



Victory Square Technologies Inc.  
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| Ticker (Exchange)           | (VSQTF-OTCBB) |
|-----------------------------|---------------|
| Recent Price (01/12/2022)   | \$0.23        |
| 52-week Range               | \$0.21 – 1.00 |
| Shares Outstanding          | 97.5 million  |
| Market Capitalization       | \$23 million  |
| Average 10-day volume       | 165,400       |
| Insider Ownership +>5%      | 13.6%         |
| EPS (Qtr. ended 09/30/2021) | (\$0.03)      |
| Employees                   | 10            |

**VSQTF (OTCBB) One-year Stock Chart**

**KEY FOCUS AREAS**

Artificial Intelligence (AI), Machine Learning (ML)  
 Augmented Reality (AR)  
 Blockchain, Fintech  
 Digital Health, Diagnostic Testing  
 Film, TV, Digital Content  
 Influencer Marketing, Marketing Automation  
 Insurance Tech  
 Mobile Gaming, Gaming, eSports  
 Online Education/Learning  
 Payments, Lending  
 Plant-based Science  
 SD-WAN  
 Software Development – SaaS  
 Solar Energy, Renewables  
 Sport Betting  
 Telemedicine, Digital Health and Online Pharmacy  
 Virtual Reality (VR)  
 Web 3.0, EdTech

Source: Victory Square Technologies Inc.

**COMPANY DESCRIPTION**

Victory Square Technologies Inc. (“Victory Square” or “the Company”) is a publicly-traded company headquartered in Vancouver, Canada, and listed on the Canadian Securities Exchange (VST), Frankfurt Exchange (6F6), and the OTCQX (VSQTF). The Company builds, acquires, and invests in promising startups, then provides the senior leadership with resources in which to fast-track a company’s growth, resulting in rapid scale-up and monetization. Victory Square’s sweet spot is the innovative technology that is shaping the **Fourth Industrial Revolution†**, where boundaries are being blurred between the physical, digital, and biological worlds. The Company’s portfolio consists of 25 disruptive companies in key sectors including: **Web 3.0**, Gaming, the **Creator Economy**, **Non-fungible Tokens (NFTs)**, the **Metaverse**, Digital Health, and Renewable Energy. Victory Square integrates a strong ESG (environmental, social, and corporate governance) component throughout its operations, with its portfolio highlighting minority entrepreneurs that are often overlooked by traditional investors, including many from developing countries. The Company is also dedicated to giving back to communities in which it serves and operates, specifically committed to organizations that provide services in the youth, mental health, special needs, sport, technology, education, marginalized groups, First Nations, and accessibility sectors. For investors, Victory Square offers early-stage access to the next “**unicorn companies**” (privately held startup companies valued over \$1 billion) before they become unicorns, representing a uniquely liquid and secure way to enter the latest innovative technologies.

**KEY POINTS**

- Victory Square maintains a healthy balance sheet, having completed five consecutive quarters of positive net income and earnings per share (EPS) and is in the unique position of being able to self-fund its growth. In fiscal 2020, the Company reported net income of CD\$19.7 million and positive EPS of CD\$0.30.
- In 2020, Victory Square spun out its portfolio company, FansUnit Entertainment. In 2021, there were three major spin offs—two were public listings: GameOn Entertainment Technologies Inc. (GET-CSE) on June 1, 2021, and Fantasy 360 Technologies Inc., doing business as (d/b/a) Immersive Technologies (VRAR-CSE) on September 8, 2021. As well, in Q1/Q2, Victory Square sold an asset for CD\$6 million.
- The Company’s net asset value (NAV) increased from CD\$4 million in 2017 to CD\$110 million in 2021, benefitting from three to four new portfolio companies being added every year.
- For Victory Square shareholders, when the Company spins out an asset, they issue a special share dividend. In 2021, the Company issued three special common share dividends.
- Supported by a team with an international background and a track record for success, Victory Square has successfully raised the profile and liquidity of numerous portfolio companies. As early adopters in the cryptocurrency space, the Company was able to help incubate the BTL Group, the world’s first publicly traded blockchain company.
- As of September 30, 2021, Victory Square’s cash position was CD\$3.9 million.

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*All amounts in U.S. dollars unless stated otherwise.*

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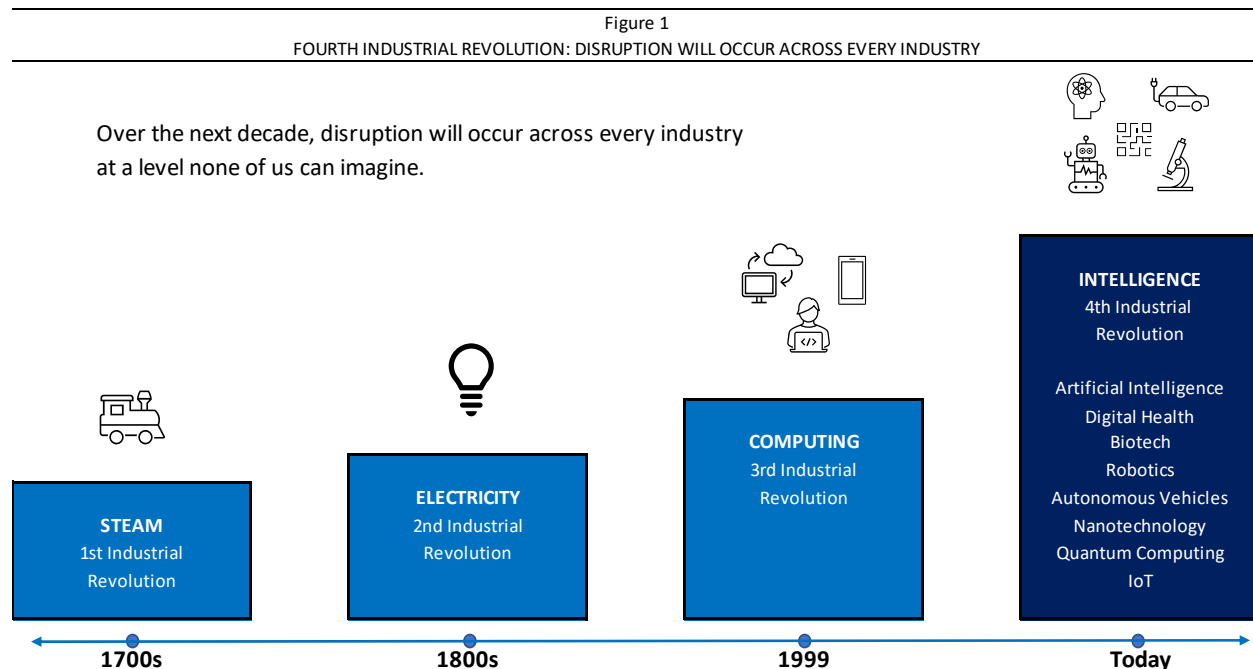
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All amounts in U.S. dollars unless stated otherwise.

## Executive Overview

Victory Square Technologies Inc. (“Victory Square” or “the Company”) 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 investors, the Company offers early-stage access to the next “unicorns”—privately held companies valued over \$1 billion—before they become unicorns, where the Company is incubating the next technology giants. Victory Square’s portfolio consists of 25 global next generation technology companies in key sectors, including Web 3.0, Gaming, the Creator Economy, Non-fungible Tokens (NFTs), the Metaverse, Digital Health, and Renewable Energy.

Over the next decade, disruption will be experienced across every industry at a level unimaginable to most of us (shown in Figure 1). Victory Square’s sweet spot is innovative technology that is shaping the Fourth Industrial Revolution, which is characterized by the convergence and complementarity of emerging technology domains, including **artificial intelligence (AI)**, digital health, biotech, robotics, autonomous vehicles, nanotechnology, quantum computing, and the **internet of things (IoT)**. The pandemic has accelerated a tremendous amount of innovation, with many businesses, including digital healthcare, playing a key role in this acceleration. Today, there are five platforms that are converging at once—energy storage, blockchain, AI, robotics, and DNA sequencing—with tremendous disruption and innovation taking place across multiple industries. An overview of key sectors for which the Company is involved is provided in the accompanying section, with greater details provided within the Core Story (pages 13-51).



Source: Victory Square Technologies.

With ‘real skin in the game’, Victory Square is committed to ensuring that each of its portfolio companies (**investees**) succeeds, with its strength based on the ability to select startups with real solutions (versus only ideas). Victory Square pairs its portfolio companies with senior talent in product, engineering, customer acquisition, and other key business areas, and then sets them on the path of doing what they do best—building, innovating, and disrupting—and in approximately 24 to 36 months, the portfolio company has scaled and is ready to monetize. A brief overview of the targeted sectors in Victory Square’s portfolio is provided on pages 4-5, with greater details within the Core Story. This is accompanied by a overview of each portfolio company on pages 6-10, with greater details, including each respective company’s most recent highlights/events, provided on pages 24-51.

## SECTOR OVERVIEWS

### Blockchain

Blockchain is a digital ledger in transactions that record information in a way that makes it difficult or impossible to change, hack, or cheat the system. A blockchain is made up of consecutive “blocks” that store an accounting of relevant information, such as transaction time, amount, and addresses involved in transactions. The blockchain is maintained and distributed among a network of multiple interconnected computers systems, called “nodes”. Copies of the blockchain are distributed to the users within the network, creating multiple copies.

The security of a blockchain is based on two factors: (1) the interconnectivity of blocks in the same chain; and (2) the multi-node structure of a chain. Each block is assigned a unique hash (identifying the block and its contents) as well as the hash of the previous block. If a hacker changes just one block (say Block 2), it would be immediately apparent that it had been tampered with as Block 3 would still contain the old hash of Block 2. Thus, hackers would have to change every block in the chain and do it across the majority of the nodes in the network. In large systems (such as Bitcoin), due to the complexity, decentralized structure, and/or random nature of validation mechanisms, such an attack would be impossibly expensive or impossible by design.

### WEB 3.0

Web 3.0 is the next generation internet, focused on connecting data in a decentralized way (rather than having it stored in centralized repositories), with computers able to interpret information as intelligently as humans. Whereas current internet applications (denominated Web 2.0) are marked by centralization (in which data is primarily stored in centralized storage locations), surveillance, and invasive ads, Web 3.0 allows decentralized apps to displace centralized social networks, such as Facebook, with individuals maintaining ownership over their personal data. This allows users the ability to interact publicly or privately without a trusted third-party platform and without authorization and constraints from a governing entity.

In terms of connection capabilities, access to digital content under Web 3.0 will no longer be concentrated on computers and smartphones. To achieve this, Web 3.0 intends to rely on key technologies, such as **augmented reality (AR)** and **virtual reality (VR)**, 5G networking, AI, and blockchain to remove the boundaries between digital content and the physical world. The first successful 3D designs are appearing in websites and applications through computer games, museum guides, and real-estate property tours.

