



VSBLTY REPORTS 2021 EARNINGS

PHILADELPHIA, PA., May 9, 2022 (GLOBE NEWSWIRE)—VSBLTY Groupe Technologies Corp. (OTCQB: VSBGF) (CSE: VSBY) (Frankfurt 5VS) (“VSBLTY”), a leading software provider of security and retail analytics technology, today announced its revenue for 2021 was \$1.6 million (USD), which is a 164 percent increase over the previous year of \$607K.

VSBLTY technology provides enhanced customer engagement and audience measurement using machine learning and computer vision. Its industry leading VisionCaptor™ and DataCaptor™ software combine motion graphics and interactive brand messaging with cutting-edge computer vision measurement and insights. VSBLTY’s AI driven software Vector™ provides enhanced facial recognition that is crucial to strengthening today's security requirements when recognizing weapons or suspicious persons in a crowd.

The Company also released revenue for the most recent quarter ending December 31, 2021.

Q4 2020 - \$ 34K
Q1 2021- \$130K
Q2 2021 - \$293K
Q3 2021 - \$523K
Q4 2021 - \$654K

VSBLTY Co-founder & CEO Jay Hutton said, “In addition to our quarterly and annual revenue, it is worth noting that SaaS revenue in the form of Annual Recurring Revenue (ARR), which is the annualized SaaS revenue contracted for the rolling 12-month period, was running 211% above our full year SaaS revenue as of year-end 2021. We also had expected an additional \$400K in Q4 2021 revenue from a major order for our digital cooler platform; however, due to shipping delays, we will be unable to recognize this revenue until Q2 of 2022, when we expect considerably more business from this customer.”

In terms of its 2021 balance sheet, VSBLTY reported a year-end cash balance of \$4.9 million (USD). As of the close of 2021, VSBLTY has an Accounts Receivable balance of \$1.4 million (USD) with the largest portion due from its joint venture partner, the Latin America-based Winkel Media. Hutton also explained that VSBLTY has provided \$.6 million in funding to Winkel as of December 31, 2021, as part of its obligations as a joint venture partner. In addition, the Company has a \$1.0 million investment in inventory for continued store installations at Winkel Media as of December 31st, 2021. Hutton added, “Once Winkel has fully paid off its AR obligation the media company will then pay down to VSBLTY this bridge loan obligation. We anticipate that the entire bridge loan of \$.6 million will be fully repaid in calendar year 2023.”



Hutton pointed out that VSBLTY is a founding member of Winkel Media, an in-store media technology company, that is a joint venture with its Mexico partner Retailigent Media and AB InBev, each with a 33 percent interest. “It is important to note that, in addition to the revenue from the sale of hardware, VSBLTY will receive monthly recurring Store as a Medium (SaaS) fees at scale as part of the ongoing SaaS advertising program plus one third of the profits from all media sales,” Hutton emphasized. The recent addition of the Golden Record SaaS revenue will begin to have an impact on revenue from Winkel starting in Q2.

VSBLTY has a multi-year contract with Winkel to build the Store as a Medium (SaaS) program throughout South America. When fully implemented, there will be a 50,000-store media network in 30 Latin American countries. Installations are now underway in Mexico, Peru, Ecuador, Colombia and the Dominican Republic.

In conjunction with this major, scalable event, the Company has completed most of the development effort required to transition its Edge technology platform to run on Linux. This now allows VSBLTY to run these media networks with the speed and cost efficiency required to run multiple programs at this level of scale globally.

In addition to these two major accomplishments, VSBLTY has also enjoyed early success with strategic partners in the security industry with key customers in both the U.S. and Mexico where the Company is contracted to provide AI facial recognition, weapons detection, and license plate capture technology. VSBLTY continues to be part of a significant security program in Mexico that has resulted in a 48 percent reduction in crime in the most dangerous communities in Mexico City.

In the US, VSBLTY partnered with 911Inform to integrate its software to enable the capability to alert security and 911 Call Centers to lock down schools and buildings under a real time attack by a person of interest—identified by VSBLTY software—carrying an open weapon. VSBLTY expects to begin to realize revenues from Smart City, Homeowners Associations and other groups that are in urgent need of this security solution.

Additionally, the Company has made significant investments during 2021 in its “Cooler as a Service” program that uses patented technology through a key strategic partnership with Onyx Glass over seven years to expand VSBLTY’s Store as a Medium offering. The investment has led to a sizable order from a major international brand in December of 2021 and this revenue will be recognized in the first half of 2022.



As a result of the Company's ongoing investments in R&D and Commercialization of its Computer Vision technology, the Company had an operating loss of \$8.2 million before a non-cash charge for share-based payments of \$6.2 million.

The Company will be hosting an earnings call on **May 9, 2:30 PM ET**. The Webcast link for this call is: <https://edge.media-server.com/mmc/p/2s65j5hk>

For dial in participants the following information is required to access the call:

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About VSBLTY (<http://vsblty.net/>)

Headquartered in Philadelphia, VSBLTY (OTCQB: VSBGF) (CSE: VSBY) (Frankfurt: 5VS) (OTC: VSBGF) ("VSBLTY") is the world leader in Proactive Digital Display™, which transforms retail and public spaces as well as place-based media networks with SaaS-based audience measurement and security software that uses artificial intelligence and machine learning. Its proprietary technology effectively integrates with other digital retail solutions, including QR codes and mobile applications. The firm is also recognized for its leadership role in the growing Store as a Medium movement that enables brands to reach customers when and where buying decisions are being made while producing a new revenue stream for retailers.



VSBLTY

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FORWARD-LOOKING STATEMENT

Certain statements in this news release constitute forward-looking information within the meaning of applicable securities laws. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “expects,” “believes,” “anticipates,” “budget,” “scheduled,” “estimates,” “forecasts,” “intends,” “plans,” and variations of such words and phrases, or by statements that certain actions, events or results “may,” “will,” “could,” “would,” or “might,” “be taken,” “occur,” or “be achieved.” Those forward-looking statements include a number of statements related to the outlook for future operations, including statements about VSBLTY’s business plans, booking new projects, revenue growth, and new opportunities.

Forward-looking statements are neither historical facts nor assurances of future performance. Forward-looking information contained in this news release is based on certain assumptions regarding, among other things, expected growth, results of operations, performance, industry trends and growth opportunities. While management considers these assumptions to be reasonable, based on information available, they may prove to be incorrect. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: pricing for the Company’s products and services; the ability to enter into contracts and ability of third parties to honor their contractual obligations; the decisions of third parties over which the Company has no control; changes to government regulations; force majeure events; limits on the ability of the Company to implement and fulfill its business strategies; general economic conditions; adverse industry events; operating costs exceeding the Company’s expectations; loss of markets or failure to enter new markets; future legislative and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favorable terms; the ability of the Company to implement its business strategies including expansion plans; and competition. The foregoing factors are not intended to be exhaustive, and readers should refer to the detailed risk factors described in VSBLTY’s Annual Information Form which is available under the Company’s profile at www.sedar.com. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this news release regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The Company does not undertake any 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.

This news release includes financial outlook related to future revenue and financial performance, which is subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the



above paragraphs. Such financial projections contained in this news release were made by management as of the date of this news release and are provided for the purpose of providing readers with an understanding of the Company's business plan. Readers are cautioned that the financial outlook contained in this document should not be used for purposes other than for which it is disclosed herein.