 1.5	-0.7%	\$	4.1	\$	3.8	6.6%
GAAP Net Income	\$ 1.1	\$ 1.1	-5.2%	\$	2.8	\$	2.7	2.0%
GAAP Diluted Earnings Per Share	\$ 0.13	\$ 0.15	-11.2%	\$	0.36	\$	0.36	0.0%
Non-GAAP Net Income	\$ 1.1	\$ 1.2	-8.4%	\$	3.5	\$	3.3	4.6%
Non-GAAP Diluted EPS	\$ 0.14	\$ 0.16	-13.3%	\$	0.45	\$	0.43	4.7%
Adjusted EBITDA	\$ 2.3	\$ 2.3	1.5%	\$	6.8	\$	6.1	11.5%

^{*} numbers may not add due to rounding

Balance Sheet and Liquidity as of September 30, 2023

Cash and cash equivalents were \$3.6 million, compared to \$7.6 million on December 31, 2022. Short-term and long-term debt were \$1.0 million and \$5.7 million, respectively.

Commentary and Guidance (ending 12/31/23)

	2023 Guidance	2022 Actual	2023 vs 2022
Revenue	\$111 million - \$113 million	\$97.4 million	+14% - 16%
Adjusted EBITDA	\$8.9 - \$9.2 million	\$7.9 Million	+13% - 17%

[&]quot;For the full year 2023, we now expect revenue in the range of \$111 to \$113 million with \$8.9 to \$9.2 million in adjusted EBITDA. Note this increase in adjusted EBITDA is coming despite investing \$1 million in expanding our managed services capabilities in 2023, which we expect to begin generating positive returns in 2024. Additionally, to drive further growth, especially in our managed services offerings, we recently shifted resources internally while further increasing our investment in business development by adding several high-level, quota-carrying key account managers who are well-regarded within the industry. We expect these additions to contribute nominally to revenue in our fourth quarter and, more significantly, in 2024," concluded Smith.

Trended Financial Information

Trended Financial Information*

(in \$M except for EPS)	1Q22	2Q22	3Q22	4Q22	FY 2022	1Q23	2Q23	3Q23	YTD FY2023
Total Revenue	\$ 19.7	\$ 27.5	\$ 25.7	\$ 24.5	\$ 97.4	\$ 27.0	\$ 30.9	\$ 27.1	\$ 85.1
Hardware Solutions	\$ 15.6	\$ 22.7	\$ 21.0	\$ 19.8	\$ 79.1	\$ 22.2	\$ 19.7	\$ 15.4	\$ 57.3
Software and Services Revenue	\$ 4.1	\$ 4.8	\$ 4.7	\$ 4.7	\$ 18.3	\$ 4.9	\$ 11.2	\$ 11.7	\$ 27.7
Gross Profit	\$ 4.7	\$ 6.3	\$ 5.8	\$ 6.3	\$ 23.1	\$ 6.1	\$ 7.7	\$ 7.5	\$ 21.3
Operating (loss) Income	\$ 0.2	\$ 2.0	\$ 1.5	\$ 0.7	\$ 4.4	\$ 1.2	\$ 1.3	\$ 1.5	\$ 4.1
Net (loss) Income	\$ 0.9	\$ 0.7	\$ 1.1	\$ 0.4	\$ 3.1	\$ 0.9	\$ 0.8	\$ 1.1	\$ 2.8
Diluted EPS	\$ 0.11	\$ 0.09	\$ 0.15	\$ 0.07	\$ 0.41	\$ 0.11	\$ 0.11	\$ 0.13	\$ 0.35
Non-GAAP Net Income	\$ 1.3	\$ 0.8	\$ 1.2	\$ 0.7	\$ 4.1	\$ 1.3	\$ 1.0	\$ 1.1	\$ 3.5
Non-GAAP Diluted EPS	\$ 0.16	\$ 0.11	\$ 0.16	\$ 0.11	\$ 0.54	\$ 0.16	\$ 0.13	\$ 0.13	\$ 0.45
Adjusted EBITDA	\$ 1.1	\$ 2.7	\$ 2.3	\$ 1.8	\$ 7.8	\$ 2.1	\$ 2.5	\$ 2.3	\$ 6.9

^{*} numbers may not add due to rounding

^{**} see GAAP to Non-GAAP Reconciliation on page 8

Earnings Conference Call and Webcast Information

Date: November 14, 2023 Time: 1:00 p.m. Eastern Time Toll-Free: 1-877-407-3982

Toll/International: 1-201-493-6780

Call meTM: Click Call me Link for instant telephone access to the event (Call meTM link will be made active 15 minutes before the scheduled start time).

