

# Victory Square Technologies Reports 2018 Year End Results & Files CEO Letter to Shareholders

- *Results show significant increases in Revenue, Investments, Cash and Working Capital*
- *Year highlighted by investment and acquisition of 11 new private companies in 2018*
- *\$10,000,000 convertible note to build, develop and create long-term value for portfolio companies and VST shareholders.*

**VANCOUVER, British Columbia, August 21st, 2019** - Victory Square Technologies Inc. ("Victory Square" or the "Company") (CSE:VST) (OTC:VSQTF) (FWB:6F6) successfully filed its annual consolidated financial statements for 2018 along with its MD&A on Friday, August 16<sup>th</sup>, 2019. The Company will also be filing its interim financial report and MD&A for the quarterly period ended March 31<sup>st</sup>, 2019 on or before Friday, August 23<sup>rd</sup>, 2019.

In a letter to Victory Square shareholders, Chief Executive Officer Shafin Diamond Tejani pointed to significant year-over-year increases in revenues, investments, cash and working capital. The 2018 fiscal year was marked by the addition of 11 new private companies to the Victory Square portfolio (either through investment or acquisition).

Tejani noted a series of financial highlights in his letter to shareholders, including that:

- Revenue increased by \$3,746,522 or 505.48%
- Portfolio Investments increased by \$4,883,293
- Cash and short term investments increased by 37.62% to \$3,736,683
- Working capital increased to \$3,128,864

“The complex nature and scope of the investments in and acquisitions of 11 private companies during Fiscal 2018 created substantive delays in the filing of our audited financial statements,” said Tejani. “We apologize for any inconvenience caused by these delays and will take the requisite steps to ensure that we never again experience that kind of a bump in the road. We are already heading down the path of infrastructure and process improvements that will ensure that we are able to make the most of all of the opportunities before us in 2019 and beyond.”

###

## LETTER TO OUR SHAREHOLDERS

Dear Fellow Shareholders,

The three years since we became Victory Square Technologies have been transformational for our company. The results of our growth since 2016 sees us emerging as a strategically focused group of businesses linked by the power of innovative technologies. Victory Square has teams operating across more than 20 countries.

As is often the case, increased growth leads to greater challenges and we certainly faced those head on in recent months. As many of you are aware, a failure-to-file cease trade order in Canada was issued for Victory Square as the result of delays in the filing of our annual audited financial statements for the year-ending December 31st, 2018.

Simply put, the nature and scope of the investment in or acquisition of 11 private companies during 2018 meant that our auditors required far more time than expected to complete our Victory Square audit. In our race to change the game, we underestimated the complexities involved in expediting the growth of our portfolio of companies. We apologize for any inconveniences caused by these delays and we're committed to ensuring we are better prepared for these unforeseen bumps in the road.

We recognize of course that growing is learning, especially in the fast-paced tech sector. Take comfort in knowing that the challenges associated with building such a unique roster of high tech companies and startups have already led to operational, leadership and organizational changes over the past year. Our centralized management team and support and advisory resources have always been one of the big strengths of Victory Square. We will certainly continue to ensure that we are as strong on all aspects of the stewardship required to achieve our collective goals.

We have emerged from this difficult year with a clear view on what's most important for us to drive future value creation and tangible improvements to our cash flow. Given that we continue to make substantial investments across our business in support of future growth, process and compliance will take on even greater significance to the team at Victory Square. We are confident that with your support, we will parlay these early positive trends into strong momentum over the course of 2019, 2020, and beyond.

To that end, we believe that the actions the Victory Square team took in fiscal 2018 have created exactly that: Growing momentum toward a more successful future.

Here are some financial and investment highlights that validate that perspective shared by our centralized management team:

## 2018 Financial Highlights

- Revenue increased by \$3,746,522 or 505.48%
- Portfolio Investments increased by \$4,883,293
- Cash and short term investments increased by 37.62% to \$3,736,683
- Working capital increased to \$3,128,864

## 2018 Investment Highlights:

During the fiscal year 2018, the company added investments in or acquisitions of 11 private companies:

Name	Vertical
Co-Pilot (formerly Cassia Research)	Automated Lead Gen (SaaS)
Multapplied Networks	SD-WAN
V2 Games Inc.	e-Gaming/Esports
Payvida Solutions Inc.	Payments/Lending
Howyl Ventures Inc.	Software Development
Shape Immersive Inc.	Augmented Reality (AR)/Cloud
Flo Digital Inc.	Virtual Reality/Advertising
Limitless Technologies Inc.	Cyber Security/VPN
TaloFlow (formerly LocoNoco Inc.)	Cloud Optimization
Cloud Benefit Solutions Inc.	Insurance/Benefits
Grow Tech Labs Inc.	AgTech/Health

The success of Victory Square is anchored in the dynamic combination and synergies of people, ideas and capital. Going forward into 2019 -- armed with access to a **\$10,000,000 convertible note** -- we are well equipped to leverage these resources to successfully build, develop and support companies in the global technology sector with the objective of creating long-term value for Victory Square, its network of companies and its shareholders.

Ultimately, Victory Square's team is committed to incubating and building a new breed of companies set to become the next decade's technology giants. Thank you for your ongoing support of our vision. We are committed to nothing short of excellence in the weeks, months and years ahead.

Shafin Diamond Tejani, Chief Executive Officer  
Victory Square Technologies

Check out [VictorySquare.com](http://VictorySquare.com) and sign up to VST's official newsletter at [VictorySquare.com/newsletter](http://VictorySquare.com/newsletter).

**For further information about the Company, please contact:**

**Investor Relations Contact – Alex Tziliis**

Email: [alexandros@victorysquare.com](mailto:alexandros@victorysquare.com)

Telephone: 778-867-0482

**Media Relations Contact – Howard Blank, Director**

Email: [howard@victorysquare.com](mailto:howard@victorysquare.com)

Telephone: 604-928-6066

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

Victory Square (VST) builds, acquires and invests in promising startups, then provides the senior leadership and resources needed to fast-track growth. The result: rapid scale-up and monetization, with a solid track record of public and private exits.

VST's sweet spot is the cutting-edge tech that's shaping the 4th Industrial Revolution. Our portfolio consists of 20 global companies using AI, VR/AR and blockchain to disrupt sectors as diverse as fintech, insurance, health and gaming.

## **What we do differently for startups**

VST isn't *just another investor*. With real skin in the game, we're committed to ensuring each company in our portfolio succeeds. Our secret sauce starts with selecting startups that have real solutions, not just ideas. We pair you with senior talent in product, engineering, customer acquisition and more. Then we let you do what you do best — build, innovate and disrupt. In 24-36 months, you'll scale and be ready to monetize.

## **What we do differently for investors**

VST is a publicly-traded company headquartered in Vancouver, Canada, and listed on the Canadian Securities Exchange (VST), Frankfurt Exchange (6F6) and the OTCQX (VSTQF). For investors, we offer early-stage access to the next unicorns *before they're unicorns*.

Our portfolio represents a uniquely liquid and secure way for investors to get access to the latest cutting-edge technologies. Because we focus on market-ready solutions that scale quickly, we're able to provide strong and stable returns while also tapping into emerging global trends with big upsides. 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.