### Metaverse

The metaverse is a digital reality or virtual reality space that combines aspects of social media, online gaming, AR, VR, and cryptocurrencies to allow users to interact virtually. AR involves overlaying visual elements, sound, and other sensory input onto a real-world setting to enhance the user experience. AR can be accessed with a smartphone and users can control their presence in the real world. In comparison, VR is completely virtual, enhances fictional realities, requires a headset device, and users are controlled by the system.

### A Non-fungible Token (NFT)

A non-fungible token (NFT) is a record that represents ownership of a unique piece of digital content. NFTs are unique digital identifiers that are recorded in a blockchain and used to certify authenticity and ownership of a specific digital asset and specific rights relating to it. Most NFTs are part of the Ethereum Blockchain and even though Ethereum is a cryptocurrency, its blockchain supports NFT blocks by storing extra information regarding the digital asset. It is worth noting that other blockchains can implement their own versions of NFTs.

## Decentralized Finance (DeFi)

Short for Decentralized Finance, DeFi, is an umbrella term for peer-to-peer financial services on public blockchains. DeFi is a blockchain-based form of finance that does not rely on central financial intermediaries to offer traditional financial instruments, and instead utilizes smart contracts on blockchains, the most common being Ethereum. DeFi aims to offer people access to financial services—borrowing, lending, insurance, and trading—without the need for legacy institutions, such as banks and brokerages, which often take large commissions and other fees. Instead, “smart contracts” automatically execute transactions when certain conditions are met. DeFi is surging in popularity, with investors pouring tens of billions of dollars into the sector.

## Creator Economy

The creator economy refers to the numerous businesses built by independent content creators (bloggers, writers, YouTubers, influencers, etc.) to monetize themselves, their skills, or their creations. It also encompasses the companies serving these creators, from content creation tools to analytics platforms. The creator economy has seen a record \$1.3 billion in funding in 2021, with an estimated 50 million active creators.

## Artificial intelligence (AI)/Machine Learning

Artificial intelligence (AI) is a wide-ranging branch of computer science relating to building smart machines to mimic the problem-solving and decision-making capabilities of the human mind. Most of the recent advancements and applications in AI are derived from the use of machine learning, a sub-field of AI engaged in the development of computer systems that learn how to perform a task without the need to be programmed to do so. Machine learning feeds a computer data to help it learn how to get progressively better at a task by using algorithms and statistical models to analyze and draw inferences from patterns in data. Advancements in deep learning and machine intelligence technologies, coupled with significant investment in AI as its capabilities and applications expand and improve, are expected to be the main drivers behind this growth.

## Digital Health

Digital health, or digital healthcare, is a broad, multidisciplinary concept that includes the intersection between technology and healthcare, with the goal of reducing inefficiencies, improving access to services, reducing costs, increasing quality of care and diagnostic procedures, and making medicine more personalized for patients. Digital health technologies range from mobile medical apps and software that supports the clinical decisions doctors make, to AI and machine learning. Under its umbrella, digital health includes mobile health (mHealth) apps, health information technology (IT), **electronic medical records (EMRs)**, wearable devices, telehealth and telemedicine, as well as personalized medicine.

## Renewable Energy

Renewable energy is energy that is collected from renewable resources that are naturally replenished on a human timescale. The major types of renewable energy sources are wind, solar, geothermal, hydropower, and biomass (i.e. biodiesel, ethanol, landfill gas, etc.). Renewable sources are often associated with green energy or clean energy but there are some subtle differences between these three energy types. Where renewable sources are those that are recyclable, clean energy are those that do not release pollutants like carbon dioxide, and green energy is that which comes from natural sources. While there is often cross-over between these energy types, not all types of renewable energy are actually fully clean or green. For example, some hydroelectric sources can actually damage natural habitats and cause deforestation.

## PORTFOLIO AND SUBSIDIARY COMPANIES

Victory Square seeks out innovative emerging technologies that are shaping the Fourth Industrial Revolution. Currently consisting of 25 global companies (as summarized in Figure 2), Victory Square is focused on businesses with technology that they believe will have asymmetrical returns in the near future, with anchor companies that are led by experienced and successful boards and management teams. The accompanying section provides a brief overview of these portfolio companies (investees), with greater details on each business provided within the Core Story on pages 24-51.

Figure 2  
PORTFOLIO COMPANIES AND SUBSIDIARIES

| Portfolio Companies   | Vertical   | VST Ownership % |
|---|--|-----------------|
| Mercury Acquisitions Corp.  | Cannabis   | 2.50%           |
| Fansuite Entertainment Inc. (CSE: FANS, OTC:FUNFF)  | Sports Betting, Gaming and Esports                     | 4.84%           |
| MLVX Technologies Inc., doing business as Metaspectral  | Artificial intelligence (AI) and Machine Learning (ML) | 5.00%           |
| Turnium Technology Group Inc. (formerly Multispectral Networks Inc.)                            | Software defined wide area network platforms           | 6.40%           |
| Cloud Nine Web3 Technologies Inc. (CSE: CNI)  | Web 3.0, EdTech, Metaverse                             | 9.17%           |
| Shop and Shout Ltd., doing business as Creator.co   | Creator Economy, Web 3.0, NFTs                         | 10.46%          |
| Cloud Benefit Solutions Inc., doing business as Cloud Advisors                                  | Insurance tech   | 15.00%          |
| Next Decentrum Technologies Inc.  | Web 3.0, Blockchain, NFTs                              | 18.32%          |
| Victory Square Health Inc.  | Diagnostic Testing, Digital Health                     | 20.00%          |
| Stardust Solar Technologies Inc.  | Solar Energy, Renewables, EV Charging                  | 20.00%          |
| GameOn Entertainment Technologies Inc. (formerly V2 Games Inc.) (CSE: GET, OTC: GMETF)          | Gaming, NFTs, Play to Earn                             | 22.39%          |
| Grow Academy Technologies Inc.  | Plant Based Science                                    | 31.83%          |
| Silota Research and Development Inc.  | Web 3.0, Blockchain, DeFi, Data Infrastructure         | 25.03%          |
| Cassia Research Inc. doing business as CoPilot AI   | AI Technology, Automation                              | 25.70%          |
| Howyl Ventures Inc., doing business as Capaciti   | Web 3.0, Future of Work                                | 28.50%          |
| PayVida Solutions Inc.  | Fintech  | 31.35%          |
| Flo Digital Inc.  | VR, AR, Metaverse                                      | 49.00%          |
| <b>Subsidiaries</b>   |  |                 |
| Fantasy 360 Technologies Inc., doing business as Immersive Technologies (CSE: VRAR, OTC: FNTTF) | VR, AR, Metaverse, Web 3.0                             | 76.43%          |
| IV Hydreight Inc.   | Digital Health, Online Pharmacy                        | 100.00%         |
| VS Digital Health Inc.  | Digital Health, Online Pharmacy, Diagnostic Testing    | 100.00%         |
| Victory Entertainment Inc.  | Film, TV, Digital Content                              | 100.00%         |
| PDL USA Inc.  | Custom software development                            | 100.00%         |
| Draft Label Technologies Inc.   | Custom software development                            | 100.00%         |
| VS Blockchain Assembly Inc.   | Web 3.0, Blockchain                                    | 100.00%         |
| BlockX Capital Corp.  | Web 3.0, Blockchain, DeFi                              | 100.00%         |
| <b>Digital Currencies</b>   |  |                 |
| Covalent Network Corporation, CQT Token   | Tokens   | 6,363,965       |

Source: Victory Square Technologies.

Note: VST Ownership % figures are based off of Q3 financials dated November 29, 2021.

### Portfolio Companies

- **Mercury Acquisitions Corp.**—Mercury Acquisitions franchise's business is in the medical cannabis and pharmaceutical industries.
- **FansUnit Entertainment Inc. (CSE: FANS, OTC: FUNFF)**—FansUnit is a global sports and entertainment company, focused on technology related to regulated and lawful online betting, gaming, and other related products. The company has produced a one-of-a-kind complete iGaming platform, with a sports and esports focus geared for the next generation of online bettors and casino players. In July 2021, FansUnit closed its previously announced public offering, for gross proceeds of CD\$24.8 million.
- **MLVX Technologies Inc. d/b/a Metaspectral**—Metaspectral offers an AI-based solution to compress digital images, resulting in reduced storage and bandwidth costs without compromising quality or resolution.

- **Turnium Technology Group Inc.**—Turnium develops and delivers its **software-defined wide area networking (SD-WAN)** solutions as both a managed cloud-native service and an original equipment manufacturer (OEM) white label software platform. SD-WAN is revolutionizing the networking and telecommunications industry by virtualizing secure, high-speed networking and abstracting network control from the underlying physical circuits.
- **Cloud Nine Web3 Technologies Inc. (Limitless Technologies)**—Cloud Nine Web3 Technologies is building an ecosystem of products that leverages the interconnectivity of a peer-to-peer or decentralized infrastructure—sometimes referred to as the ‘decentralized web’ or ‘Web 3.0’.
- **Shop and Shout Ltd. d/b/a as Creator.co**—Creator.co (previously called Shop and Shout) has grown to become one of the world’s top-ranked Influencer platforms. The company is a one stop shop to drive awareness, content, and conversions for brands on Instagram, Facebook, Twitter, YouTube, and TikTok. The Creator.co platform automates Influencer marketing for young brands and start-ups, nationals, and agencies, allowing brands to discover ultra-tailored creators and launch a campaign with them in minutes.
- **Cloud Benefit Solutions Inc. d/b/a Cloud Advisors**—Cloud Benefit Solutions is an established SaaS platform within the group life and health insurance industry that offers Canada’s largest Insurtech cloud platform and marketplace powered by AI.
- **Next Decentrum Technologies Inc.**—Next Decentrum delivers unique, social, and meaningful art and culture experiences through a suite of products:

Momentable.ai – a versatile platform for iconic art and culture NFTs from the world’s top museums.

Fyve.xyz – an easy-to-use email marketing tool for artists.

Nyftx.com – a bespoke publication exploring the impact of NFTs on art and culture.

Next Decentrum is also the creative force behind Crypto Pharaohs, the first generative NFT collection of its kind inspired by the history, life, and legacy of the pharaohs of ancient Egypt. At Next Decentrum, the company believes in enabling access, empowering the user, and unleashing an ever-evolving future through collaboration. Next Decentrum is further working with some of the top museums and artists in North America and the world to generate new revenue streams by publishing and protecting iconic artworks and artifacts, making them more accessible to collectors around the world.

