infinitii ai
make your data smarter

27% sales increase, 95% customer renewal rate and reduced costs highlight fiscal year 2023 for infinitii ai

Controlled expenses while preparing for ongoing product development aimed at new vertical markets

VANCOUVER, BC, OCT. 30, 2023 — infinitii ai inc. ("infinitii ai" or the "Company") (CSE:IAI, FSE:7C5, OTC:CDTAF), a leader AI-driven predictive analytics software for Smart City water and Smart Industry infrastructure applications that rely on time-series data, today released its annual financial and operational highlights for its fiscal year ended June 30, 2023. A complete set of June 30, 2023 Consolidated Financial Statements and Management's Discussion & Analysis has been filed at www.sedarplus.ca.

Trusted since 2014 to provide environmental monitoring to many of the largest water infrastructure utilities in the U.S. and Canada, infinitii ai has evolved into a machine learning software leader that serves water utility customers in cities and municipalities including Toronto, Seattle, Miami-Dade County, Montreal, Boston, Dallas, Region of Peel, York Region and Los Angeles County, among others. The Company services customers via a trusted partner network that includes engineering and IT services companies like AECOM, Core & Main, Kerr Wood Leidal Ltd., K2 Geospatial and SCG Flowmetrix.

Management commentary

"In fiscal year 2023 infinitii ai secured the Company's largest-ever recurring revenue contracts exceeding $1M each with large-scale water treatment facilities based on robust adoption of machine learning software products launched last October," stated CEO Jean Charles Phaneuf. "This momentum drove a 27% increase in sales, and 33% growth in monthly average revenue from contracted and subscription customers. An impressive 21% of recurring revenue was contributed by new customers."

"infinitii ai also experienced an exceptional overall customer renewal rate of 95%," continued Phaneuf. "We did this while controlling expenses and readying the Company for more product introductions in new vertical markets, which will help further increase revenue and drive continued growth."

Financial highlights and year-over-year results for fiscal year 2023

- For the year ended June 30, 2023, the Company generated $2,052,475 in revenues compared to $1,617,758 for the year ended June 30, 2022, a 27% increase.

- Leveraging its new line of machine learning products to secure larger annual contracts, the Company made steady progress with increasing software license revenue. Monthly average revenue from contracted and subscription customers increased by 33% in F2023 compared to F2022.
- Revenue in the fourth quarter of the year ended June 30, 2023 of $511,130 increased from the comparable quarter ended June 30, 2022 of $425,426 as has been the trend for the current fiscal year. Revenue in the fourth quarter was driven by the successful renewal of the data services contract with Miami-Dade County and the new data services contract with Peel Region.
- Total comprehensive loss was $2,588,381 in the year ended June 30, 2023 compared to $2,433,741 in the year ended June 30, 2022, a 6.4% increase.
- During the year ended June 30, 2023, the cash required by the Company's operating activities of $1,226,858 decreased by 23% compared to the same period in the previous year as management continued to make judicious use of cash to focus on capturing revenue opportunities from new product initiatives.
- Net of $1,313,107 (2022 - $237,184) in non-cash share-based compensation, F2023 operating expenses of $3,276,555 declined 11% compared to $3,682,874 in F2022. The F2023 operating loss, net of non-cash share-based compensation was $1,224,080, the lowest annual operating loss for the Company in more than 5 years.

Operational highlights for fiscal year 2023

- The Company experienced a customer renewal rate of 95% in fiscal year 2023 with 21% of recurring revenue contributed by new customers. 80% is considered a healthy Software as a Service ("SaaS") renewal rate, while a SaaS renewal rate above 90% is considered excellent.
- On January 23, the Company announced it had made the largest sale in its history with its partner SCG Flowmetrix ("SCG") to the Region of Peel. SCG's total contract value was $9.2M. 12% - 15% of that value is attributable to infinitii ai software that includes new machine learning products.
- On Feb. 10, the Company announced it had issued a convertible debenture led by ThreeD Capital Inc. ("ThreeD") (CSE:IDK) to propel a North American growth strategy.
- On March 20, the Company announced the implementation of its Equity Incentive Plan ("The Plan"). The Plan provides flexibility to the Company to grant equity-based incentive awards in the form of options, restricted share units, performance share units and deferred share units with the purpose of attracting and retaining skilled employees and senior managers.
- Also on March 20, the Company appointed ThreeD's Sheldon Inwentash as Strategic Advisor to the CEO. Mr. Inwentash is an accomplished entrepreneur with more than 30 years of in-depth entrepreneurial and investing experience.
- On June 28, the Company announced a new record amount for a contract to a large Canadian municipality. The contract totaled $1.5M over five years and includes the sale of new infinitii ai machine learning software products.

Moving forward for fiscal year 2024

- The Company's customers and engineering integration partners have asked for, and the Company is now developing and test-marketing a new line of software applications that expand real-time data intelligence from the macro view of overall operations to micro views of proactive maintenance and power usage on individual pieces of mission-critical equipment such as pumps, valves and compressors. This equipment is found in the Company's traditional water infrastructure market, as well as in new markets including energy and manufacturing infrastructure operations.
- From Oct. 2-4 the Company booked a booth at and attended WEFTEC 2023. Produced by the Water Environment Federation, infinitii ai exhibited at this U.S. technical exhibition and conference in 2022 and made a return appearance at what is billed as the world's largest annual water quality exhibition.
- From Nov. 12-15, the Company has booked a booth at and is attending NWWC 2023, the Canadian Wastewater Association's flagship event for leaders in the wastewater industry, attended by over 500 delegates from Canada's water utilities, provincial and federal governments, academia and private sector companies.
- Company executives are now regularly asked to give technical talks in North America and Europe attended by Data Science professionals and attend regional tradeshows sponsored by engineering integration partners. These marketing opportunities are promoted through the Company's social media channels.
- The Company is now also regularly asked to contribute in-depth thought leadership articles and receives editorial product and sales win coverage in water industry and business publications across North America. In F2023, the Company appeared in 41 articles that are available in the News Coverage section of its website and further magnified by its social media channels on Twitter (rebranded as "X") and LinkedIn.

About infinitii ai inc.

Trusted since 2014 to provide environmental monitoring to many of the largest water infrastructure utilities in the U.S. and Canada, infinitii ai has evolved into a machine learning software leader that serves water utility customers in cities and municipalities including Toronto, Seattle, Miami-Dade County, Montreal, Boston, Dallas, Region of Peel, York Region and Los Angeles County, among others. The Company services customers via a trusted partner network that includes engineering and IT services companies like AECOM, Core & Main, Kerr Wood Leidal Ltd., K2 Geospatial and SCG Flowmetrix.

infinitii ai software performs real-time analysis, checks flow monitoring status, sets alarms through a single interface, accepts all types of data from any source and offers predictive (what will happen) and prescriptive (what should happen) analytics. Whether it's real-time, historic, wireless, satellite, SCADA or public data sets including USGS,

NOAA and weather forecasts – it doesn't matter where the data originates, infinitii ai transforms raw data into actionable information. Visit www.infinitii.ai to learn more.

Contact: Nathan Rudyk
Director, Corporate Communications
nathan@infinitii.ai
 +1 778 200 2093
infinitii ai inc.

The Canadian Securities Exchange (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.

Forward-looking statements

This press release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking information is based on certain key expectations and assumptions made by the management of infinitii ai, including the expectation of future revenue growth. Although infinitii ai believes that the expectations and assumptions upon which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because infinitii ai can provide no assurance that they will prove to be correct. Any forward-looking statements contained in this press release are made as of the date of this press release. infinitii ai disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable securities laws.