Webcast: https://viavid.webcasts.com/starthere.jsp?ei=1628170&tp key=86d6b02517

Replay Information:

Toll-Free: 1-844-512-2921 **Toll/International:** 1-412-317-6671 Replay Pin Number: 13742540

Replay Start: Tuesday, November 14, 2023, 2:00 p.m. ET Replay Expiry: Tuesday, November 21, 2023 at 11:59 p.m. ET

About DecisionPoint Systems

DecisionPoint Systems Inc. delivers mobility-first managed service and integration solutions to healthcare, supply chain, and retail customers, enabling them to make better and faster decisions in the moments that matter—the decision points. Our mission is to help businesses consistently deliver on those moments—accelerating growth, improving worker productivity, and lowering risks and costs. For more information about DecisionPoint Systems, Inc., visit https://www.decisionpt.com.

Forward-Looking Statements

In this press release, all statements that are not purely about historical facts, including, but not limited to, those in which we use the words "believe," "anticipate," "expect," "plan," "intend," "estimate, "target" and similar expressions, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. While these forward-looking statements represent our current judgment of what may happen in the future, actual results may differ materially from the results expressed or implied by these statements due to numerous important factors, including, but not limited to, those described in our most recent report on SEC Form 10-K (under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"), which may be revised or supplemented in subsequent reports on SEC Forms 10-Q and 8-K. We are under no obligation, and expressly disclaim any obligation, to update the forward-looking statements in this press release, whether as a result of new information, future events or otherwise.

Investor Relations Contact:

Brian Siegel, IRC, MBA Senior Managing Director, Hayden IR (346) 396-8696

Brian@haydenir.com

DecisionPoint Systems, Inc. Condensed Consolidated Balance Sheets

(in thousands, except par value) (Unaudited)

