

# Victory Square Technologies Reports 2022 Q2 Financial Results & Corporate Update

- 2022 Q2 unaudited Net Asset Value (“NAV”) of \$89,704,469 as at June 30, 2022
- Notable Portfolio Highlights: IV Hydreight, Creator.co, GameOn, XR Immersive, Next Decentrum, Stardust Solar, CoPilot, Fansunite, Turnium, Covalent CQT and CloudAdvisors
- Company & Executive Team featured in Forbes, Yahoo Finance, Entrepreneur, CoinTelegraph and Newsweek
- Next Investor Q&A Webinar on Tuesday September 6, 2022

VANCOUVER, British Columbia, August 29, 2022 (GLOBE NEWSWIRE) -- Victory Square Technologies Inc. (“Victory Square” or the “Company”) (CSE:VST) (OTC:VSQTF) (FWB:6F6), a company focused on investing in the best and brightest entrepreneurs and innovations from around the world, and providing VC Investment access to the 4th Industrial Revolution in an audited, transparent and liquid investment vehicle, announces it has filed its condensed interim consolidated financial statements and Interim Management Discussion and Analysis (MD&A) for the three months ended June 30, 2022.

"Despite the choppy markets and gloomy headlines, 2022 has been a year of continued growth and new opportunities for Victory Square" said Shafin Diamond Tejani, CEO. Our NAV has remained strong, and we've seen significant growth in our portfolio companies so far this year, including over 500% YOY growth from our wholly-owned subsidiary Hydreight. We expect this momentum to continue for the rest of the year. The VST team is laser-focused on unlocking value from the existing portfolio, and we've secured strategic non-dilutive capital to build a pipeline of new opportunities," said Tejani

## **Financial Highlights:**

- 2022 Q2 unaudited Net Asset Value (“NAV”) of \$89,704,469 as at June 30, 2022 (see “Use of Non-GAAP Financial Measures” elsewhere)
- The company secured \$2,000,000 of strategic non-dilutive capital to take advantage of special opportunities (see “Strategic Non-Dilutive Loan Terms”)

- IV Hydreight, a wholly owned subsidiary of VST, entered into a Definitive Agreement to Complete Qualifying Transaction for a deemed transaction value of \$22,575,000, of which approximately 78% is attributed to Hydreight and approximately 22% is attributed to PCL.

The Company's consolidated financial statements for the quarter ending June 30, 2022 along with its Management Discussion and Analysis (MD&A) are available under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **Portfolio Highlights:**

"We have built up a diverse portfolio of over 25 companies from around the world in key sectors: Digital Health, Gaming, Web3, VR/AR, the Creator Economy and Renewables. Our high quality deal flow is generated via established relationships with over 80 incubators around the world" said Victory Square CEO Shafin Diamond Tejani.

**Hydreight** - 518% Year-Over-Year New Business Partner Sign-ups

**Creator.co** - 200% Year-Over-Year Growth

**GameOn ("GET")** - announced a partnership with immersive content pioneer, Tetavi, for a first-of-its-kind NFT music discovery game that allows fans to discover new music, invest in artists/songs, build their own 'record label,' and receive royalties based on streams and charts.

**XR Immersive Tech ("VRAR")** - Synthesis VR software platform has grown to become the largest VR out of home entertainment marketplace for games, educational and training experiences worldwide. Synthesis had over 400 VR arcades globally and a market of over 325 VR games with over 20M player minutes.

**Next Decentrum** - Raised \$4M USD to fund product development and market growth

**Stardust Solar** - 100% Year-Over-Year Growth

**FansUnite ("FANS")** - Commences Trading on the Toronto Stock Exchange

**Turnium Technology Group Inc ("TTGI")** - begins trading on the TSX Venture Exchange on Wednesday, June 22, 2022

**Covalent CQT** - 55 Team Members, 15,000+ Developers, Mature API stack for 26 blockchains, 20+ Hackathons, 2500+ Alchemists

**CloudAdvisors** - CloudAdvisors listed as 2022 New Innovators in Canadian Business

**CoPilot** - Release of Video by CoPilot

Additional portfolio highlights in 2022 can be viewed below:

[Victory Square Technologies Provides Corporate Update](#)

### **Media & Webinars:**

**Webinar** – The Company invites you to join the next Investor Q&A Webinar with CEO Shafin Diamond Tejani, details found below.

**Date:** Tuesday, September 6th, 2022

**Time:** 1:05 pm PST/ 4:05 pm EST

**Location:** via Zoom

Please register at the link provided [here](#)

**Media** – The Company and its Executive Team has been featured in a variety of publications which include: Forbes, Entrepreneur and Newsweek. Additionally, the Company participated in a number of webinars.

Yahoo Finance:

[VSQTF: A Liquid Way to Diversify Into Early-Stage Venture at a Deep Discount to NAV](#)

Newsweek: [Nurses Are Burned Out—Can On-Demand Health Care Apps Help?](#)

Forbes: [What’s Next For Digital Healthcare](#)

Newsweek: [Why Sex Tech Is the Overlooked Giant of the Wellness Industry](#)

CoinTelegraph: [How creator coins could be the break Web3 needs](#)

Entrepreneur: [Web3 Could See Its Own Dot-Com Boom. Here’s How To Survive The Bust.](#)

Newsweek: [3 \(Unexpected\) Ways The Metaverse May Change Your Life This Year](#)

Forbes: [Five Lessons From A Dotcom-Bubble Veteran For Today’s Retail Investors](#)

Techonomy: [Necessity, Not Passion, Drives The Creator Economy](#)

SmallCap 60: [\\$VST – “Providing Investment Access to a New Breed of Disruptive Firms”](#)

Agoracom: [\\$VSQTF Ends 2021 With \\$100 MILLION NAV For 25+ Portfolio Companies](#)

“Victory Square provides investors with a liquid way to invest in early-stage technology and health care companies without buying a venture fund that requires accredited investor status or multi-year commitments. It also can be purchased by non-accredited

investors who are restricted from buying venture funds. It is an excellent way to diversify into early-stage venture” said Tejani.

