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Armada Releases Q1 2024 Results

Mississauga, Ontario, October 27, 2023 - Armada Data Corporation (TSXV:ARD) reports its interim financial results for the quarter ended August 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 Quarterly Information

Fiscal Year	2024	2023	2023	2023	2023	2022	2022	2022	2022
Quarter Ended	Aug-31 2023	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	528,215	511,930	543,888	539,093	570,118	590,694	613,817	657,060	664,505
Comprehensive (loss) income before taxes	(75,057)	(188,291)	(40,372)	(111,399)	(9,493)	(314,790)	(67,098)	(30,936)	4,765
Comprehensive (loss) Income per share	\$0.00	\$(0.01)	\$0.00	\$(0.01)	\$0.00	\$(0.02)	\$0.00	\$0.00	\$0.00

The Company's total revenue decreased 7% in the period ended August 31, 2023 to \$528,215 from \$570,118 in the same period a year earlier. Comprehensive loss increased to \$(75,057) in this quarter, from \$(9,493) as at August 31, 2022.

The Company reported comprehensive loss of \$(75,057), due to the following:

- During 2022, 2023, and continuing into 2024, the supply of new vehicles for sale at automobile dealerships in Canada continues to be constrained. The ongoing lack of supply is affecting buyer interest and activity. The impact of lower-than-usual inventory is pricing at or above full retail list price, or MSRP. Many consumers are choosing to withdraw from the market, which results in reducing overall traffic and new user activity on CarCostCanada.com. The lower traffic levels also impairs third-party advertising revenues.
- The insurance division has not enjoyed the growth that management anticipated. The number of claims processed was lower than predicted.

Operations

The Insurance Services division realized a decrease in revenue in the three months ended August 31, 2023, from \$394,555 in 2022 to \$325,325 in 2023, or by 18%. This decrease was a result of fewer claims processed – natural disasters and weather events contribute to an increase in claims, and there were no occurrences of these during this period.

The CarCostCanada division (combining the former Retail, Dealer and Advertising divisions) revenue was up 19% to \$130,698 for the period ended August 31, 2023, from \$110,254 for the period ended August 31, 2022. Once new vehicle production and dealership inventories return to pre-Covid levels, management expects this division's revenues to increase. Also, management is working on new revenue producing products for this division.

The Information Technology division revenue increased 11% to \$72,192 in Q1 2024, from \$65,309 in Q1 2023. IT continues to offer technical support and web site hosting to customers and is developing new customer relationships on a regular basis, as well as offering new services for sale.

Wages and other office expenses in this first quarter of fiscal 2024 before amortization and interest increased to \$588,888 compared to \$556,675, a 6% increase over the same quarter last year.

Accounts receivable increased 1% to \$352,345 as at August 31, 2023 compared to \$350,389 as at August 31, 2022. Related parties accounts receivable decreased from \$10,979 to \$341 in the same periods.

Accounts payable increased 28%, to \$246,504 as at August 31, 2023 from \$192,194 a year earlier. Related parties accounts payable increased to \$4,473 as at August 31, 2023, from \$1,535 a year earlier.

The Company's deficit as at August 31, 2023 is \$(1,840,315), compared to \$(1,425,196) the prior year. Earnings per share at August 31, 2023 are \$0.00 versus \$0.00 per share at August 31, 2022.

In July 2018, the Company signed a contract with a mobile app development company for the creation of a new iOS and Android mobile app for the Company's ecommerce website Carcostcanada.com. This is presented as an intangible asset at August 31, 2023 of \$Nil, which is comprised of the total cost of \$107,520 less \$107,520 accumulated amortization.

Segmented Quarterly Information

The Chief Executive Officer measures performance by segment based on revenues. Revenues recognized from third party customers, by segment, are presented in the following. No internal revenue is included for the IT Services segment.

	3 months ended August 31, 2023	3 months ended August 31, 2022	year ended May 31, 2023
Insurance Services (see note 17)	\$ 325,325	\$ 394,555	\$ 1,446,183
CarCost Canada	130,698	110,254	461,027
Information Technology	72,192	65,309	257,819
Total revenue - Armada Data Corp	<u>\$ 528,215</u>	<u>\$ 570,118</u>	<u>\$ 2,165,029</u>

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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