ASSETS Current asses 5 3.65 7.62 Cacounts receivable, net 18,930 17,082 1,042 4,417 1,002 4,417 1,002 4,417 1,002 4,417 1,002 4,417 2,202 3,003 2,727 1,002 3,003 2,272 3,009 1,002 3,009 2,272 2,002 3,205 2,272 2,002 3,265 2,272 2,002 3,365 2,808 2,002 1,817 2,002 1,817 2,002 1,817 2,002 1,817 2,002 1,817 2,002 1,817 2,002 1,817 2,002 1,818 2,002 1,818 2,002 1,818 1,002 2,		Sept	tember 30, 2023	December 31, 2022		
Cash \$ 3,461 \$ 7,628 Accounts recivable, net 18,93 2,728 Inventory, net 3,002 4,417 Defered costs 2,59 3,435 2,739 Total cere tassets 2,298 3,237 3,202 2,288 32,273 Operating leas sests 3,586 2,688 2,681 2,818 <th< th=""><th>ASSETS</th><th></th><th></th><th></th><th></th></th<>	ASSETS					
Accounts receivable, net 18,93 17,085 Inventory, net 3,002 4,417 Deferred costs 3,443 2,729 Prepaid expenses and other current assets 29,93 390 Otal current assets 29,288 32,272 Operating lease assets 2,80 2,81 Property and equipment, net 3,365 2,868 Deferred tox sasets 8 4,93 Deferred tox assets 8 4,94 Eventual tox 24,555 10,499 Odwill 24,555 10,499 Other assets, net 4 4,531 Goodynill 4 4,531 Obditions 2,12,84 8,55,557 ILBHILITES 2 2,284 1,555 Lassets 5 2,2,34 5,555 Lassets 5 2,2,34 5,555 Lassets 5 2,2,34 5,555 Lassets 6 2,2,34 5,555 Lassets 6 8,2,2,2 <t< th=""><th>Current assets:</th><th></th><th></th><th></th><th></th></t<>	Current assets:					
Inventory net 3,002 4,417 Deferred cots 3,443 2,729 Prepaid expenses and other current assets 2,93 3,93 Total current assets 2,938 32,727 Operating leas assets 3,65 2,88 Property and equipment, net 3,65 2,86 Deferred tosts, net of current portion 3,65 2,86 Deferred tosts, set of expert participation 4,84 4,31 Integral by assets, net 6 4,4 4,4 Obditions 1,0 4 4 Other assets 1,0 4 4 Total assets 1,0 4 4 Total sasets 2,2 1,0 4 4 Total sasets 1,0 4 4 4 1 1 4 4 4 1 1 1 1 4 4 4 1 1 1 1 3 1 6 6 8 9 7 3 1 <t< td=""><td></td><td>\$</td><td>,</td><td>\$</td><td>/</td></t<>		\$,	\$	/	
prepaid expense and other current assets 2.92 3.93 Otal current assets 2.92.88 3.2,272 Operating lease assets 3.586 2.6.81 Property and equipment, net 3.365 2.868 Deferred cas seets 3.365 2.868 Deferred tax assets 8.40 4.51 Goodwill 24,555 10.49 Other assets, net 24,555 10.49 Other assets 24,555 10.49 Other assets 2,72,18 5.557 Taxable States 2,72,18 5.557 Taxable States 2,72,18 5.557 Taxable States 2,72,18 5.557 Taxable States 3,82,5 5.557 Current Liabilities 3,23 6.62 Current portion of operating lease liabilities 3,31 2,00	,		,		,	
Prepaid expenses and other current assets 29,88 32,927 Total current assets 29,288 32,272 Operating leas assets 2,860 2,860 Property and equipment, net 2,860 1,817 Deferred costs, tee of current portion 3,365 2,868 Deferred tax assets - - 4,84 Intangible assets, net 4,04 4,51 Goodwill 24,555 10,498 Other assets 4,10 4,51 It that public sectors 5,22 8,55,575 Lorent labilities 5,22 5,23 Carrent labilities 5,22 5,23 Accounts payable 5,28 5,23 Accounts payable 5,28 5,23 Account appacities of current portion of carnout consideration 5,23 6,22 Current portion of perating lease liabilities 3,25 3,31 Current portion of operating lease liabilities 3,31 2,00 Deferred revenue, net of current portion 4,84 4,31 Long-term dat liabilities			,		,	
Total current assets 29,288 32,272 Operating lease assets 3,586 2,681 Property and equipment, net 2,980 1,817 Deferred costs, net of current portion 3,365 2,808 Deferred tax sests - 848 Inadiable assets, net 4,501 4,513 Goodwill 2,555 10,499 Other assets 140 4 Total assets 5,72,318 5,555 LINIBITIES AND STOCKHOLDERS' EQUITY Current liabilities 5 72,318 5,555 Accrued expenses and other current liabilities 5,256 5,357 Deferred revenue 6,886 6,021 Current portion of operating lease liabilities 5,252 6 Current portion of long-term debt 3,295 3,252 Otal current liabilities 3,295 3,252 Otal current portion of operating lease liabilities 3,315 2,706 Deferred evenue, net of current portion 4,845 4,331 Long-term debt 3,315 <td< td=""><td></td><td></td><td>,</td><td></td><td>,</td></td<>			,		,	
Operating lease assets 3,866 2,081 Property and equipment, net 2,980 1,817 Deferred costs, net of current portion 3,665 2,868 Deferred tax assets 8,404 4,848 Intangible assets, net 8,404 4,818 Goodwill 24,555 10,499 Other assets 10 4 Total assets 5,72,18 5,55,575 Intellistics 5 7,23 5,55,575 Accounts payable \$ 12,848 \$ 19,355 Accounts payable \$ 12,848 \$ 19,355 Account expenses and other current liabilities 5,806 6,021 Current portion of carnout consideration 5,502 1,535 Current portion of long-term debt 1,003 3 Current portion of operating lease liabilities 32,953 1,605 Deferred revenue, net of current portion 3,455 4,314 Iong-term portion of operating lease liabilities 3,315 2,706 Lefterred account, post of carnout consideration 3,31 2,706	Prepaid expenses and other current assets				399	
Property and equipment, net 2,980 1,817 Deferred costs, net of current portion 3,365 2,868 Deferred tax assets 1 4 48 Incompliance assets, net 8,404 4,513 1 4 4,513 1 0 4 5 1 0 4 5 1 0 4 5 1 0 4 5 1 0 4 4 5 1 0 4 4 5 1 0 4 4 5 1 0 4 4 5	Total current assets		29,288		32,272	
Deferred coxs, net of current portion 3,66 2,868 Deferred tax assets 8,404 4,531 Goodwill 24,555 10,499 Other assets 140 4 Total assets 5,233 5,557 Intellibities Terment liabilities Terment liabilities Terment apertic of expenses and other current liabilities 5,226 5,357 Account expenses and other current liabilities 5,826 5,357 Deferred revenue 6,886 6,021 Current portion of earnout consideration 5,20 6 Current portion of poperating lease liabilities 3,31 3,36 Deferred revenue, not of current portion 4,845 4,31 Long-term devide 5,92 3,31 2,00 Deferred revenue, not of current portion 5,93 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316 3,316			3,586		2,681	