- **Victory Square Health Inc.**—Victory Square Health was founded in 2016 to accelerate the development of personalized medicine and technology solutions, including diagnostic tests to support patient care and improve health outcomes. Victory Square health successfully completed and received approval for a catalogue of their tests. They also have been working to start the at-home testing and telemedicine offering in Brazil.
- **Stardust Solar Technologies Inc.**—Stardust Solar is changing the solar landscape in Canada. With a network of solar training centers across North America, Stardust Solar is already widely regarded as the leader in solar education, having certified over 2,000 solar installers across Canada and the U.S. With a growing list of franchise locations across Canada, Stardust leans on its background to educate homeowners about important key differences in solar products and their warranties, and offers choices when purchasing life-changing solar equipment, including SunPower. For the first time, homeowners in Canada are afforded the opportunity to make an empowered choice about solar, with the option to choose the premium, high-efficiency solar system from Stardust Solar’s new line of residential SunPower solar products.



- GameOn Entertainment Technologies Inc. (CSE: GET, OTCQB: GMETF)**—GameOn powers the biggest sports, media, and entertainment companies with the most innovative white label game technologies. GameOn provides broadcasters, TV networks, streaming platforms, leagues, tournaments, sportsbooks, and NFT projects with white label prediction games, fantasy games, and NFT-based games. Since completing the Comcast NBCUniversal LIFT Labs Accelerator powered by Techstars in 2018, GameOn has secured revenue-generating partnerships with global companies, including NBCUniversal, Bravo, and MX Player. On June 1, 2021, GameOn began trading on the CSE under the symbol “GET”. In February 2021, Victory Square announced that GameOn had completed an oversubscribed private placement of common shares to raise gross proceeds of CD\$5.8 million.
- Grow Academy Technologies Inc. d/b/a Grow Tech Labs**—Grow Tech Labs is a dynamic business accelerator in the cannabis sector focused on Canadian and international companies innovating in the medical and recreational cannabis industry. Grow Tech has created a complete suite of services for cannabis companies to expand or enter their enterprise into the legal marketplace by route of marketing and branding, investment, and a host of microprocessor services.
- Silota Research and Development Inc.**—The data powering the De-Fi economy, Silota offers software solutions, provides visualization software, data talent, and training to organizations trying to understand their data.
- Cassia Research Inc. d/b/a CoPilot AI**—CoPilot AI is a **Software-as-a-Service (SaaS)** company that uses AI technology to help sales teams automatically target qualified prospects on social media, initiate one-to-one conversations, and surface timely sales opportunities without requiring any content marketing, spam emails, or advertising. CoPilot AI is expected to become the backbone of all AI sales activity on the internet within 5 years.
- Howyl Ventures Inc., d/b/a Capaciti (“Capaciti”)**—Capaciti is expected to be the first blockchain-based, enterprise-grade, decentralized project professional-services marketplace for digital design and technology development services.
- PayVida Solutions Inc.**—A FinTech company who built a financial platform and mobile application to simplify consumer and business transaction engagement using “One Platform and One Card”, PayVida provides qualified business owners a “Same Day Pay” transaction settlement service never before offered to merchants, expediting payouts to business in cash flow sensitive industries. PayVida’s platform and mobile app enables businesses the ability to accept the largest methods of payments, including AliPay®, WeChatPay® Visa®, MasterCard®, China UnionPay®, American Express®, Discover®, JCB®, ACH, and crypto currencies on-line, in-store, and any mobile merchant setting. PayVida’s pre-paid MasterCard® does not require a credit check for approval and may be used to send money, pay bills, receive money, and make purchases anywhere MasterCard® is accepted. PayVida’s Payment Platform enables businesses and consumers to use one payment platform to facilitate and finance on-demand loans and guarantee payment online, in-stores, and mobile locations. The PayVida Card is available within the PayVida Wallet and in plastic form usable anywhere MasterCard® is accepted.
- Flo Digital Inc.**—Flo Digital is a developer of a VR advertising platform designed to deliver targeted, immersive VR experiences on a global scale. The Flo VR/AD Tech platform offers 360° content viewable within any browser, VR platform, or mobile device, changing the way viewers interact with VR content and enabling websites and application publishers the ability to monetize their content by seamlessly introducing ads into VR content experiences and games.



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## Subsidiary Companies

- **Fantasy 360 Technologies Inc. d/b/a Immersive Technologies (CSE: VRAR, OTCQB: FNTTF)**—Immersive Technologies is behind the “Physical Portal to the Metaverse” with the launch of their UNCONTAINED VR platform, as well as designing, building, and installing immersive and engaging experiences for some of the world’s leading companies. In April 2021, Victory Square announced the closing of Immersive Technologies’ oversubscribed financing for gross proceeds of CD\$2.3 million. As well, Immersive Technologies received final approval for listing from the CSE under the symbol “VRAR”, the FSE under the symbol “79W”, and the OTCQB under the symbol “FNTTF”.
- **IV Hydreight Inc.**—IV Hydreight provides immediate wellness through its mobile platform and core team of professionally trained service providers. Hydreight’s unique, custom built, proprietary telemedicine service allows users to book confidential health and wellness and/or medical services at their home, hotel, office, or wherever they might need discreet assistance with the same ease and convenience as booking a ride or ordering food delivery. Hydreight has a 503B pharmacy license under the United States Federal Food, Drug and Cosmetic Act and is a U.S. certified e-script and telemedicine provider, allowing it to provide services in all 50 states. In addition to providing telehealth services, Hydreight’s other products include intravenous drips, Botox, and other medical and medspa treatments for a variety of conditions, including dehydration, anti-aging, and more.
- **VS Digital Health Inc.**—VS Digital Health is 360-degree healthcare, offering smart, connected devices, at-home diagnostic tests, personalized digital guidance and monitoring, 24/7/365 access to healthcare professionals, and prescription delivery. The company is affiliated with a national network of professional corporations (PCs). These affiliated medical practices contract with licensed medical providers and exert full and exclusive control over the professional clinical services rendered by the providers. In turn, VS Digital Health provides administrative and management services and technology solutions to these affiliated PCs.
  - **DiscreetCare**—Within the umbrella of VS Digital Health, DiscreetCare.com is a one-stop provider for what many consider ‘delicate’ medical issues. The DiscreetCare app gives users access to testing, treatment, and prescriptive medicinal remedies—all from the convenience and privacy of a mobile device.
- **Victory Entertainment Inc.**—Victory Entertainment current holds investments in the film industry space, including The Opening Act, <https://www.imdb.com/title/tt8633748/>; Dragged Across Concrete <https://www.imdb.com/title/tt6491178/> and What They Had <https://www.imdb.com/title/tt6662736/>.
- **PDL USA Inc.**—PDL USA has IP and technology in fantasy sports, esports, sports betting, and NFT games on the blockchain.
- **Draft Label Technologies Inc.**—Draft Label is a custom development shop for all portfolio companies within Victory Square’s portfolio and holds the intellectual property (IP) on any technologies built within the portfolio.
- **VS Blockchain Assembly Inc.**—VS Blockchain Assembly is a development shop with access to a network of Web 3.0, blockchain and gaming developers, engineers and consultants to help companies with their NFT, DeFi, and GameFi projects.
- **BlockX Capital Corp.**—BlockX Capital Corp finds and explores investment opportunities in early Web 3.0, blockchain, DeFi, GameFi, Metaverse, NFT, and Play to Earn technologies and companies. BlockX focuses on disruptive innovation and is dedicated to disciplined due diligence, governance, and an investment process that results in qualified disruptive opportunities.

## DIGITAL CURRENCIES

- **Covalent Network Corporation, CQT Token**—Covalent leverages big-data technologies to create meaning from hundreds of billions of data points, delivering actionable insights to investors and allowing developers to allocate resources to higher-utility goals within their organization. Instead of painstakingly sourcing data from a small handful of chains, Covalent aggregates information from across dozens of sources, including nodes, chains, and data feeds. The Covalent API then sources end-users with individualized data by wallet, including current and historical investment performance across all types of digital assets. Most importantly, Covalent returns this data in a rapid and consistent manner, incorporating all relevant data within one API interface. Having achieved product-market fit, Covalent is now planning to execute the next phase, which is a progressive decentralization that will enable the Company to be owned and operated by its users (with a critical piece to this being CQT).

## Company History

Founded in 2017, Victory Square's process is unique and its track record proven for investing in solutions that are already required in the market (versus merely ideas). The Company applies its management teams' experience and expertise to quickly grow its portfolio companies, where Victory Square has the ability to unlock value and generate significant revenues.

Victory Square's chief executive Officer (CEO), Shafin Diamond Tejani (biography on page 11), launched his first company, iFlurtz, out of his dorm room at the age of 19. Since then, he has launched over 40 startups in 21 countries, employing over 350 people and generating over \$100 million in annual revenue through Living Labs. A Living Lab is a real test bed and an experimentation environment where users and producers can co-create innovations. Its main objective is to create new products, services, and appropriate infrastructure to the real needs of society. These processes involve both public and private groups. In 2015, Mr. Shafin launched Victory Square Technologies in order to fund early-stage startups and entrepreneurs who have gone through its Living Labs, and start-up incubators, such as Launch Academy, as well as through global startup partners focused on sports, entertainment, and health technologies.

Supported by a team with an international background and a track record for success (biographies of the Company's management team on pages 11-12), Victory Square has successfully raised the profile and liquidity of numerous portfolio companies. As early adopters in the cryptocurrency space, Victory Square was able to help incubate the BTL Group, the world's first publicly traded blockchain company. In 2017, Victory Square purchased Vancouver sports betting company, FansUnite, and helped them to complete a **reverse takeover (RTO) transaction** for CD\$4.4 million a year later, giving the company a post-money valuation of over CD\$17 million. Victory Square was also an early supporter of Immersive Technologies, the internationally renowned supplier of immersive experience and escape rooms that has completed projects for Intel, Snickers, and Ardbeg, among others (described on pages 45-46).

Victory Square integrates a strong ESG (environmental, social, and corporate governance) component throughout its operations. Its portfolio highlights minority entrepreneurs, often overlooked by traditional investors, including many from developing countries.

## Philanthropic Contributions

Victory Square also gives back to the communities in which it works. The Company is dedicated to organizations that provide services in the youth, mental health, special needs, sport, tech, education, marginalized groups, First Nations, and accessibility sectors. Since January 1, 2021, Victory Square has pledged and/or contributed almost \$300,000 in donations to Variety the Children Charity of BC, CKNW KIDS FUND, Simon Fraser University Tech Camp, The BC Sports Hall of Fame & Museum, Covenant House Vancouver, YWCA, Coast Mental Health, The Cerebral Palsy Association of BC, and the BC Children's Hospital Foundation. These gifts are in conjunction with the Company's "GIVING BACK" pledge made by its executive, staff, and Board.

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## Company Leadership

Victory Square has assembled a management team that has built and launched technology companies globally. Biographies of these key individuals are provided below.

