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Armada Releases Annual Results

Mississauga, Ontario, September 28, 2022 - Armada Data Corporation (TSXV:ARD) reports that its annual financial results for the year ended May 31, 2022 have now been filed on SEDAR and are available to view on SEDAR at www.sedar.com and the company's web site www.armadadata.com.

Selected Annual Information

Fiscal Year Ended	May 31, 2022	May 31, 2021	May 31, 2020	May 31, 2019
Total Revenue	\$2,526,076	\$3,149,528	\$3,280,998	\$2,884,268
(Loss) Income before taxes	\$(408,059)	\$22,309	\$102,926	\$(22,774)
Income Tax (Recovery)	\$(73,361)	\$5,883	\$52,801	\$14,680
Comprehensive (Loss) Income after Taxes	\$(334,698)	\$16,426	\$50,125	\$(37,454)
Comprehensive (Loss) Income per share	\$(0.02)	\$0.00	\$0.00	\$0.00
Total Assets	\$854,728	\$1,466,452	\$1,568,978	\$1,265,274
Total Liabilities	\$402,754	\$679,780	\$622,030	\$377,431
Shareholder's Equity, net of Non-controlling interests	\$451,974	\$786,672	\$946,948	\$887,843
Dividends	NIL	\$176,702	NIL	NIL

The Company's total revenue decreased by 20% in 2022 to \$2,526,076 from \$3,149,528 in 2021.

The Company reported comprehensive loss of \$(334,698), due to the following:

- The COVID-19 pandemic resulted in the office closing and most staff working from home for the period of March 18 to July 31, 2020, then again on November 16, 2020 to April 4, 2022, at which time the business undertook a hybrid model of returning to the office. Due to an international problem of manufacturing computer chips, automobile production slowed worldwide, with the resulting effect of little new car inventory, which in turn had a detrimental effect on CarCostCanada's revenues. The supply of new vehicles did not come close to meeting demand. The dealerships began to reject CCC member referrals because (a) there was not available inventory to sell, and (b) the dealers perceived that CCC members would not pay full price (MSRP). As a result, many dealer customers cancelled or suspended their partner status with CarCostCanada.
- The insurance division began receiving more claims to process in fiscal 2022, but the growth was not what management had anticipated or forecast prior to the COVID-19 pandemic.
- Management made the decision to recognize an impairment loss of \$180,000 against goodwill, because of the decrease in revenues experienced during the COVID-19 pandemic, and the expectation of a slow recovery from same.

Selected Quarterly Information

Fiscal Year	2022	2022	2022	2022	2021	2021	2021	2021
Quarter Ended	May-31 2022	Feb-28 2022	Nov-30 2021	Aug-31 2021	May-31 2021	Feb-28 2021	Nov-30 2020	Aug-31 2020
Total Revenue	590,694	613,817	657,060	664,505	713,200	636,780	797,470	1,002,078
Comprehensive (Loss) Income before taxes	(314,790)	(67,098)	(30,936)	4,765	(134,696)	(76,809)	7,507	226,307
Comprehensive Income per share	\$(0.02)	\$0.00	\$0.00	\$0.00	\$(0.01)	\$0.00	\$0.00	\$0.01

Segmented Annual Information

Revenues earned by divisions were as follows:

	2022	2021
Insurance Services	\$1,527,027	\$ 1,495,468
CarCostCanada	734,630	1,309,218
IT Services	264,419	344,842
Total Revenue	<u>\$ 2,526,076</u>	<u>\$3,149,528</u>

Liquidity

Based on a year-end cash position of \$160,203, accounts receivable of \$363,852, and accounts payable of \$225,492, the company is in a positive cash position. By continuing to manage expenses efficiently during the Covid-19 pandemic and its aftermath, management expects that the Company's positive cash position will continue through fiscal 2023, and through the new car automobile industry's recovery from the pandemic.

On September 28, 2022, the Company has entered into a loan agreement, subject to regulatory approval, with a corporation controlled by a director and officer of the Company. The loan is available to a maximum of \$200,000, to be advanced in amounts and at times requested by the Company, bears interest at 12% per annum, payable monthly. This loan is repayable on September 28, 2025 and is secured by a general security agreement over all assets of the Company. Any loan amounts repaid prior to the maturity date are not available for re-advance.

Outlook

COVID-19 emerged in December 2019 and subsequently spread worldwide, leading to the World Health Organization's declaration of a COVID-19 pandemic on March 11, 2020. To date, Canadian federal and provincial governments and businesses have mandated various measures, including: travel restrictions, restrictions on public gatherings, stay-at-home orders and advisories, and the quarantine of people who may have been exposed to the virus. The Company has and will continue to follow all federal and provincial guidelines mandated to combat this pandemic.

The Company's goals are to continue to increase top line sales and revenues from all divisions, establish a bigger presence on social media platforms and find new and unique ways to leverage client bases from our three divisions. Methods of achieving these goals include:

1. Building out a better and more effective online new car pricing platform to drive more new car buyers, enthusiasts, and researchers into the CarCostCanada membership group.
2. Finding more products and services to monetize more CarCostCanada members, similar to our lead generation services and our member concierge and dealer pricing services.
3. Improve our customer engagement mandate to result in more online visitors becoming CarCostCanada members.
4. Maintain, sustain, and reactivate our COVID-suspended CarCostCanada new car dealership network and strive to monetize a larger percentage of our members, despite the new vehicle inventory shortage.
5. Maintain and improve the Company's relationships with some of the largest insurance companies in Canada and continue to grow the number of insurance companies using the proprietary claims processing services pioneered by Armada Insurance Services.

About Armada Data Corp.

Armada Data is a Canadian publicly traded Information & Marketing Services Company providing accurate and real-time data to institutional and retail customers, through developing, owning and operating automotive pricing-related web sites and providing information technology and marketing services to its clients.

Armada Data shares are listed on the TSX Venture exchange under the trading Symbol ARD. Armada currently has a total of 17,670,265 shares outstanding.

Additional information relating to Armada Data Corporation is filed on SEDAR, and can be viewed at www.sedar.com.

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