Defered tax assets - 848 Intangible assets, net 8,404 4,513 Goodwill 24,555 10,409 Other assets 10 4 Total assets 12,000 5,555 HABILITIES AND STOCKHOLDER'S EQUITY TURNITIES AND STOCKHOLDER'S EQUITY TURNITIES AND STOCKHOLDER'S EQUITY Liver Intabilities 5,200 5,855 Accurate dexpenses and other current liabilities 5,826 5,875 Accured expenses and other current liabilities 5,820 5,875 Deferred revenue 6,886 6,021 Current portion of long-term debt 1,003 3 Quirent portion of Poperating lease liabilities 32,953 3,165 Deferred revenue, net of current portion 4,845 4,331 Long-term portion of operating lease liabilities 3,315 2,706 Long-term portion of constitute of current portion of contract consideration 4,845 4,331 Long-term portion of poperating lease liabilities 3,315 2,706 Long-term portion of constitute consideration 4,81 2,806			2,980		1,817	
Intangible assets, net 8,404 4,531 Goodwill 24,555 10,499 Other assets 140 441 Total assets 5,72,318 5,5557 LABILITIES AND STOCKHOLDERS' EQUITY Current liabilities 5,250 5,557 Accounts payable 5,826 5,357 Accured expenses and other current liabilities 5,826 6,021 Current portion of earnout consideration 5,50 6.02 Current portion of operating lease liabilities 3,0 5.20 Total current liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 4,845 4,331 Long-term portion of operating lease liabilities 3,315 2,706 Deferred revenue, net of current portion 4,845 4,331 Long-term portion of earnout consideration 4,845 4,331 Long-term portion of earnout consideration 4,316 6 Long-term portion of earnout consideration 5,579 3,875			3,365		2,868	
Godwill 24,555 10,499 Other asets 140 41 Total assets 72,318 55,557 LARILITES AND STOCKHOLDER'S EQUITY Current liabilities 12,848 19,755 Accured expenses and other current liabilities 5,826 5,357 Deferred revenue 6,886 6,021 Current portion of earnout consideration 5,502 - Current portion of Iong-term debt 1,003 3 Current portion of operating lease liabilities 32,95 33,1665 Deferred revenue, net of current portion 3,15 3,270 Deferred revenue, net of current portion of operating lease liabilities 3,31 2,70 Long-term debt 3,31 2,70 2 Deferred revenue, net of current portion 4,816 3,31 2,70 Long-term portion of operating lease liabilities 3,31 2,70 Long-term portion of earnout consideration 3,31 2,70 Congetter in portion of earnout consideration 2,59 3,83 Total liabilities 5,25						
Other assets 140 41 Total assets \$ 72,318 \$ 55,557 INSIGNATION STOCKHOLDERS' EQUITY Current liabilities: \$ 12,848 \$ 19,755 Accounts payable \$ 12,848 \$ 19,755 Accounts payable \$ 5,826 5,357 Deferred revenue 6,886 6,021 Current portion of carnout consideration 5,020 - Current portion of Jong-term debt 30,03 3 Current portion of current portion 4,845 4,311 Long-term debt 5,933 14,65 Noncurrent portion of operating lease liabilities 3,315 2,70 Noncurrent portion of operating lease liabilities 3,315 2,70 Long-term debt 3,315 2,70 Long-term portion of operating lease liabilities 3,315 2,70 Under liabilities 5,593 143 Deferred tax liabilities 5,593 143 Other liabilities 5,573 38,975 Total liabilities 5,575 38,975 <td< td=""><td>E ,</td><td></td><td>,</td><td></td><td>,</td></td<>	E ,		,		,	
Total assets \$72,318 \$55,557			24,555		10,499	
Current liabilities:	Other assets		140		41	
Current liabilities: 12,848 19,755 Accounts payable \$ 12,848 \$ 19,755 Accounde expenses and other current liabilities 5,826 5,357 Deferred revenue 6,886 6,021 Current portion of earnout consideration 5,520 - Current portion of long-term debt 1,003 3 Current portion of operating lease liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,693 2,706 Long-term debt 5,693 143 Noncurrent portion of earnout consideration 4,816 - Long-term portion of earnout consideration 4,316 - Long-term portion of earnout consideration 4,316 - Cofferred tax liabilities 1,451 - Other liabilities 5,579 38,975 Total liabilities 5,579 38,975 Commitments and contingencies (Notes 6 and 10) - - <tr< td=""><td>Total assets</td><td>\$</td><td>72,318</td><td>\$</td><td>55,557</td></tr<>	Total assets	\$	72,318	\$	55,557	
Accounts payable \$ 12,848 \$ 19,755 Accrued expenses and other current liabilities 5,826 5,357 Deferred revenue 6,886 6,021 Current portion of earnout consideration 5,520 - Current portion of long-term debt 1,003 3 Current portion of operating lease liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 5,693 143 Noncurrent portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 5,693 38,75 Commitments and contingencies (Notes 6 and 10) 5,593 38,975 Total (liabilities 5,593 38,975 Commitments and contingencies (Notes 6 and 10) 5,593 38,975 Total (liabilities 5,593 38,975 Common stock, \$0,001 par value; 10,000 shares authorized; no shares issued or outstanding, respectively 8 7 Peferred stoc	· · · · · · · · · · · · · · · · · · ·					
Accrued expenses and other current liabilities 5,826 5,357 Deferred revenue 6,886 6,021 Current portion of earnout consideration 5,520 - Current portion of long-term debt 1,003 3 Current portion of operating lease liabilities 870 529 Total current liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 52,799 38,975 Commitments and contingencies (Notes 6 and 10) 52,799 38,975 Commitments and contingencies (Notes 6 and 10) 52,799 38,975 Common stock, \$0,001 par value; 10,000 shares authorized; no share issued or outstanding, respectively 8 7 Common stock, \$0,001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively 38,831 38,831 Accumulated						