### Management Team

#### *Shafin Diamond Tejani, CEO, Chief Executive Officer (CEO) and Director*

Shafin Diamond Tejani launched his first company (an online dating website), from his university dorm room at the age of 19. Since then, he has launched over 40 start-ups in 21 different countries, creating a combined market cap of over \$1 billion. His most recent success, Victory Square Technologies (VST), is an accelerator with approximately 25 portfolio companies focused on emerging technologies, such as mobile gaming, esports, sports betting, health tech, Insuretech, and security using the most powerful technologies in AR/VR, Blockchain, and AI. Victory Square has a proven process for identifying and investing in extraordinary startups who are working on innovative and disruptive projects in every sector of the global economy. Mr. Tejani has received numerous awards, with the most recent acknowledgements being BC Technology Person of the Year, Ernst & Young (EY) Technology Entrepreneur of the Year, Prime Minister's Volunteer Award, Startup Canada Award for Entrepreneur Support, Canadian Angel Investor of the Year, and BIV's Top Forty Under 40. Outside of his entrepreneurial work, he has contributed significant time to charity and community work. Through Victory Square, Mr. Tejani has become one of Canada's leading advocates of venture philanthropy.

#### *Vahid Shababi, Chief Growth Officer (CGO)*

Vahid Shababi brings over 20 years of experience as an entrepreneur and as a marketing and growth expert in creating and executing strategic sales and marketing initiatives, mergers and acquisitions (M&A), and revenue. He has a solid history of success in sales management and marketing, SaaS, business growth, strategic partner acquisition, and M&A, including multiple experiences with exits throughout businesses he has been a part of over his career. Mr. Shababi holds a bachelor's degree in applied science electrical engineering from Simon Fraser University, where he is now a guest lecturer and mentor at the Beedie School of Business. A former varsity basketball player for SFU and Langara, Mr. Shababi was selected to play on BC's all-star team for the 1999-2000 and 2002-2003 seasons. He also has been selected as one of the recipients of BIV 40 under 40 in 2021.

#### *Sheri Rempel, Chief Financial Officer (CFO)*

Sheri Rempel has over 30 years of accounting experience working with companies in real estate development, restaurant management, mining, general financial services, and software development. She founded and led ARO Consulting, a 15-person firm specializing in providing accounting services to public companies listed across all three Canadian stock exchanges, Toronto Stock Exchange, the TSX Venture Exchange, and the Canadian Securities Exchange and to companies preparing to list on a Canadian stock exchange. She has been working with public companies since 2001 providing accounting services to reporting issuers, serving as a Chief Financial Officer, Controller, and/or a director of a number of public companies. Ms. Rempel currently acts as the CFO for six public companies.

*Peter Smyrniotis, Director*

Peter Smyrniotis is a founder, operator, and board-level executive, adept in launching high-growth disruptive companies, shipping new products to market, and building teams and revenue through growth stages (seed to launch to growth to scale to liquidity). From the late 1990s to 2010, Mr. Smyrniotis was active in the automotive and enterprise software sector, with companies such as Magna (MGA-NYSE), Microsoft (MSFT-NASDAQ), and Cisco (CSCO-NASDAQ), participating and leading teams in direct and partner-led growth that delivered billions of dollars in top-line revenue. His primary focus has been on platforms and marketplaces (FinTech, PropTech, Security, Data), B2B, and Software-Enabled businesses. Mr. Smyrniotis has extensive experience in corporate governance and fundraising (Seed-to-Series C/Listing). He is currently a director with Victory Square Technologies, Spark Real Estate Software, CoPilot AI, Turnium Technology Group, Cannametrics, and Appara AI.

*Raj Sahota, Vice President Operations*

Raj Sahota has over 14 years of technical and leadership experience in her career, as a principal in the assurance and advisory division at one of Canada's leading mid-tier chartered professional accountant firms. She has considerable experience in the areas of initial going public transactions, mergers and acquisitions, financial reporting and regulatory compliance for both Canadian and U.S. publicly listed companies. Ms. Sahota has advised clients in a variety of sectors, including technology and healthcare, with a primary focus on high-growth and emerging industries. She holds a Bachelor of Commerce degree and Certified Public Accountant (Colorado) designation. An inspiring and pragmatic leader, her highly developed business acumen, extensive knowledge of corporate governance, operations management, and financial background have driven transformational change towards improving operational excellence to deliver growth and success at Victory Square Technologies Inc.

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## Core Story

***“Founders who live in the future have the best chance of winning big”***  
***—Mike Maples, partner at the VC firm Floodgate***

Victory Square Technologies Inc. (“Victory Square” or “the Company”) creates, acquires, and invests in start-ups within growing markets and industries, providing the expertise and resources needed to fast-track growth for its portfolio companies (investees). Victory Square’s portfolio consists of 25 disruptive companies in key sectors including Web 3.0, Gaming, The Creator Economy, NFTs, The Metaverse, Digital Health, and Renewable Energy.

Victory Square supports its portfolio companies as they grow by providing comprehensive practical expertise in the areas of commercialization, product market-fit, and through access to proprietary technology solutions as well as a system of global partnerships. For investors, Victory Square offers early-stage access to the next “unicorns” (privately held startup companies with a value of over \$1 billion) before they become unicorns (described in the accompanying section), with its portfolio representing a uniquely liquid and secure way to gain access to the latest innovative technologies. Since the focus is on market-ready solutions that scale quickly, the Company can provide solid and steady returns while also entering emerging global trends with significant potential upside. Victory Square has headquarters in Vancouver, Canada, with the Company’s common shares listed on the Canadian Securities Exchange (VST), Frankfurt Exchange (6F6), and the OTCQX (VSQTF).

### **“Unicorn Companies”**

A term used in the venture capital industry to describe a privately held startup company with a value of over \$1 billion, the term “unicorn” was first popularized by venture capitalist Aileen Lee, founder of Cowboy Ventures, a seed-stage venture capital fund based in Palo Alto, California. Some of the more recognized unicorns based in the U.S. include Airbnb, Epic Games, SpaceX, Instacart, as well as Fintech companies, Robinhood and SoFi.

As of December 2021, there were more than 900 unicorns worldwide (<https://www.cbinsights.com/research-unicorn-companies>). In the midst of a surge in venture capital investments, the number of unicorns has increased dramatically, making 2021 a record year for privately held startup companies attaining unicorn status. With venture capital investments in startups thriving, this has led to a growing number of new unicorns. During the first half of 2021, startups globally raised \$292.4 billion, 140% higher than the year ago period, with 249 new unicorns created in the first half of 2021 versus 128 new unicorns in 2020. As of August 2021, the U.S. had the highest number of unicorns at 402, followed by China (158), India (40), and the UK (31). In the first eight months of 2021, the U.S. added 184 new unicorns, which accounted for 58.2% of the 316 new unicorns globally. China accounted for 8.5% of the 316 new unicorns, though 19.7% of all current unicorns globally are from China, as China’s crackdown on tech firms led to a shift in global investment interest towards other markets. India has benefited the most from China’s crackdown on tech companies as startups in the country have received record inflows of venture capital.

Fintech and internet software and services have produced the most unicorns. Among the 900+ unicorns worldwide, approximately 19.1% of them are engaged in Fintech, 16.5% in internet software and services, 10.7% in e-commerce and direct-to-consumer, 8.4% in AI, and 7.1% in healthcare. Meanwhile, Fintech accounted for 27.5% of the 300+ new unicorns added to the list in the first eight months of 2021, followed by internet software and services (21.5%) and healthcare (8.5%). China-based ByteDance is the world’s most valuable unicorn company (\$400 billion valuation), followed by SpaceX (\$100 billion valuation), followed by online payment processing company Stripe (\$95 billion valuation). ByteDance, the owner of the short-video apps TikTok and Douyin, is currently valued at roughly \$400 billion (up from \$140 billion valuation mark following an investment from Tiger Global in March 2020).

Unicorns exit by either going public or by being acquired. Chinese ride-hailing company Didi, U.S. cryptocurrency exchange Coinbase, and Indonesia-based e-commerce firm, Tokopedia, are among the unicorns that have exited in 2021. Some of the unicorns announcing plans to go public include: ByteDance, Nubank, and One97 Communications. ByteDance plans to list on the Hong Kong Stock Exchange this year though that plan may change based on the rapidly changing regulatory environment. Even while some unicorns exit, more are expected to be created before the end of the year due to the active venture capital market and the growing startup ecosystems.

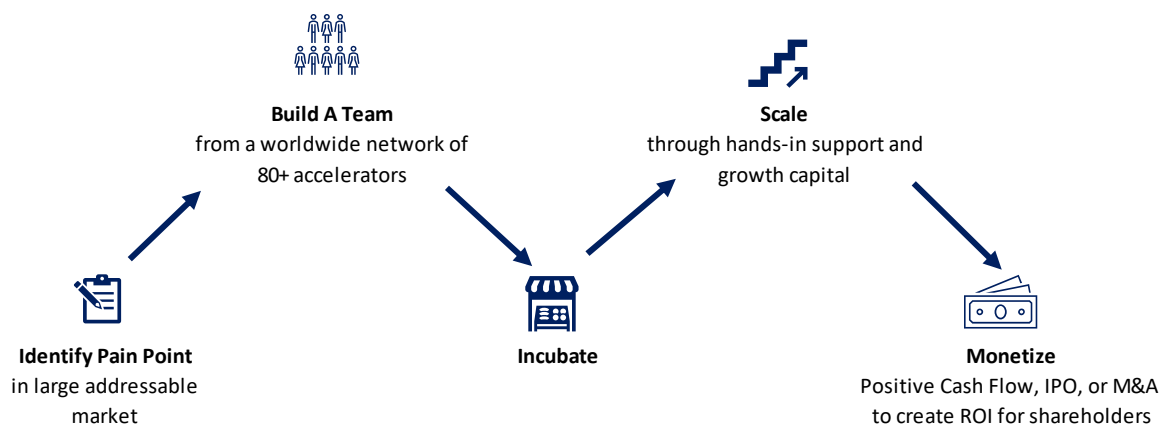
### The Company's Methodology

Victory Square is committed to ensuring that each of its investees is successful. The way in which it does this is by selecting start-ups with real solutions (versus only ideas) in which the Company has a subject matter expertise or where they view a competitive advantage in that space. These companies are then matched with companies that have experienced talent in product, engineering, customer acquisition, etc. They are then left to do what they do best—build, innovate, and disrupt.

Victory Square has relationships with approximately 80 international accelerators in places such as Delhi, India; San Paulo, Brazil; and Estonia; among others, so the Company is able to pick the top minds that have been vetted from across all these organizations. The goal is to have the portfolio companies ready to scale and monetize within 24 to 36 months. The model requires that Victory Square be 'hands on' with its portfolio companies, rather than passive investors. Over this period of time, the Company is coming into a business that, for example, has a CD\$4 million valuation, and by the time it is being spun out (after roughly 36 months), is expected to be at approximately a CD\$25 million market cap—where it then gets acquired or spun out. At that point in time, a share dividend is issued to Victory Square shareholders. Subsequently, a portion of the investee's position is then liquidated for use to further fund Victory Square's funnel. However, an anchor asset in these companies is maintained as Victory Square believes that these companies will be disruptive and continue to grow long term.

