



## Victory Square Technologies Reports Year-Over-Year Revenue Growth of 205%

*...Fiscal 2018 Q3 results driven by strong performance from several VST portfolio companies including interests in immersive technologies and mobile gaming*

**VANCOUVER, British Columbia, December 4, 2018** -- Victory Square Technologies Inc. ("Victory Square" or the "Company") (CSE: VST, OTCQX: VSQTF, FWB: 6F6) is pleased to report financial highlights from the quarter ended September 30, 2018, including year-over-year revenue growth of 205%. The revenue news is part of a corporate update that features the progression of multiple portfolio companies within the Victory Square family, which currently consists of positions in over 20 companies.

The Victory Square portfolio spans high growth emerging markets such as Fintech, Sports Betting, Entertainment & Media (including Gaming), Blockchain, Artificial Intelligence & SaaS, Augmented/Mixed/Virtual Reality and Health. The latter includes cannabis technology and data exposure. Inside the Victory Square "Living Lab", these companies have been carefully identified, vetted and selected as the highest potential ROI businesses that align with the Victory Square ecosystem.

### **Third and Nine-Month Ended, 2018 Financial Highlights**

- Total revenues for the third quarter increased to \$1,176,519, up 205.15% from \$385,557 during the same period last year while total revenues for the nine months ended September 30, 2018 increased to \$2,489,261, up 335% from \$571,795 during the same period last year
- Gross profit for the third quarter increased to \$723,135, up 955% from \$68,536 during the same period last year, and up 105% from \$351,087 during the second quarter of 2018
- Gross margins for the third quarter increased to 62%, up from 18% during the third quarter of 2017
- Total assets increased to \$31,100,577 from \$11,713,354 as at December 31, 2017
- Total investments increased to \$20,630,876 from \$5,118,359 as at December 31, 2017

The sharp increase in revenues – which accompanied an expansion in operating margins during the quarter – was largely due to the success Victory Square portfolio company Immersive Technologies had with delivering and producing real-world simulations with VR and AR, along with gaming royalties which experienced tremendous growth compared to the second quarter of fiscal 2018.

### **Management Commentary**

"The operational success of our portfolio companies this year is a direct result of the investment discipline we've brought to identifying emerging technologies and supporting them early with strategic capital," said Shafin Diamond Tejani, Chief Executive Officer of Victory Square Technologies.

Among the cornerstones of that investment thesis is the Victory Square commitment to virtual and augmented reality, immersive technologies and mobile gaming.

"We were early proponents of the virtual and augmented reality industry on the strength of our belief that one day immersive experiences for end users would be adopted as common practice worldwide,"



explained Tejani. “The increased number of contracts Immersive Technologies signed this past quarter exemplifies how well our investment thesis is playing out. In addition, through V2 Games, we have begun to identify e-Sports as a rapidly-growing industry where we will now be looking to scale and deploy capital.”

Victory Square views the VR and AR components of the portfolio to be a key component in driving shareholder returns in the future.

As each of the Victory Square portfolio holdings progresses towards the latter stage of our 24-36 month value realization period, many of the company’s businesses have begun to streamline processes, drive operational efficiencies, and are now scaling revenues quickly.

“We anticipate that as many of these investments will materialize in early 2019,” said Tejani. “Our shareholders will see a higher net asset value that is the desired result of Victory Square having curated a portfolio of sound investments in the most exciting technologies in the world today.”

As the company moves into the end of the fiscal and calendar years, Victory Square will continue to update shareholders on the significant advancements of its portfolio companies as they occur.

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#### **ABOUT VICTORY SQUARE TECHNOLOGIES INC.**

Victory Square Technologies (VST) is an accelerator with 20+ portfolio companies focused on emerging technologies such as: Blockchain, Machine Learning, Artificial Intelligence and VR/AR. It has a proven process for identifying and investing in extraordinary start-ups which are working on innovative and disruptive projects in every sector of the global economy, including Finance, Health, Real Estate, Insurance, Entertainment and Education. Victory Square uses its expertise and resources to help grow and scale these portfolio companies, which results in significant returns for VST and its shareholders. For more information, please visit [www.victorysquare.com](http://www.victorysquare.com).

#### **ABOUT THE CANADIAN SECURITIES EXCHANGE (CSE)**

The Canadian Securities Exchange, or CSE, is operated by CNSX Markets Inc. Recognized as a stock exchange in 2004, the CSE began operations in 2003 to provide a modern and efficient alternative for companies looking to access the Canadian public capital markets.

#### **FORWARD-LOOKING INFORMATION**

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to the outlook of the business of Victory Square, including, without limitation, statements relating to future performance by any portfolio company of the Company, the impact of any portfolio company’s performance on the Company, the strategic direction of the Company, and its goal of broadening its portfolio of interests in innovative companies. Such forward-looking statements may,



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