

# Inverite Announces Results for Twelve Month and 4th Quarter Ending December 31, 2023

*Verification Fee Revenue increased by 29% in 2023.*

*Operating Expenses decreasing by 21% over the same period.*

*The Company continues down the path towards profitability.*

Vancouver, British Columbia--(Newsfile Corp. - February 27, 2024) - Inverite Insights Inc. (CSE: INVR) (OTC Pink: INVERF) (FSE: 2V0) ("Inverite"), a leading AI-driven software provider utilizing real-time financial data to empower businesses to transact more effectively with consumers, is pleased to announce its financial results for the twelve- and three-month periods ended December 31, 2023. The Company remains hyper-focused in monetizing its Consumer Directed Banking Platform (open banking) products for the alternative credit economy, streamlining operations and debt reduction.

## **Key financial highlights for the twelve-month period ended December 31, 2023, include:**

During the twelve-month period ending December 31, 2023, Inverite saw continued revenue growth with its opening banking platform, along with cost reductions and efficiencies in both operating expenses and financing costs.

- The Company increased total revenues by 15.5% to \$1,260,399 (2022 - \$1,091,255).
- The Company increased verification fee revenue by 29% to \$936,336 (2022 - \$728,503). Inverite saw its transaction volumes increased which contributed to the increase in verification fee revenues over the comparative period in 2022.
- The Company generated marketing service fees of \$99,931 (2022 - \$53,630) related to Accumulate.ai business assets acquired in October 2022.
- The Company generated interest revenue from its loan portfolio of \$134,589 (2022 - \$201,630). The decrease is primarily due to lower number of loans with no new Fast-Track loans granted in 2023. The Company no longer offers Fast-Track loans but continues to manage its existing loan portfolio.
- The Company generated subscription fees of \$88,496 (2022 - \$94,300) from MyMarble and Boost loans. The decrease of \$5,804 is primarily due to lower subscriptions of MyMarble and Boost Loans. The Company has permanently stopped offering MyMarble subscriptions and Boost loans.
- The Company saw operating expenses decrease by 21.3% or \$1,086,478 to \$4,018,545 (2022 - \$5,105,023) as the Company continues improve efficiencies and streamlining operations.
- The Company saw administration costs decrease by 48.2% or \$434,895 to \$468,124 (2022 - \$903,019) due to cost management measures introduced.
- Bad debts expense and allowance for loan impairment of \$58,461 (2022 - \$289,594) decreased by \$231,133 or 80% due to lower loan loss provisions associated with a lower loan portfolio value for its inactive Fast-Track loan program.
- The Company saw consulting fees decrease by 12.4% or \$93,137 to \$656,419 (2022 - \$749,456) due to lower use of consultants.
- The Company saw salaries and benefits costs decrease by 25.2% or \$492,756 to \$1,461,582 (2022 - \$1,954,338) due to streamlining operations which resulted in the reduction of employees.

- Software and platform technology services of \$646,848 (2022 - \$401,302) increased by \$245,546 or 61.2% due to higher technology and software costs associated with providing the Company's products and services, higher Inverite Verification transaction volumes and with the addition of Accumulate.ai business.
- Transfer agent and filing fees of \$45,407 (2022 - \$25,679) increased by \$19,728 or 76.8% due to more financing activities and costs related to TPF bond settlement transactions.
- Investor relations expense of \$103,031 (2022 - \$139,899) decreased by \$36,868 or 26.4% due to the Company decreasing its investor activities.
- The Company saw interest expenses decrease by 54% or \$353,230 to \$300,405 (2022 - \$653,635), due primary to bonds, convertible debentures and loans which were settled through debt settlement agreements that the Company entered into effective April 6, 2023, in relation to the TPF bonds outstanding, resulting in the cessation of bond interest obligations since that time.
- The Company recorded a net loss of \$201,912 (2022 - \$5,292,281). The net income resulted primarily from the gain on settlement of bonds and lower overall operating expenses and lower finance costs between the periods.