Deferred revenue 6,886 6,021 Current portion of earnout consideration 5,520 - Current portion of long-term debt 1,003 3 Current portion of operating lease liabilities 870 529 Total current liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 6 130 Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Common stock, \$0,001 par value; 10,000 shares authorized; no shares issued or outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity		\$		\$,	
Current portion of earnout consideration 5,520 - Current portion of long-term debt 1,003 3 Current portion of operating lease liabilities 870 529 Total current liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Common stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding - - - Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively 8 7 Additional paid-in capital 38,831 38,829 Accumulated deficit (1					5,357	
Current portion of long-term debt 1,003 3 Current portion of operating lease liabilities 870 529 Total current liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Stockholders' equity: 7 - - Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582			6,886		6,021	
Current portion of operating lease liabilities 870 529 Total current liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 6 130 Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Stockholders' equity - - Common stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582	1				-	
Total current liabilities 32,953 31,665 Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) Commitments and contingencies (Notes 6 and 10) - - Stockholders' equity: - - - Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582			,		3	
Deferred revenue, net of current portion 4,845 4,331 Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 52,579 38,975 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Stockholders' equity: - - Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding - - Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582	Current portion of operating lease liabilities		870		529	
Long-term debt 5,693 143 Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Stockholders' equity: Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding - - Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582	Total current liabilities		32,953		31,665	
Noncurrent portion of operating lease liabilities 3,315 2,706 Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) 52,579 38,975 Stockholders' equity: Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding - - - Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582	Deferred revenue, net of current portion		4,845		4,331	
Long-term portion of earnout consideration 4,316 - Deferred tax liabilities 1,451 - Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) - - Stockholders' equity: Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding - - Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582			5,693		143	
Deferred tax liabilities 1,451 - Other liabilities 6 130 Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) - - Stockholders' equity: Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding - - Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively 8 7 Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582			3,315		2,706	
Other liabilities6130Total liabilities52,57938,975Commitments and contingencies (Notes 6 and 10)52,57938,975Stockholders' equity:Freferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstandingCommon stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively87Additional paid-in capital38,83138,429Accumulated deficit(19,100)(21,854)Total stockholders' equity19,73916,582					-	
Total liabilities 52,579 38,975 Commitments and contingencies (Notes 6 and 10) Stockholders' equity: Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding - Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively Additional paid-in capital Accumulated deficit (19,100) (21,854) Total stockholders' equity			1,451		-	
Commitments and contingencies (Notes 6 and 10) Stockholders' equity: Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively 8 7 Additional paid-in capital Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582	Other liabilities		6		130	
Stockholders' equity: Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively Additional paid-in capital Accumulated deficit Total stockholders' equity Stockholders' equity	Total liabilities	<u> </u>	52,579		38,975	
Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively Additional paid-in capital Accumulated deficit Total stockholders' equity	Commitments and contingencies (Notes 6 and 10)					
Common stock, \$0.001 par value; 50,000 shares authorized; 7,654 and 7,416 shares issued and outstanding, respectively87Additional paid-in capital38,83138,429Accumulated deficit(19,100)(21,854)Total stockholders' equity19,73916,582	Stockholders' equity:					
Additional paid-in capital 38,831 38,429 Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582	Preferred stock, \$0.001 par value; 10,000 shares authorized; no shares issued or outstanding		-		-	
Accumulated deficit (19,100) (21,854) Total stockholders' equity 19,739 16,582						
Total stockholders' equity (25,687) 19,739 16,582	Additional paid-in capital		38,831		38,429	
Total stockholders' equity 19,739 16,582	Accumulated deficit		(19,100)		(21,854)	
Total liabilities and stockholders' equity \$ 72,318 \$ 55,557	Total stockholders' equity				16,582	
	Total liabilities and stockholders' equity	\$	72,318	\$	55,557	

