

For immediate Release: September 27, 2024

## Armada Releases Annual Results

Mississauga, Ontario, September 27, 2024 - Armada Data Corporation (TSXV:ARD) reports that its annual financial results for the year ended May 31, 2024 have now been filed on SEDAR and are available to view on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and the company's web site [www.armadadata.com](http://www.armadadata.com).

### Selected Annual Information

Fiscal Year Ended	May 31, 2024	May 31, 2023	May 31, 2022	May 31, 2021
Total Revenue	\$2,219,749	\$2,165,029	\$2,526,076	\$3,149,528
(Loss) Income before taxes	\$(14,219)	\$(349,555)	\$(408,059)	\$22,309
Income Tax (Recovery)	\$2,066	NIL	\$(73,361)	\$5,883
Comprehensive (Loss) Income after Taxes	\$(12,153)	\$(349,555)	\$(334,698)	\$16,426
Comprehensive (Loss) Income per share	\$0.00	\$(0.02)	\$(0.02)	\$0.00
Total Assets	\$503,154	\$545,757	\$854,728	\$1,466,452
Total Liabilities	\$412,888	\$443,338	\$402,754	\$679,780
Shareholder's Equity, net of Non-controlling interests	\$90,266	\$102,419	\$451,974	\$786,672
Dividends	NIL	NIL	NIL	176,702

The Company's total revenue increased by 3% in 2024 to \$2,219,749 from \$2,165,029 in 2023.

The Company reported comprehensive loss of \$(12,153), due to the following:

- During 2023 and 2024, 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 increase in interest rates also contributed to fewer numbers of new vehicle sales, though in calendar 2024, rates have started to come down and new car sales are on the rise.
- The Insurance division did not enjoy the growth that management anticipated. The 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 2024 meant there were fewer claims received as a result.

### Selected Quarterly Information

Fiscal Year	2024	2024	2024	2024	2023	2023	2023	2023
Quarter Ended	May-31 2024	Feb-29 2024	Nov-30 2023	Aug-31 2023	May-31 2023	Feb-28 2023	Nov-30 2022	Aug-31 2022
Total Revenue	558,447	573,438	559,649	528,215	511,930	543,888	539,093	570,118
Comprehensive (Loss) Income before taxes	29,042	25,808	8,054	(75,057)	(188,291)	(40,372)	(111,399)	(9,493)
Comprehensive Income per share	\$0.00	\$0.00	\$0.00	\$0.00	\$(0.01)	\$0.00	\$(0.01)	\$0.00

### Operations

The Insurance Services division realized a decrease in revenue, from \$1,446,183 in 2023 to \$1,393,119 in 2024, or by 4%. The decrease in revenue is due to the decrease in the number of claims processed. Fewer drivers because of remote work meant fewer claims, and a lower incidence of natural disasters and major weather events also contributed to a lower quantity of claims.

The CarCostCanada division (combining the former Retail, Dealer and Advertising divisions) revenue was up 16% to \$535,174 from \$461,027. Some dealers that suspended services during the pandemic have resumed buying leads from CarCostCanada, as new car sales have begun to increase. CCC management is working on new revenue-producing products to contribute to the recovery of this division.

The Information Technology division revenue increased 13% to \$291,456 in 2024, from \$257,819 in 2023. This increase is comprised of an increase in the resale of computer hardware and software. IT continues to offer technical support and web site hosting to hundreds of customers and is developing new customer relationships on a regular basis, as well as offering new services for sale.

Armada's consolidated statement reflects a loss this year, before corporation income taxes, of \$(14,219), compared to income of \$(349,555) in 2023. Corporation income tax recovery is \$2,066 in 2024, compared to income tax recovered of Nil in 2023.

Total expenses decreased to \$2,233,968 in 2024, compared to \$2,514,584, a 11% decrease over last year. Advertising and business promotion expense has decreased 72% from 2023 to 2024, while selling fees increased 93%, from \$33,265 in 2023 to \$64,297 in 2024. Office salaries decreased to \$775,141 this year from \$816,043 in 2023. Management salaries were reduced to \$283,181 in 2024, from \$325,495 in 2023.

Accounts receivable increased 4% to \$322,167 as at May 31, 2024, compared to \$309,363 last year. Related party accounts receivable decreased from \$21,785 to \$8,290.

Accounts payable and accrued liabilities decreased 13%, to \$210,808 as at May 31, 2024 from \$243,335 a year earlier. Related parties accounts payable increased to \$25,080 as at May 31, 2024, from \$2,354 last year. Corporation income taxes recoverable was Nil as at May 31, 2024, compared to Nil as at May 31, 2023.

The Company's deficit at May 31, 2024 was \$(1,777,411) compared to \$(1,765,258) at May 31, 2023. Earnings per share at May 31, 2024 are \$0.00 versus \$(0.02) per share at May 31, 2023.

### **Subsequent Event**

On September 4, 2024, the Company entered into an acquisition agreement with 1498798 B.C. Ltd., (the “Acquiror”), James Matthews (“Matthews”), a Company director and Chief Executive Officer, Eli Oszlak (“Oszlak”), a Company director and Chief Technical Officer and 2190960 Ontario Ltd. (“Matthews Holdco”), a company controlled by Matthews (“the Acquisition Agreement”). The Acquiror is wholly owned by Matthews and Oszlak. Pursuant to the Acquisition Agreement, the Acquiror has to agreed to acquire all of the outstanding common share of the Company, other than shares held by Matthews, Oszlak and Matthews Holdco, at a price of \$0.04 per share (the “Transaction”). The Transaction will be effected by an amalgamation of the Company and the Acquiror (“Amalgamation”) whereby all of the issued and outstanding common shares, other than those already held by Matthews, Oszlak and Matthews Holdco, will be converted on a one-for-one basis into redeemable preferred shares of the amalgamated corporation (“Amalco”) and will then be immediately redeemed for \$0.04 in cash. On completion of the Transaction, it is expected the Amalco will be delisted from the TSX Venture Exchange.

The Transaction is subject to shareholder approval by the affirmative vote of (i) 66.23% of the votes cast by holders of common shares represented at a special meeting of shareholders and (ii) a simple majority of the votes cast by holders of common shares at the meeting (excepting shareholders whose votes are required to be excluded by securities laws, including those held by Matthews, Oszlak and Matthews Holdco). Completion of the Transaction is also subject to regulatory approvals and other customary conditions. The Acquisition Agreement provides for a termination fee of \$50,000 payable by the Company if the Acquisition Agreement is terminated in certain circumstances. If approved, the Transaction is expected to close on or around the end of October 2024, subject to satisfaction of all conditions in the Acquisition Agreement.

### **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](http://www.sedar.com).

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