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

On behalf of the Board of Directors  
“Shafin Diamond Tejani”  
Director and Chief Executive Officer  
Victory Square Technologies Inc.  
[www.victorysquare.com](http://www.victorysquare.com)

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**Use of Non-GAAP Financial Measures:**

This release contains references to NAV which is a non-GAAP financial measure. NAV is calculated as the value of total assets. The term NAV does not have any standardized meaning according to GAAP and therefore may not be comparable to similar measures presented by other companies. There is no comparable GAAP financial measure presented in Victory Square Technologies Inc. consolidated financial statements and thus no applicable quantitative reconciliation for such non-GAAP financial measure. The Company believes that the measure provides information useful to its shareholders in understanding the Company’s performance, and may assist in the evaluation of the Company’s business relative to that of its peers. This data is furnished to provide additional information and does not have any standardized meaning prescribed by GAAP. Accordingly, it should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP, and is not necessarily indicative of other metrics presented in accordance with GAAP. Existing NAV of the Company is not necessarily predictive of the Company’s future performance or the NAV of the Company as at any future date.

**Strategic Non-Dilutive Loan Terms:**

VST has entered into a loan agreement with Ryan Kimel (“Kimel”) dated August 26, 2022, whereby VST will borrow an aggregate of \$2,000,000 from Kimel (the “Loan”). The Loan shall:

(i) bear interest at 13% per annum payable monthly in advance in cash or marketable securities held by VST calculated and compounded monthly based on a 365 day year basis; (ii) mature on the two year anniversary of the closing date of the Loan (the "Maturity Date"); and (iii) be secured against (a) prior to the completion of the qualifying transaction ("QT") on the TSX Venture Exchange (the "TSXV") of Perihelion Capital Ltd. ("PCL") with IV Hydreight Inc., a wholly owned subsidiary of VST, certain shares of publicly traded companies currently held by VST; and (b) following the completion of the QT, certain shares ("PCL Shares") to be received by VST in the capital of PCL, a capital pool company listed on the TSXV. In connection with the Loan and subject to the completion of the QT, VST shall also grant Kimel the right to acquire up to 1,222,222 PCL Shares to be received by VST in connection with the QT at a price per PCL Share of \$0.63 at any time after 4 months following the completion of the QT and prior to the Maturity Date subject to certain additional conditions. VST intends to use the proceeds from the Loan for special opportunities and general working capital purposes.

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

Victory Square (VST) builds, acquires and invests in promising startups, then provides the senior leadership and resources needed for fast-track growth. VST's sweet spot is cutting-edge tech that's shaping the 4th Industrial Revolution. Our corporate portfolio consists of 25+ 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 your ordinary 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**

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.

Victory Square integrates a strong ESG (environmental, social and corporate governance) component throughout its operations. Our portfolio highlights minority entrepreneurs, often overlooked by traditional investors, including many from developing countries. We are also dedicated to giving back to the communities in which we serve and operate. The Company's mandate is to assist organizations through its time, talent and treasure. The Company is

committed to organizations that provide services in the youth, mental health, special needs, sport, tech, education, marginalized groups, First Nations, and accessibility sectors.

VST is a publicly-traded company headquartered in Vancouver, Canada, and listed on the Canadian Securities Exchange (VST), Frankfurt Exchange (6F6) and the OTCQX (VSQTF).

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 and its portfolio companies, including, without limitation, statements relating to future performance, execution of business strategy, future growth, business prospects and opportunities of Victory Square and its related subsidiaries and portfolio companies, including those items listed under the heading “Goals for the Next Quarter”, “2022 Outlook” and other factors beyond our control. Such forward-looking statements may, without limitation, be preceded by, followed by, or include words such as “believes”, “expects”, “to be”, “anticipates”, “estimates”, “intends”, “plans”, “continues”, “project”, “potential”, “possible”, “contemplate”, “seek”, “goal”, “objectives”, “outlook” or similar expressions, or may employ such future or conditional verbs as “may”, “might”, “will”, “could”, “should” or “would”, or may otherwise be indicated as forward-looking statements by grammatical construction, phrasing or context. All statements other than statements of historical facts contained in this news release are forward-looking statements. Forward-looking information is based on certain key expectations and assumptions made by the management of Victory Square. Although Victory Square believes that the expectations and assumptions on which such forward looking information is based are reasonable, undue reliance should not be placed on them because Victory Square can give no assurance that they will prove to be correct. Although Victory Square believes that the expectations reflected in forward-looking statements in this press release are reasonable, such forward-looking statements has been based on expectations, factors and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond the Victory Square’s control, including, but not limited to, the risk factors discussed in the continuous disclosure materials of the Victory Square which are available under the Victory Square’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). The forward-looking statements contained in this press release are expressly qualified by this cautionary statement and are made as of the date hereof. Actual results and developments may differ materially from those contemplated by these statements. The statements contained in this news release are made as of the date of this news release. Victory Square disclaims any intent or obligation to update publicly any forward-

looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.