DecisionPoint Systems, Inc. Condensed Consolidated Statements of Income and Comprehensive Income

(in thousands, except per share data) (Unaudited)

Net sales: Product \$ Service Net sales Cost of sales: Product Service Cost of sales: Product Service Cost of sales Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income	3 15,436 11,704 27,140	\$	20	023		
Product \$ Service Net sales Cost of sales: Product Service Cost of sales Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income	11,704	\$ 20.000			4	022
Service Net sales Cost of sales: Product Service Cost of sales Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income	11,704	\$ 20.000				
Net sales Cost of sales: Product Service Cost of sales Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income		20,988	\$	57,348	\$	59,259
Cost of sales: Product Service Cost of sales Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income	27,140	 4,725		27,743		13,681
Product Service Cost of sales Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income		25,713		85,091		72,940
Service Cost of sales Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income						
Cost of sales Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income	12,340	16,923		46,205		47,213
Gross profit Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income	7,317	3,036		17,604		8,971
Operating expenses: Sales and marketing expense General and administrative expenses Total operating expenses Operating income	19,657	19,959		63,809		56,184
Sales and marketing expense General and administrative expenses Total operating expenses Operating income	7,483	5,754		21,282		16,756
Sales and marketing expense General and administrative expenses Total operating expenses Operating income						
Total operating expenses Operating income	2,129	2,291		6,988		6,850
Operating income	3,838	1,936		10,242		6,155
	5,967	4,227		17,230		13,005
	1,516	1,527		4,052		3,751
Interest expense	(162)	(7)		(385)		(42)
Other income (expense)	15	-		23		(17)
Income before income taxes	1,369	1,520		3,690		3,692
Income tax expense	(316)	(409)		(935)		(1,008)
Net income and comprehensive income attributable to common stockholders	1,053	\$ 1,111	\$	2,755	\$	2,684
Earnings per share attributable to stockholders:						
Basic \$	0.14	\$ 0.15	\$	0.37	\$	0.37
Diluted \$	0.13	\$ 0.15	\$	0.36	\$	0.36
Weighted average common shares outstanding						
Basic	7,640	7,290		7,514		7,210
Diluted	7,812	7,593		7,659		7,510

DecisionPoint Systems, Inc. Condensed Consolidated Statements of Cash Flows

(in thousands) (Unaudited)