Figure 3 summarizes Victory Square's process—from identifying the pain point (or key advantage) to achieving monetization for its shareholders. From 2017, the company had 3 companies within its portfolio valued at CD\$4 million; today, it holds 25 companies under its portfolio with a current net asset value (NAV) of CD\$110 million (out of over 1,000 companies that were evaluated). Victory Square is growing by approximately three to four investments per year, with the goal of doubling its net asset value (NAV) every three to five years.

Figure 3  
WHAT THE COMPANY DOES DIFFERENTLY FOR STARTUPS



Source: Victory Square Technologies.

## **Evolution of the Business**

Victory Square was incorporated under the Business Corporations Act (British Columbia) on February 10, 2015. On October 19, 2015, the Company acquired Draft Label and subsidiary, PDL USA, pursuant to a share exchange agreement. As a result of this business combination, the Company acquired certain software, source code, and cloud hosting services. On April 29, 2016, the Company filed a long form prospectus with the British Columbia Securities Commission (BCSC), qualifying the distribution of 5,094,000 Common Shares issuable upon the exercise of special warrants previously issued for gross proceeds of \$509,400. Trading in the Common Shares commenced on the Canadian Stock Exchange (CSE) on May 4, 2016, under the trading symbol “FYS”.

## **Existing and Potential Spinoffs**

In 2020, Victory Square spun out FansUnite Entertainment. In 2021, there were three major spin offs (and one expected near term)—two were public listings: GameOn, which was June 2021 and Fantasy 360 Technologies d/b/a Immersive Technologies, which was September 2021. The Company had the sale of an asset for \$6 million. In the pipeline is Stardust Solar, which is preparing for a listing potentially in Q1 2022, as well as Turnium, which is preparing for a listing in Q1 2022, Co-Pilot, which is also expecting a listing in Q1 2022/Q2 2022, and Creator.co, which is expecting a listing Q1 2022/Q2 2022. There are two additional projects also gaining momentum, which could be expedited. Specifically, there has been a great deal of traction within the digital health space, specifically with Hydreight (detailed on page 47), which could be expedited into a transaction within the next several quarters. Additionally, the company is working on a DeFi project with the team and thought leaders behind Covalent.



## Sector Overviews

The following section provides overviews of some of the primary sectors that Victory Square has within its portfolio of companies.

### Blockchain

Blockchain is an unchangeable digital ledger of transactions that is maintained and distributed among multiple interconnected computers systems, called “nodes.” Records stored using traditional ledgers are easy to tamper with, meaning they can be edited or removed. Blockchain is a system of recording information or transactions in a way that makes it difficult or impossible to change, hack, or cheat the system.

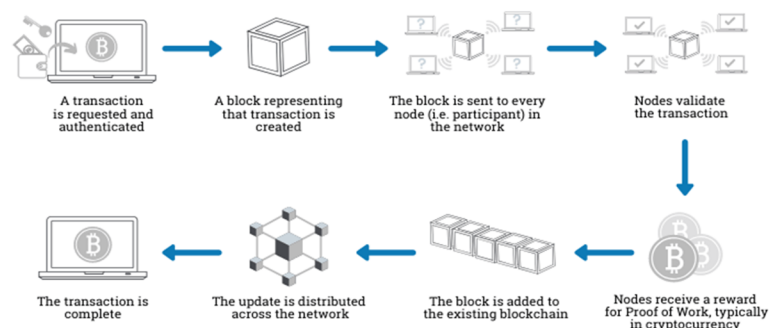
Computers that want to share data join a network by running the same blockchain software. A blockchain is made up of consecutive “blocks” that store an accounting of relevant information, such as transaction time, amount, and addresses involved in transactions. Each block has a proprietary hash attached to it. The hash identifies a block and all of its contents, and it is always unique (just like a fingerprint). In addition, each block contains the hash of the previous block in the chain.

#### Validation Process

Copies of the blockchain are distributed to users within the network, creating multiple copies of the blockchain in multiple locations (or nodes). Every time a new transaction occurs on the blockchain, a record of that transaction is added to every participant’s ledger. However, despite the fact that a blockchain is designed to operate without a central authority (i.e. with no bank or regulator controlling activity), transactions still have to be authenticated. For a public blockchain, the decision to add a transaction to the chain is made by consensus. This means that the majority of nodes (or computers in the network) must agree that the transaction is valid.

Each new transaction is assigned a block. The block is then sent to every node in the system for validation, with each user validating the data using cryptographic functions that make it easy to tell if any past transaction has been altered, in even the slightest way. Each time a block of data is added, the integrity of all previous data is, in effect, confirmed by the whole network. If the current block is accepted, meaning the network agrees the data it holds is valid, it is added to the existing blockchain, eventually forming a long, inter-connected chain of authorized blocks (Figure 4).

Figure 4  
HOW A TRANSACTION GETS INTO THE BLOCKCHAIN



Source: Euromoney Learning 2020.

The people who own the computers in the network are incentivized to verify transactions through rewards. The two prevailing mechanisms used to regulate the creation of new blocks are Proof of Work (PoW) and Proof of Stake (PoS). PoW (used by Bitcoin) requires people who own the computers in the network to solve a complex mathematical problem to be able to add a block to the chain. Solving the problem is known as mining, and miners are usually rewarded for their work in cryptocurrency. But solving the problem requires substantial computing power (one computer alone would take years to find a solution to the mathematical problem), which uses considerable amounts of energy. This means the rewards for undertaking the mining must outweigh the cost. PoS is an alternative consensus mechanism. Stakers—the PoS equivalent of miners—lock up funds in a special smart contract, and an algorithm grants a specific staker the opportunity to publish the next block depending on each staker's percentage of total staked funds (e.g., if a single staker controls 30% of all funds staked on a given network, they have a 30% chance of mining the next block). PoS is presented as an improvement over PoW because it does not require hardware or energy consumption. However, since it has a stronger tendency to centralize and concentrate token ownership to large holders, its security guarantees are therefore weaker than PoW networks.

### *Security of Blockchain Systems*

The security of a blockchain is based on two factors: (1) the interconnectivity of blocks in the same chain; and (2) the multi-node structure of a chain. Since each block is not only assigned a unique hash, but the hash of the previous block, if a hacker changes just one block (and its assigned hash), it would be immediately apparent it had been tampered with. Assume an attacker is able to change the data present in the Block 2. Correspondingly, the hash of the Block also changes. But Block 3 still contains the old hash of the Block 2. This makes Block 3, and all succeeding blocks invalid as they do not have the correct hash for the previous block. Thus, if hackers wanted to corrupt a blockchain system, they would have to change every block in the chain, re-doing the PoW or PoS for each block, and do it across greater than 50% of the nodes in the network. In large systems (such as Bitcoin), due to the complexity, decentralized structure, and/or random nature of validation mechanisms, such an attack would be impossibly expensive or impossible by design.

### **WEB 3.0**

Web 3.0 is the next generation internet, focused on connecting data in a decentralized way rather than having it stored in centralized repositories, with computers able to interpret information as intelligently as humans.

Web 1.0, also called the static web, was the first stage or iteration of the internet. There were few content creators, and most internet users were consumers. In Web 1.0, static pages were much more common than pages that used dynamic HTML. Websites in Web 1.0 had limited functionality and content was created by just a few people or entities.

Web 2.0 is the internet that we know today, driven mainly by the rise of mobile and social networks. In Web 2.0, content consumers are encouraged to become content creators through interactive web platforms, such as Facebook, Instagram, LinkedIn, and YouTube. Rather than taking a passive approach to internet use by simply viewing content, Web 2.0 provided an environment where more users could become active participants, with content being able to be shared across various platforms and applications.

However, the internet is transitioning once more. Web 2.0 is marked by centralization (in which data is primarily stored in centralized storage locations), surveillance, and invasive ads, but the use of decentralized technologies, such as blockchain, will allow a more open environment where data on the internet is decentralized. Web 3.0 will allow decentralized apps to displace centralized social networks, such as Facebook, and individuals will maintain ownership over their personal data. This allows users to interact publicly or privately without a trusted third-party platform and without authorization and constraints from a governing entity.

In Web 3.0, users will also be able to interact with data through the use of AI and machine learning technology. The use of AI will allow data to be provided to users faster, and the data that is provided will be more relevant to each user. Examples of this (although in the early stages of the technology's capabilities) are already on the internet through algorithms that are used to suggest products, videos, or choices to users based on their previous searches. In terms of connection capabilities, Web 3.0 takes a step forward by making the internet accessible to everyone, anywhere, at any time. At some point, internet-connected devices will no longer be concentrated on computers and smartphones, such as with in Web 2.0. To achieve this, three-dimensional (3D) graphics will be a crucial attribute of Web 3.0, with many anticipating this version of the internet to be a "spatial" web, with digital information existing in space and becoming inseparable from the physical world. The convergence of key technologies, such as AR and VR, 5G networking, AI, and blockchain will underpin this 3D Web and could eventually remove the boundaries between digital content and the physical world. We are already seeing the first successful 3D designs in websites and applications through computer games, museum guides, and real-estate property tours.

### **Metaverse**

The metaverse is a digital reality or VR space that combines aspects of social media, online gaming, AR, VR, and cryptocurrencies to allow users to interact virtually. AR involves overlaying visual elements, sound, and other sensory input onto a real-world setting to enhance the user experience. AR can be accessed with a smartphone, and users can control their presence in the real world. In comparison, VR is completely virtual and enhances fictional realities. VR requires a headset device and users are controlled by the system.

The metaverse is a proposed expansion to existing internet technologies, integrating virtual and physical spaces and virtual economies. As the metaverse grows, it will create online spaces where user interactions are more multidimensional than current technology supports. Instead of just viewing digital content, users in the metaverse will be able to immerse themselves in a space where the digital and physical worlds converge. This could lead to digital spaces where people work, play, socialize, and perform commercial activities through the use of cryptocurrencies.

Access points for the metaverse include general-purpose computers and smartphones, in addition to AR, mixed reality, VR, and virtual world technologies. Current metaverse development is centered on addressing the technological limitations with VR and AR devices. Most of the leading technology companies are involved with metaverse technologies to some extent. In 2021, the social network company, Facebook, was renamed "Meta". Its chairman, Mark Zuckerberg, declared a company commitment to developing a metaverse ecosystem. Microsoft acquired the VR company AltspaceVR in 2017 and is planning on integrating metaverse features into Microsoft Teams.

### **Non-Fungible Tokens (NFTs)**

An NFT (Non-Fungible Token) is a record that represents ownership of a unique piece of digital content. NFTs are unique digital identifiers that are recorded in a blockchain and used to certify authenticity and ownership of a specific digital asset as well as specific rights relating to it. Fungibility refers to an asset's ability to be exchanged for something else of equal value. While fungible items, such as currencies, cryptocurrencies, and commodities are interchangeable with each other, non-fungible assets are unique.