**Key financial highlights for the three-month period ended December 31, 2023, include:**

Inverite's increased total revenue by 148% to \$274, 226 (2022 - \$110,768), representing an increase of 148% over the comparable period and was mainly due to an accounting adjustment in Q4 2022.

- The Company generated verification fee revenue of \$228,355 (2022 - \$218,829) representing an increase of 4% and was mainly due to increased transaction volumes on the platform.
- The Company generated interest revenue from its loan portfolio of \$25,011 (2022 - loss of \$195,103). The increase of \$220,114 is primarily due to a lower number of consumer loans outstanding during the period and an accounting adjustment in Q4 2022. The Company no longer offers new Fast-Track loans but continues to manage its existing loan portfolio.
- The Company generated subscription fees of \$8,089 (2022 - \$31,260) from MyMarble and Boost Loans. The decrease of \$23,171 was primarily due to the lower number of consumer and Boost loans outstanding. The Company has permanently stopped offering MyMarble subscriptions.
- The Company generated marketing service fees of \$13,000 (2022 - \$53,630). The decrease of \$40,630 was due to the winding down of the Accumulat.ai business.
- Operating Expenses for the three-month period ended December 31, 2023, decreased by \$534,445 or 40% to \$810, 964 (2022 - \$1,345,410), due to continued focus on efficiencies and cost reduction.

The Company provides the following detailed information on variances and components of Operating Expenses for the period:

- Administration costs of \$79,173 (2022 - \$264,072) decreased by \$184,899 or 70% due to streamlining costs and improved efficiencies implemented by management. Administration costs are largely comprised of office expenses, loan issuance costs, professional fees, telephone and utilities.
- Bad debts and allowances for loan impairment of reversal of \$17,143 (2022 - \$41,959) decreased by \$24,816 or 59% due to lower loan loss provisions associated with a lower loan portfolio value for its inactive Fast-Track loan program.
- Consulting fees of \$111,848 (2022 - \$189,889) decreased by \$78,041 or 41.1% due to reduced

use of consultants.

- Salaries and benefits of \$317,310 (2022 - \$491,441) decreased by \$174,131 or 35.4% as the Company had fewer employees.
- Software and platform technology services of \$113,496 (2022 - \$109,634) an increase of \$3,862 or 3.5% was consistent with the previous period.
- The Company incurred interest expense of \$48,073 (2022 - \$163,277) a decrease of \$115,204 or 70.6% is due primarily related to the TPF bonds interest expense decreased because of the shares for debt settlement of the outstanding bonds which eliminated the bond interest after April 6, 2023.
- The Company recorded net loss of \$584,821 for the three-month period ended December 31, 2023 (2022 - \$2,159,066). The decrease in the net loss was primarily due to lower overall operating expenses and finance costs compared to 2022.

Karim Nanji, CEO of Inverite, adds, "Our steadfast focus on increasing revenue and streamlining operations is driving Inverite towards profitability. As market dynamics continue to drive momentum towards Consumer-Directed (Open) Banking) and Alternative Data, Inverite's platform and AI/Machine Learning technologies are revolutionizing lending, improving efficiency, reducing defaults, and optimizing collections for lenders in the ecosystem. We continue towards our goal of Financial Inclusion by empowering all lenders to unlock the credit potential of the underbanked through cutting-edge AI-driven data enrichment and innovative verification solutions."

A comprehensive discussion of Inverite's financial position and results of operations is provided in the condensed consolidated interim financial statements and management's discussion and analysis for the twelve-month period ended December 31, 2023, are filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **About Inverite Insights Inc.**

Inverite Insights Inc. ("Inverite") (CSE: INVR) (OTC Pink: INVRF) (FSE: 2V0) is a Vancouver-based, AI-driven software provider specializing in real-time financial data. With a vast database of over seven billion financial data points from more than four million unique Canadian consumers transactions, Inverite empowers businesses to transact more effectively with consumers through innovative solutions for data enrichment, identity, risk management and compliance.

For further information about Inverite, please visit: [inverite.com](http://inverite.com).

### **ON BEHALF OF THE BOARD**

Mike Marrandino, Executive Chairman

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