

For immediate Release: September 27, 2023

Armada Releases Annual Results

Mississauga, Ontario, September 27, 2023 - Armada Data Corporation (TSXV:ARD) reports that its annual financial results for the year ended May 31, 2023 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, 2023	May 31, 2022	May 31, 2021	May 31, 2020
Total Revenue	\$2,165,029	\$2,526,076	\$3,149,528	\$3,280,998
(Loss) Income before taxes	\$(349,555)	\$(408,059)	\$22,309	\$102,926
Income Tax (Recovery)	NIL	\$(73,361)	\$5,883	\$52,801
Comprehensive (Loss) Income after Taxes	\$(349,555)	\$(334,698)	\$16,426	\$50,125
Comprehensive (Loss) Income per share	\$(0.02)	\$(0.02)	\$0.00	\$0.00
Total Assets	\$545,757	\$854,728	\$1,466,452	\$1,568,978
Total Liabilities	\$443,338	\$402,754	\$679,780	\$622,030
Shareholder's Equity, net of Non-controlling interests	\$102,419	\$451,974	\$786,672	\$946,948
Dividends	NIL	NIL	176,702	NIL

The Company's total revenue decreased by 14% in 2023 to \$2,165,029 from \$2,526,076 in 2022.

The Company reported comprehensive loss of \$(349,555), due to the following:

- During 2022 and 2023, the supply of new vehicles for sale at automobile dealerships in Canada continued to be constrained. The ongoing lack of supply affected buyer interest and activity. The impact of lower-than-usual inventory was pricing at or above full retail list price (MSRP). Many consumers chose to withdraw from the market, which resulted in overall traffic and new user activity on CarCostCanada.com declining during these periods. The effect was a reduced number of members referred to CarCostCanada partner dealerships. The lower traffic levels also impaired third-party advertising revenue.
- The insurance division did not enjoy the growth that management anticipated. The lower number of claims processed was lower than predicted. The unprecedented number of remote workers in Canada impacted the amount of driving done by Canadians. In addition, the ongoing vehicle inventory shortage resulted in fewer new vehicles sold and by extension insured. Natural disasters and weather events play a large part in the number of automobile claims, the lower incidence of these in fiscal 2023 meant there were fewer claims received as a result.

Selected Quarterly Information

Fiscal Year	2023	2023	2023	2023	2022	2022	2022	2022
Quarter Ended	May-31 2023	Feb-28 2023	Nov-30 2022	Aug-31 2022	May-31 2022	Feb-28 2022	Nov-30 2021	Aug-31 2021
Total Revenue	511,930	543,888	539,093	570,118	590,694	613,817	657,060	664,505
Comprehensive (Loss) Income before taxes	(188,291)	(40,372)	(111,399)	(9,493)	(314,790)	(67,098)	(30,936)	4,765
Comprehensive Income per share	\$(0.01)	\$0.00	\$(0.01)	\$0.00	\$(0.02)	\$0.00	\$0.00	\$0.00

Segmented Annual Information

Revenues earned by divisions were as follows:

	2023	2022
Insurance Services	\$1,446,183	\$ 1,527,027
CarCostCanada	461,027	734,630
IT Services	257,819	264,419
Total Revenue	\$ 2,165,029	<u>\$2,526,076</u>

Liquidity

Based on a year-end cash position of \$42,675, accounts receivable of \$309,363, and accounts payable of \$243,335, the company is in a positive cash position. By continuing to manage expenses efficiently during the aftermath of the global Covid-19 pandemic, management expects that the Company's positive cash position will continue through fiscal 2024, and through the new car automobile industry's recovery from the pandemic.

On September 28, 2022, the Company has entered into a loan agreement 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. An amount of \$72,000 has been advanced up to May 31, 2023. Any loan amounts repaid prior to the maturity date are not available for re-advance.

Outlook

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.
6. To carry on and expand the expense reduction program started in fiscal 2023

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.

For further information, please contact:
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