Technically speaking, most NFTs are part of the Ethereum Blockchain. Even though Ethereum is a cryptocurrency, its Blockchain supports NFT blocks by storing extra information regarding the digital asset. It is worth noting that other blockchains can implement their own versions of NFTs. Because NFTs use Ethereum blockchain technology to record data, it provides the same level of security as crypto currencies, making it difficult or impossible to change or manipulate the record of ownership or copy/paste a new NFT into existence.

In theory, any piece of digital content can be minted into an NFT—from songs, videos, photographs, and works of digital art to tweets, memes, published articles, and podcasts. However, much of the current conversation is about NFTs as an evolution of fine art collecting, only with digital art. When an individual buys an NFT, he/she gains ownership of the content in question (though the artist can still retain the copyright and reproduction rights, just like with physical artwork), but it can still travel freely across the internet, be viewed, listened to, or saved by anyone who wants to do so. Although this sounds like it reduces the value of the NFT, it is similar to physical art collection; anyone can buy a print or a poster of a famous painting or artist, but only one person can own the original. In addition, the more a file is shared and seen online, the more cultural value it accrues, which could result in its value increasing.

NFTs also provide an added benefit to the artist or creator. When an individual purchases an NFT through an online platform, which is known as a primary market transaction, the platform takes a percentage cut—between 3% and 15%—and the creator takes the rest of the revenue. Then, if the purchaser decides to sell that NFT to a new buyer, which is known as a secondary transaction, the purchaser receives 90% of that revenue, but the original creator also gets a cut, generally 10%.

Beyond digital content ownership, NFTs are also emerging as a way to grant access to exclusive experiences, similar to digital ticketing. In February 2021, Microsoft launched a game that celebrates women in science and rewards players with NFTs that unlock secret games inside Minecraft. The use of NFT in gaming is also taking roots. There are already games that let players have NFTs as items. There could be opportunities for players to buy a unique in-game weapons, skins, or abilities as an NFT, which could be traded as an asset. Furthermore, there have been some attempts at connecting NFTs to real-world objects, often as a sort of verification method. Nike, Inc. (NKE-NYSE) has patented a method to verify sneakers' authenticity using an NFT system, which it calls CryptoKicks.

The normalization of cryptocurrency, combined with advances in blockchain technology, and an evolving understanding of how ownership works on the open internet have all contributed to the rising popularity of the NFT market. Recent NFT transactions of note include: (1) Christie's sale of an NFT by digital artist Beeple for \$69 million, a new record for digital art; (2) musician Grimes sale of some of her digital art for more than \$6 million; (3) Twitter's founder Jack Dorsey's sale of an NFT of the first-ever tweet for over \$2.9 million ; and (4) sale of an animated GIF of Nyan Cat—a 2011 meme of a flying pop-tart cat—for more than \$500,000.

## DeFi

Short for Decentralized Finance, DeFi is an umbrella term for peer-to-peer financial services on public blockchains. DeFi is a blockchain-based form of finance that does not rely on central financial intermediaries to offer traditional financial instruments, and instead utilizes smart contracts on blockchains, the most common being Ethereum. DeFi aims to offer people access to financial services—borrowing, lending, insurance, and trading—without the need for legacy institutions, such as banks and brokerages, which often take large commissions and other fees. Instead, “smart contracts” automatically execute transactions when certain conditions are met. DeFi is surging in popularity, with investors pouring tens of billions of dollars into the sector.

Smart contracts are simply programs stored on a blockchain that run when predetermined conditions are met. They typically are used to automate the execution of an agreement so that all participants can be immediately certain of the outcome, without any intermediary's involvement or time loss.

Users typically engage with DeFi via software called dapps (“decentralized apps”), most of which currently run on the Ethereum blockchain. Unlike a conventional bank, there is no application to fill out or account to open. These apps allow people to lend or borrow funds from others, speculate on price movements on a range of assets using derivatives, trade cryptocurrencies, insure against risks, and earn interest in savings-like accounts. As of October 2021, the value of assets used in decentralized finance amounted to \$100 billion.

## **Fintech (Financial Technologies)**

Financial technology (Fintech) is the application of new technological advancements to products and services in the financial industry. Fintech refers to the integration of technology into offerings by financial services companies in order to improve and automate their use and delivery to consumers. Fintech companies integrate technologies (AI, blockchain, and data science) into traditional financial sectors to make them safer, faster, and more efficient. The term encompasses a rapidly growing industry that serves the interests of both consumers and businesses in multiple ways.

Fintech originally referred to computer technology applied to the back office of banks or trading firms. However, since the internet and smartphone revolution, Fintech applications have grown significantly, from mobile banking and insurance to cryptocurrency and investment apps. The sector now encompasses a variety of financial activities, such as money transfers, depositing a check with a smartphone, bypassing a bank branch to apply for credit, raising money for a business startup, or managing investments, generally without the assistance of a person. Fintech also includes the development and use of cryptocurrencies, such as Bitcoin, as well as blockchain applications.

Fintech is one of the fastest-growing technology sectors, with companies innovating in almost every area of finance, from payments and loans to credit scoring and stock trading. The global Fintech market was valued at \$7.3 trillion in 2020 and is projected to grow at a CAGR of 26.87%, reaching \$31.5 trillion by 2026 (Source: TechSci Research's *Global FinTech Market*, 2021). The sector experienced a record \$91.5 billion in global funding as of the third quarter of 2021, almost twice as much as what the sector collected in the entirety of 2020, with the number of Fintech-related unicorns (private companies with valuation over \$1 billion) reaching 200 companies (Source: CB Insights' *State of Venture Q3'21 Report*, 2021).

## **Creator Economy**

The creator economy refers to the numerous businesses built by independent content creators (bloggers, writers, YouTubers, influencers, etc.) to monetize themselves, their skills, or their creations. It also encompasses the companies serving these creators, from content creation tools to analytics platforms. The creator economy has seen a record \$1.3 billion in funding in 2021, with an estimated 50 million active creators.

The rise of digital platforms like YouTube and Instagram have given way to the influencer economy, allowing content creators to amass large followings. The leading social media companies, in order to keep the top creators in their platforms to drive engagement, have developed ways to provide avenues of monetization for them (e.g., YouTube providing creators with a percentage of the ad revenues). However, as the creator economy expanded, indirect monetization proved insufficient, with newer platforms trying to supplant the established media social companies by increasing compensation for user-created content. The largest creators are also now influential enough to draw users to new platforms, further incentivizing companies to reward them. Famous Instagram influencers like Huda Kattan or Eleonora Pons can net up to 6 figures per post, while the top-performing YouTube channels reaped \$211 million between June 2019 and June 2020.

As the market segment continues to expand, and as more influencers/creators are turning media content creation into a full-fledged career, creators are looking for ways to monetize their posts more directly and earn a bigger slice of the overall revenue pie.

## Artificial Intelligence (AI)/Machine Learning

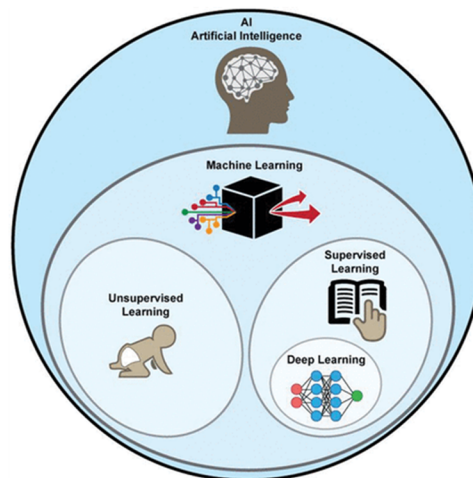
Artificial intelligence (AI) is a wide-ranging branch of computer science concerned with building smart machines capable of performing tasks that typically require human intelligence. AI leverages computers and machines to mimic the problem-solving and decision-making capabilities of the human mind.

Machine learning, a sub-field of AI, refers to the use and development of computer systems that are able to learn and adapt without following explicit instructions. Machine learning's goal is for computer systems to learn how to perform a task, without the need to be programmed to do so, by using algorithms and statistical models to analyze and draw inferences from patterns in data. Most of the recent advancements and applications in AI are derived from the use of machine learning. When people talk about AI today, they are generally talking about machine learning.

Simply put, machine learning feeds a computer data and uses statistical techniques to help it learn how to get progressively better at a task, without the need to be specifically programmed for that task. The input data can encompass a lot of things—numbers, words, images, or data sets. Anything that can be digitally stored can be fed into a machine-learning algorithm. The algorithms then use statistics to find patterns in the data, which they then use to learn how to carry out a specific task, such as understanding speech or captioning a photograph. The quality and size of this dataset are important for building an accurate AI system.

The global machine learning market is projected to grow from \$15.5 billion in 2021 to \$152.2 billion in 2028. Advancements in deep learning and machine intelligence technologies, coupled with significant investment in AI as its capabilities and applications expand and improve, are expected to be the main drivers behind this growth (Source: Fortune Business Insights' *Machine Learning (ML) market size, share & COVID impact analysis, 2021*). Figure 5 depicts the methods of AI.

Figure 5  
ARTIFICIAL INTELLIGENCE METHODS



Source: American Journal of Neuroradiology.

## Digital Health

Digital health, or digital healthcare, is a broad, multidisciplinary concept that includes the intersection between technology and healthcare. The incorporation of software, hardware, and new technology into the health industry and its services has the potential to enhance the delivery of healthcare by reducing inefficiencies, improving access to services, reducing costs, increasing quality of care and diagnostic procedures, and making medicine more personalized for patients.

Digital health technologies range from mobile medical apps and software that supports the clinical decisions doctors make, to AI and machine learning. Under its umbrella, digital health includes mobile health (mHealth) apps, health information technology (IT), electronic medical records (EMRs), wearable devices, telehealth and telemedicine, as well as personalized medicine (as summarized in Figure 6).

Figure 6  
DIGITAL HEALTH TECHNOLOGIES



Source: TechTarget.

The global digital health market was valued at \$96.5 billion in 2020 and is expected to reach \$295.4 billion by 2028, a compound annual growth rate (CAGR) of 15.1%.

The mHealth technology segment, which involves the use of mobile and wireless technologies to support the achievement of health objectives, accounts for the largest share of the total digital health market. Growing penetration of smartphones and internet connectivity, availability of several mHealth apps, and rising adoption of these technologies by physicians and patients are key factors driving the segment (Source: Grand View Research's *Digital Health Market Size, Share & Trends Analysis Report*, 2021).

Another factor in the growth of the digital health market is the rising adoption of telehealth services during the COVID-19 pandemic. Telehealth involves the provision of healthcare remotely by means of telecommunications technology. According to the study conducted by SSCG Media Group, in March 2020, 53% of the healthcare practitioners were using telemedicine due to the restrictions imposed by the pandemic. According to the guidelines published by the CDC in July 2020, the implementation of telehealth services for high-quality patient care, as well as for prevention and control of infections during the pandemic, was recommended.



