



Everyday People Financial Reports Financial Results for the Three Months Ended March 31, 2023

- Revenue of \$8.0 million for the three months ended March 31, 2023, up 78% as compared to \$4.5 million for the same period in 2022
- Everyday People shifted its focus in Q1-2023 and is committed to its new strategy and efforts on building and expanding its Revenue Cycle Management business through accretive acquisitions in Canada and beyond

Edmonton, Alberta – (Newsfile Corp. – May 23, 2023) – Everyday People Financial Corp. (TSX-V:EPF) (“Everyday People” or the “Company”), a Canadian-based financial services company, is pleased to announce its consolidated financial and operational results for the three months ended March 31, 2023, which recorded a 78% increase in revenue compared to the same period in 2022, primarily driven by the acquisition of General Credit Services Inc. (“General Credit”). All figures are in Canadian dollars unless otherwise stated.

“We continued to deliver solid results in Q1-2023 and made great progress in integrating General Credit to our operations,” said Barret Reykdal, CEO of Everyday People. “We are focused on driving profitability for the organization as a whole and remain ready to capture strategic acquisitions to increase the overall footprint of our Revenue Cycle Management business line, given its strong recurring revenue and high profitability model.”

Key Financial Highlights for the Three Months Ended March 31, 2023

- Revenue of \$8.0 million for the three months ended March 31, 2023, up 78% compared to \$4.5 million for the same period in 2022, which was primarily driven by a \$3.0 million contribution to revenue related to the General Credit acquisition.
- Pro-forma revenue of \$9.5 million for the three months ended March 31, 2023, assuming Groupe Solution Collect Solu Inc. (“Groupe Solution”) was acquired on January 1, 2023. Refer to the “Reconciliation of Non-IFRS Financial Measures” disclosed in the Company’s “Management’s Discussion and Analysis” report.
- Loss from operations decreased to \$0.9 million for the three months ended March 31, 2023, compared to \$1.3 million for the same period in 2022.
- Adjusted EBITDA of \$0.5 million for the three months ended March 31, 2023, compared to adjusted EBITDA of \$0.1 million for the same period in 2022. Refer to “Reconciliation of Non-IFRS Financial Measures” disclosed in the Company’s “Management’s Discussion and Analysis” report.
- Net loss before taxes of \$1.2 million for the three months ended March 31, 2023, as compared to a net loss before taxes of \$1.2 million for the same period in 2022.
- Pro-forma net loss before taxes of \$1.1 million for the three months ended March 31, 2023. Refer to the “Reconciliation of Non-IFRS Financial Measures” disclosed in the Company’s “Management’s Discussion and Analysis” report.

Business and Operations Highlights

- Secured \$5.3 million in debt financing from a leading Canadian bank, which was used to purchase 100% of the issued and outstanding shares of Groupe Solution and repay General Credit's bank loan. General Credit is now a wholly owned subsidiary of the Company.
- Entered into contractual agreements with 50 dental clinics across Canada, through the Company's wholly owned subsidiary company EP Care Inc., to offer the EP Care Program.
- Acquired 100% of the issued and outstanding shares of Groupe Solution, one of Canada's leading providers of revenue cycle management services. This acquisition added enterprise clients, including banks and other financial institutions, telecom and utility companies, property management and construction firms, governments, healthcare providers, transportation, logistics businesses, and more.
- As part of the Company's efforts to align its strategic objectives with operations, the CEO, Executive Chairman, certain senior executives, and the Board of Directors have waived all cash compensation effective January 1, 2023, until the Company achieves net profit before taxes, excluding acquisition costs, share-based compensation, depreciation and amortization.
- The Company plans to continue to add accretive acquisitions to its Revenue Cycle Management business segment throughout 2023 and 2024, leveraging its experience as disciplined operators to drive profitability.

Financial Statements & Management's Discussion and Analysis

This news release should be read in conjunction with Everyday People's consolidated financial statements and "Management's Discussion and Analysis" report for the three months ended March 31, 2023, which have been posted on SEDAR at www.sedar.com.