Nine Months Ended

	Septo	September 30			
	2023		2022		
Cash flows from operating activities	\$ 2,755	- 6	2,684		
Net income	\$ 2,755	5 \$	2,684		
Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization	2,028)	1,750		
Amortization of inventory valuation adjustment	120		1,/30		
Loss on fixed asset disposal	120	,	22		
Share-based compensation expense	26		325		
Provision for inventory obsolescense		7	323		
Deferred income taxes, net	(958		460		
Provision for doubtful accounts	7′	/	32		
Changes in operating assets and liabilities:	7		32		
Accounts receivable	8,193	Ł	(811)		
Inventory, net	3,918		825		
Deferred costs	(1,21)		(1,155)		
Prepaid expenses and other current assets	190		186		
Accounts payable	(9,710		7,213		
Accrued expenses and other current liabilities	(3,054	/	(139)		
Operating lease liabilities	(68	/	265		
Deferred revenue	235	,	2,279		
Net cash provided by operating activities	2,783		13,936		
1 1 0	2,76.	<u> </u>	13,930		
Cash flows from investing activities	(5 1		(1.200)		
Purchases of property and equipment Cash paid for acquisitions, net of cash acquired	(12.01)	/	(1,299)		
	(12,91		(4,525)		
Net cash used in investing activities	(13,46)	<u>) </u>	(5,824)		
Cash flows from financing activities					
Repayment of term debt	(253	,	(3)		
Line of credit, net	1,803		-		
Proceeds from term loan	5,000		.		
Cash paid for taxes on the cashless exercises of stock options	(6'		(1,403)		
Proceeds from exercise of warrants	183		-		
Proceeds from exercise of stock options	13		154		
Net cash provided by (used in) financing activities	6,683	,	(1,252)		
Change in cash	(3,99°	<i>i</i>) —	6,860		
Cash, beginning of period	7,642	į	2,587		
Cash, end of period	\$ 3,64:	\$	9,447		
Supplemental disclosures of cash flow information					
Cash paid for interest	\$ 333		38		
Cash paid for income taxes	\$ 1,060) \$	497		
Supplemental disclosure of non-cash activities					
Right-of-use assets obtained in exchange for new operating lease liabilities	\$	- \$	3,211		
Cashless exercise of warrants	\$ 12		3,508		
Cashless exercise of stock options	\$ 25	5 \$	-		

Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements presented on a GAAP basis, we have provided non-GAAP financial information, namely non-GAAP Net Income, non-GAAP diluted EPS and Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization adjusted for transaction-related and non-recurring items). We believe that these non-GAAP measures provide investors with a better understanding of how the results relate to our historical performance as well as when comparing our results to other publicly-traded companies. The additional adjusted information is not meant to be considered in isolation or as a substitute for GAAP financials. Management believes that these adjusted measures reflect the essential operating activities of the Company.

Reconciliation of guidance regarding Adjusted EBITDA to the most directly comparable GAAP measure is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity, and low visibility with respect to stock based compensation. The Company is currently unable to predict with a reasonable degree of certainty the type and extent of items that would be expected to impact these GAAP financial measures for these periods. The unavailable information could have a significant impact on non-GAAP measures.

DecisionPoint Systems, Inc. Supplemental Financial Information Reconciliation of Select GAAP Financial Measures to Non-GAAP Financial Measures

(in thousands)

(unaudited)

A reconciliation of non-GAAP financial information appears below:

	Three Months Ended September 30,					Nine Months Ended September 30,					
		2023		2022	2023			2022			
Net income, as reported	\$	1,053	\$	1,111	\$	2,755	\$	2,684			
Share-based compensation		45		50		261		325			
Business acquisition costs		26		65		436		242			
NYSE American uplisting costs		-		1		-		1			
Non-GAAP net income	\$	1,124	\$	1,227	\$	3,452	\$	3,252			
Depreciation and amortization		731		622		2,028		1,750			
Income taxes		316		409		935		1,008			
Interest expense		162		7		385		42			
Adjusted EBITDA	\$	2,333	\$	2,265	\$	6,800	\$	6,052			
Diluted EPS, as reported	\$	0.13	\$	0.15	\$	0.36	\$	0.36			
Adjusted Diluted EPS	\$	0.14	\$	0.16	\$	0.45	\$	0.43			
Weighted average diluted common shares outstanding		7,812		7,593		7,659		7,510			