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## Renewable Energy

Renewable energy is energy that is collected from renewable resources that are naturally replenished on a human timescale. The major types of renewable energy sources are wind, solar, geothermal, hydropower, and biomass (i.e. biodiesel, ethanol, landfill gas, etc.). Renewable sources are often associated with green energy or clean energy but there are some subtle differences between these three energy types. Where renewable sources are those that are recyclable, clean energy sources are those that do not release pollutants like carbon dioxide, while green energy, comes from natural sources. While there is often cross-over between these energy types, not all types of renewable energy are actually fully clean or green. For example, some hydroelectric sources can actually damage natural habitats and cause deforestation.

The global renewable energy market was valued at \$881.7 billion in 2020, providing around 7% of the world's energy demand, and is projected to reach \$1.98 trillion by 2030. In 2020, renewable energy provided approximately 12% of total U.S. energy consumption (Source: Allied Market Research's Renewable Energy Market by Type and End Use: Global Opportunity Analysis and Industry Forecast, 2021–2030, 2021). The concern about global warming due to carbon dioxide (CO<sup>2</sup>) emission from the combustion of fossil fuels, the related focus on the reduction of greenhouse gas emissions, the increase in search for energy security, and lack of progression in the application of the nuclear power are expected to drive the demand for renewable energy power during the forecast period. In addition, governments of various developing and developed countries have focused on promoting renewable energy sources due to increases in output efficiency, less pollution, and low maintenance costs, further increasing the global renewable energy market growth.

## Portfolio and Subsidiary Companies

With a background on the key sectors being targeted by Victory Square, Figure 7 provides a snapshot of the Company's portfolio companies (investees) and the areas of focus for each (followed by the percentage ownership in each company in Figure 8, page 25), with greater details provided in the accompanying section, pages 26-51.

Figure 7

### PORTFOLIO COMPANIES AND SUBSIDIARIES

| Portfolio Companies   | Vertical   |
|---|--|
| Mercury Acquisitions Corp.  | Cannabis   |
| Fansuite Entertainment Inc. (CSE: FANS, OTC:FUNFF)  | Sports Betting, Gaming and Esports                     |
| MLVX Technologies Inc., doing business as Metaspectral  | Artificial intelligence (AI) and Machine Learning (ML) |
| Turnium Technology Group Inc. (formerly Multapplied Networks Inc.)                              | Software defined wide area network platforms           |
| Cloud Nine Web3 Technologies Inc. (CSE: CNI)  | Web 3.0, EdTech, Metaverse                             |
| Shop and Shout Ltd., doing business as Creator.co   | Creator Economy, Web 3.0, NFTs                         |
| Cloud Benefit Solutions Inc., doing business as Cloud Advisors                                  | Insurance tech   |
| Next Decentrum Technologies Inc.  | Web 3.0, Blockchain, NFTs                              |
| Victory Square Health Inc.  | Diagnostic Testing, Digital Health                     |
| Stardust Solar Technologies Inc.  | Solar Energy, Renewables, EV Charging                  |
| GameOn Entertainment Technologies Inc. (formerly V2 Games Inc.) (CSE: GET, OTC: GMETF)          | Gaming, NFTs, Play to Earn                             |
| Grow Academy Technologies Inc.  | Plant Based Science                                    |
| Silota Research and Development Inc.  | Web 3.0, Blockchain, DeFi, Data Infrastructure         |
| Cassia Research Inc. doing business as CoPilot AI   | AI Technology, Automation                              |
| Howyl Ventures Inc., doing business as Capaciti   | Web 3.0, Future of Work                                |
| PayVida Solutions Inc.  | Fintech  |
| Flo Digital Inc.  | VR, AR, Metaverse                                      |
| Subsidiaries  |  |
| Fantasy 360 Technologies Inc., doing business as Immersive Technologies (CSE: VRAR, OTC: FNTTF) | VR, AR, Metaverse, Web 3.0                             |
| IV Hydreight Inc.   | Digital Health, Online Pharmacy                        |
| VS Digital Health Inc.  | Digital Health, Online Pharmacy, Diagnostic Testing    |
| Victory Entertainment Inc.  | Film, TV, Digital Content                              |
| PDL USA Inc.  | Custom software development                            |
| Draft Label Technologies Inc.   | Custom software development                            |
| VS Blockchain Assembly Inc.   | Web 3.0, Blockchain                                    |
| BlockX Capital Corp.  | Web 3.0, Blockchain, DeFi                              |
| Digital Currencies  | Tokens   |
| Covalent Network Corporation, CQT Token   | 6,363,965  |

Source: Victory Square Technologies.

Figure 8  
PORTFOLIO COMPANIES AND SUBSIDIARIES

| Portfolio Companies   | VST Ownership % |
|---|-----------------|
| Mercury Acquisitions Corp.  | 2.50%           |
| Fansuite Entertainment Inc. (CSE: FANS, OTC:FUNFF)  | 4.84%           |
| MLVX Technologies Inc., doing business as Metaspectral  | 5.00%           |
| Turnium Technology Group Inc. (formerly Multapplied Networks Inc.)                              | 6.40%           |
| Cloud Nine Web3 Technologies Inc. (CSE: CNI)  | 9.17%           |
| Shop and Shout Ltd., doing business as Creator.co   | 10.46%          |
| Cloud Benefit Solutions Inc., doing business as Cloud Advisors                                  | 15.00%          |
| Next Decentrum Technologies Inc.  | 18.32%          |
| Victory Square Health Inc.  | 20.00%          |
| Stardust Solar Technologies Inc.  | 20.00%          |
| GameOn Entertainment Technologies Inc. (formerly V2 Games Inc.) (CSE: GET, OTC: GMETF)          | 22.39%          |
| Grow Academy Technologies Inc.  | 31.83%          |
| Silota Research and Development Inc.  | 25.03%          |
| Cassia Research Inc. doing business as CoPilot AI   | 25.70%          |
| Howyl Ventures Inc., doing business as Capaciti   | 28.50%          |
| PayVida Solutions Inc.  | 31.35%          |
| Flo Digital Inc.  | 49.00%          |
| Subsidiaries  |                 |
| Fantasy 360 Technologies Inc., doing business as Immersive Technologies (CSE: VRAR, OTC: FNTTF) | 76.43%          |
| IV Hydreight Inc.   | 100.00%         |
| VS Digital Health Inc.  | 100.00%         |
| Victory Entertainment Inc.  | 100.00%         |
| PDL USA Inc.  | 100.00%         |
| Draft Label Technologies Inc  | 100.00%         |
| VS Blockchain Assembly Inc.   | 100.00%         |
| BlockX Capital Corp.  | 100.00%         |
| Digital Currencies  |                 |
| Covalent Network Corporation, CQT Token   |                 |

Source: Victory Square Technologies.

Note: VST Ownership % figures are based off of Q3 financials dated November 29, 2021.

## Portfolio Companies

Mercury Acquisitions Corp. (TSXV: MERC-PV)  
<https://franchisecannabis.com>  
Vertical: Cannabis



Mercury Acquisitions Corp. franchises businesses in the medical cannabis and pharmaceutical industries. Recent company highlights include the following:

- In December 2021, Mercury Acquisitions announced receipt of conditional approval from TSXV for qualifying transaction with Franchise Cannabis Corp.
- In October 2021, Mercury Acquisitions entered into amalgamation agreement with Franchise Cannabis Corp. with respect to proposed qualifying transaction, with resulting issuer to be named “Franchise Global Health Inc.”
- In June 2021, Mercury Acquisitions Corp. announced proposed qualifying transaction with Franchise Cannabis Corp.
- In May 2021, the company announced that it had completed its initial public offering of 40,000,000 common shares (each a “Common Share”) to purchasers in British Columbia and Alberta at a price of \$0.10 per Common Share for gross proceeds of \$4,000,000 (the “Offering”).

**FansUnit Entertainment Inc. ("FansUnit")**

**CSE:FANS, OTC: FUNFF**

<https://fansunit.com/>

**Vertical: Sport betting, gaming, e-sports**



FansUnit is a global sports and entertainment company, focused on technology related to regulated and lawful online betting, gaming, and other related products. The company has produced a one-of-a-kind complete iGaming platform, with a sports and esports focus geared for the next generation of online bettors and casino players. The platform includes products for pre-match betting, in-play betting, daily fantasy, content, and a certified RNG to produce casino style chance games. The platform operates multiple Business-to-Consumer (B2C) brands and Business-to-Business (B2B) software for the online gambling industry. FansUnit also looks to acquire technology platforms and assets with high growth potential in new or developing markets. FansUnit further provides technology solutions and services in the global gaming and entertainment industries, including fixed/parimutuel odds, in-stream betting, live betting, casino-style games, cryptocurrency wallet, and news content. The company was formerly known as HIC Horizons Investment Capital Ltd. and changed its name to FansUnit Entertainment Inc. in March 2020. FansUnit was incorporated in 2018 and is headquartered in Vancouver, Canada.

Recent company highlights include the following:

- In November 2021, FansUnit acquired American Affiliate, accelerating entry into U.S. gaming market.
- In November 2021, FansUnit announced the VamosGG Cup after the record setting success of its exclusive PGL major partnership, with over 6,500 new players registering on the site. FansUnit plans to launch the first-ever VamosGG Cup CS:GO Tournament in Brazil early next year.
- In November 2021, FansUnit applied to AGCO to become a gaming related supplier in Ontario. The Canadian company aims to provide best in class gaming technology in Canada.
- In October 2021, FansUnit entered into a strategic partnership with Sportradar for managed trading services. Sportradar will provide robust data feed and odds applications to FansUnit's betting platforms.
- In September 2021, FansUnit signed multiple data provider partnerships for Chameleon B2B Platform; partnerships with Pariplay, SportsIQ, Pythia Sports, and other leading data providers are expected to strengthen FansUnit's technology platform.
- In July 2021, FansUnit was granted UK Gambling Licenses for B2C and B2B Businesses.
- In July 2021, the company closed its previously announced public offering for gross proceeds of CD\$24.8 million. The public offering included a partial exercise of the over-allotment option, pursuant to an agency agreement between the Company, Stifel Nicolaus Canada Inc., and Gravitass Securities Inc. entered into on July 8, 2021.
- FansUnit was shortlisted for the SBC Awards 2021 "Rising Star In Sports Betting" category. It was selected for its innovative B2B iGaming technology and white label offerings, which includes an esports betting platform.
- In August 2021, it was announced that through its subsidiaries, Askott Entertainment Inc. and E.G.G. Limited, that the company secured gambling licenses from the UK Gambling Commission, enabling FansUnit to deliver its suite of iGaming products and betting solutions within the UK. These licenses allow the company to supply its B2B wagering platforms to UK sportsbooks and casino operators and deliver its B2C betting solutions to the UK marketplace. The UK is one of the world's largest online betting markets, comprising of 30.2 million registered adult bettors, and generating a gross gambling yield of £14.26 billion from 2019 to 2020.