Non-IFRS Financial Measures

This news release makes reference to certain non-IFRS financial measures, including Pro-forma revenue, Adjusted EBITDA, and Pro-forma net income (loss).

"Pro-forma revenue" in respect of a period means revenue for that period plus the Company's estimate of the additional revenue that it would have recorded if it had acquired Groupe on the first day of that period, calculated in accordance with the methodology described in the "Reconciliation of Non-IFRS Financial Measures" disclosed in the Company's "Management's Discussion and Analysis" report. Given the Company's acquisition strategy, Pro-forma revenue is more reflective of our expected run-rate. The Company considers Groupe's respective quarter based on pre acquisition quarter end of the acquired company to calculate Pro-forma revenue. The most comparable IFRS measure to Pro-forma revenue is revenue, for which a reconciliation is provided in "Reconciliation of Non-IFRS Financial Measures" disclosed in the Company's "Management's Discussion and Analysis" report.

"Adjusted EBITDA" is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other companies. "EBITDA" means earnings before finance and interest costs, provision for income tax and amortization and depreciation expenses. "Adjusted EBITDA" is calculated as adding back the share-based compensation, depreciation and amortization expenses, impairment loss on goodwill, other expenses

(income) and other non-operating expenses (income) management considers not directly related to operational performance of the period presented.

“Pro-forma net income (loss)” in respect of a period means net income (loss) for that period plus the Company’s estimate of the additional revenue that it would have recorded if it had acquired each of the business on the first day of that period, calculated in accordance with the methodology described in the “Reconciliation of Non-IFRS Financial Measures” disclosed in the Company’s “Management’s Discussion and Analysis” report. Given the Company’s acquisition strategy, Pro-forma net loss (income) is more reflective of the expected run-rate. The Company considers Groupe’s respective quarter based on pre acquisition quarter end of the acquired company to calculate Pro-forma net income (loss). The most comparable IFRS measure to Pro-forma net income (loss) is net income (loss), for which a reconciliation is provided in “Reconciliation of Non-IFRS Financial Measures” disclosed in the Company’s “Management’s Discussion and Analysis” report.

Pro-forma revenue, Adjusted EBITDA, and Pro-forma net income (loss) are used as non-IFRS financial measures to provide investors with a supplemental measure of the Company’s operating performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. The Company believes that securities analysts, investors, and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company’s management also uses non-IFRS financial measures to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess the Company’s ability to meet its capital expenditure and working capital requirements.

Non-IFRS financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of the Company’s results under IFRS. There are a number of limitations related to the use of non-IFRS financial measures versus their nearest IFRS equivalents. Investors are encouraged to review the consolidated financial statements as at and for the three months ended March 31, 2023, and the three months ended March 31, 2022, and disclosures in their entirety and are cautioned not to put undue reliance on any non-IFRS financial measure and view it in conjunction with the most comparable IFRS financial measures. In evaluating these non-IFRS financial measures, please be aware that in the future the Company will continue to have the adjustment similar to those adjusted in the presented period.

About Everyday People Financial Corp.

Everyday People is a financial services company founded on the belief that everyone deserves access to affordable credit and the opportunity for homeownership. Through its technology driven ecosystem and specialty credit solutions, the Company offers credit and prepaid card programs, homeownership facilitation and payment management services. The Company’s mission is to help its clients be their best financial selves with credit products and services that help everyday people add value to their everyday lives.

For more information visit: www.everydaypeoplefinancial.com.

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Cautionary Note Regarding Forward-Looking Statements

This news release includes certain “forward-looking statements” or “forward-looking information” (collectively referred to hereafter as “forward-looking statements”) under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to financial performance, results of operations, integration of the acquired businesses, and the business, plans, strategy and operations of the Company. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to, expectations and assumptions concerning the Company and the acquired businesses as well as other risks and uncertainties, including those described in the documents filed by the Company on SEDAR at www.sedar.com. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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