- It was announced that FansUnite signed a strategic agreement with Sportradar Group AG (SRAD-NASDAQ), a global sports technology company. Under the agreement, Sportradar will provide its Managed Trading Service to FansUnite, which includes pre-match betting services, live odds, and betting stimulation services and allow FansUnite to deliver an array of odds on some of the world's premier sports and sporting events and register end-users and settle tickets.
- From May 2020 to March 2021, FansUnite completed several oversubscribed private placements to raise cumulative gross proceeds of \$20 million.
- In March 2020, FansUnite completed the acquisition of McBookie, a provider of betting services in the UK.
- In June 2020, it was announced that Bill C-218, a bill that legalizes single-game sports wagering had passed the Canadian Senate and now proceeds for Royal Assent to become law in Canada. Known as The Safe and Regulated Sports Betting Act, Bill C-218 repeals a section of Canada's criminal code, which makes wagering on a single sporting event outcome illegal in Canada. FansUnite is expected to benefit from this announcement.
- In August 2020, FansUnite announced the amalgamation of Askott Entertainment Inc., a leading esports betting technology platform, and FansUnite's wholly-owned subsidiary.
- In December 2020, FansUnite received a gaming license and gaming supply license from the country of Malta, which enables the company to offer business-to-business and business-to-consumer gaming services throughout Europe.

**MLVX Technologies Inc.**  
(doing business as “Metaspectral”, “Compression.AI”)  
<https://metaspectral.com/>  
<https://compression.ai>  
Vertical: Artificial intelligence (AI) and machine learning (ML)



The team behind Metaspectral began as the creators of PixelDrive, a cloud storage platform that compressed and optimized any uploaded photo. PixelDrive incorporated all of the advances in machine learning to media compression, transmission, and storage, paving the way for the creation of Compression.AI. Compression.AI offers an AI-based solution to compress digital images, resulting in reduced storage and bandwidth costs without compromising quality or resolution. Based on machine learning, Compression.AI’s algorithms adapt compression algorithms to each input, resulting in compressed file sizes as little as 10% of the originals. Metaspectral follows the success of Compression.AI and relies on years of in-house research in spectral data compression capabilities to offer technology that makes it possible to derive real-time insights from AI using ultra-high-resolution, visible-to-infrared (hyperspectral) imagery. Metaspectral offers proprietary solutions for multi- and hyper-spectral data management, with world-leading solutions in each of the categories of compression, transmission, and storage management. Metaspectral offers solutions in a range of industries, including recycling, the military, aerospace, agriculture, and more. The company has headquarters in Vancouver, BC.

Recent company highlights include the following:

- The company was awarded funding from the Canadian Department of National Defense to design high-resolution imaging technology with AI-driven insights to help Navy maritime lookouts detect and track objects of interest. Metaspectral was one of a select few companies awarded up to \$200,000 as the first funding component of the Department of National Defense’s Innovation for Defense Excellence and Security (IDEaS) program for the Better Than Meets the Eye challenge. The company is designing technology that will use machine learning to enhance the capabilities of marine lookouts.
- Metaspectral was selected to join the SCALE Aerospace Accelerator Program and is the only international company that has been chosen to be incubated by the Los Angeles-based accelerator. SCALE is an early-stage, aerospace-focused accelerator offering a 13-week intensive program, which helps entrepreneurs launch and scale their businesses. Each team selected for the SCALE accelerator program will receive personalized instruction and have access to Starburst’s huge network of aerospace companies.

The company was awarded over CD\$300,000 in grant funding from the CleanBC Plastics Action Fund. The CleanBC Plastics Action Fund supports BC businesses creating value from used plastics by including more recycled material in product manufacturing. Metaspectral will use this funding to develop computer vision, AI, and robotics designed to sort consumer waste, increase efficiency in processing materials, and improve the quality of post-consumer recycled plastic.



Turnium Technology Group Inc.  
(formerly Multapplied Networks Inc.)  
("Turnium")  
<https://turnium.com/>  
Vertical: Software defined wide area  
network platforms



Turnium Technology Group develops and delivers its software-defined wide area networking (SD-WAN) solution as both a managed cloud-native service and as an original equipment manufacturer (OEM) white label software platform. SD-WAN is revolutionizing the networking and telecommunications industry by virtualizing secure, high-speed networking and abstracting network control from the underlying physical circuits. SD-WAN frees enterprises, small-medium businesses, and cloud and managed services providers from the constraints imposed by traditional telecommunications companies. Turnium's offering is a fully managed SD-WAN platform that can be used by businesses to replace or augment their current networks. Turnium managed SD-WAN is available direct to enterprises and through its partner channel of Managed Service Providers and Value-Added Resellers. Turnium SD-WAN software is licensed to managed service providers and telecommunications service providers through a global channel partner program. The company's SD-WAN enables channel partners to launch their own branded SD-WAN offering quickly and easily.

Recent company highlights include the following:

- In August 2021, Victory Square announced that Turnium Technology Group is collaborating with IBM to onboard its cloud-native SD-WAN edge solution to IBM Cloud for telecommunications. Turnium's solution is designed to help connect customers, applications, and devices by creating a new cloud extension service that help customers interconnect their offices, vehicles, and devices sites with IBM Cloud in a single private international network. This brings Turnium closer to realizing its vision to Connect Everything, Anywhere.
- In April 2021, Turnium announced its Turnium cloud-native managed SD-WAN service is now a certified cloud-native network function (CNF) for Red Hat OpenShift, the industry's leading enterprise Kubernetes platform. Turnium's SD-WAN enables carriers, service providers, and enterprises to bring all their branches, offices, data centers, and public or private clouds into a single, flexible network simply and easily. Organizations using Red Hat OpenShift can now benefit from Turnium's CNF certified managed SD-WAN to power their transition to cloud-native operations and manage their network edge from a single platform.
- In December 2021, Turnium announced that its managed cloud-native SD-WAN offering has received Red Hat container certification, enabling customers on Red Hat OpenShift to rapidly deploy and scale Turnium's SD-WAN solutions. Red Hat OpenShift is the industry's leading enterprise Kubernetes platform and is used to deploy and orchestrate applications at scale more easily.
- In December 2019, the company announced it has completed the acquisition of Turnium Technologies ([www.turnium.com](http://www.turnium.com)) and Plait Networks ([www.plait.io](http://www.plait.io)), two startup companies in the rapidly growing SD-WAN market. Acquiring Turnium and Plait added over 185 customers and existing channel relationships with value-added resellers and integrators across Canada as well as delivered proprietary intellectual property.

Cloud Nine Web3 Technologies Inc.  
 ("Cloud Nine")  
 (CNI-CSE, CLGUF-OTC)  
<https://cloud9web3.com/>  
 Vertical: Web 3.0, EdTech



Cloud Nine Web3 Technologies is building an ecosystem of products that leverages the interconnectivity of a peer-to-peer or decentralized infrastructure—sometimes referred to as the ‘decentralized web’ or ‘Web 3.0’. Currently, only a relatively small number of corporations control a disproportionate amount of online functioning, including control over personal data and online activities. The company believes that in a decentralized ecosystem, content creators and users will have more power, control, and revenue channels available than ever before. Cloud Nine seeks to be at the forefront of this new interconnected era by establishing an environmental digital synergy between user knowledge, online education, and emerging Web 3.0 blockchain technology. The company provides a plug and play way to mine cryptocurrencies, which are then immediately stored in an in-app digital wallet. The technology can mine all major cryptocurrencies, including Bitcoin, Ethereum, Grin, Zcash, Cosmos, and Handshake. Cloud Nine has headquarters in Vancouver, BC.

Recent company highlights include the following:

- Cloud Nine Web3 Technologies announced the initial release of its recently acquired “Limitless Platform”, a hybrid distributed network designed to share the resources of its users. The initial product is a virtual private network (VPN), where users can trade their unused computing power for access to secure internet access and better privacy.
- The Company formed a strategic partnership with Next Decentrum Technologies Inc. (profiled on pages 34-35), a technology start-up focused on education and emerging technologies. The global art market was valued at over \$67 billion (Source: Statista). NFTs are disrupting both markets and paving the way for artists and creators to earn more from selling and reselling their art. The move comes following the company’s announcement of Next Decentrum’s release of an education platform and several educational programs, including the Quick & Dirty Guide to Blockchain and The Quick & Dirty Guide to NFTs, which received great interest from the market.
- Cloud Nine Web3 Technologies strengthened its existing technology development relationship with Next Decentrum Technologies. In connection with the arrangement, Cloud Nine and Next Decentrum entered into a strategic alliance agreement, a share purchase agreement, and an investor rights agreement, each dated June 25, 2021.
- The Company completed an acquisition of certain IP from Victory Square, including a VPN platform, in exchange for CD\$6 million, which was paid by the issuance of 4,411,765 common shares of Cloud Nine.
- Cloud Nine Web3 Technologies launched a new education technology platform designed to provide users with easy and simple guides to cybersecurity, wearable technologies, blockchain technology, cryptocurrencies, and decentralized finance.
- Web3 Tech entrepreneur, Pavel Bains (CEO of Bluzelle Platform PTE Ltd.), jointed Cloud Nine as a strategic advisor.
- Dan Reitzik was appointed as Special Advisor to the Board of Directors. Mr. Reitzik is a successful operational CEO, having co-founded and managed both private and publicly listed technology companies for more than 20 years. Mr. Reitzik was the co-founder and CEO of DMG Blockchain Solutions Inc., until March 2021, a blockchain and cryptocurrency company.

Shop and Shout Ltd., doing business as Creator.co  
("Creator.co")

<https://creator.co/>

Vertical: Influencer marketing, marketing automation



Creator.co is a fully automated platform that connects brands with creators to drive awareness, content, and conversions on Instagram, Facebook, Twitter, YouTube, and TikTok. Over 110,000 Creators are currently collaborating with brands through Creator.co (with over 10,000 new Creators being added monthly). Creator.co has deployed campaigns for hundreds of brands, including Walmart, Colgate, Minhas Distilleries, CrayolaBox, Zero Water, Freenyum, Vasanti, and more. They've partnered with brands like Rakuten, Walmart, Crayola, Beusail, District Ventures, Coop, Minhas Distilleries, BeanBody, Free Yumm, Garden of Life, Yummy Bear. Creator.co is listed as one of the Top 5 Influencer Marketing Platforms for 2021 (source: Influencer Marketing Hub).

Recent company highlights include the following:

- In November 2021, Victory Square announced that it had signed a share purchase agreement on October 13, 2021 to invest in Shop and Shout Ltd. ("Creator.co"). In connection with the Investment, the Company will purchase and subscribe to 1,052,941 common shares in the capital of Creator.co ("SNS Shares") in consideration for CD\$1,000,000, with 352,941 SNS Shares purchased at a deemed price per SNS Share of CD\$0.85 and 700,000 SNS Shares purchased at a deemed price per SNS Share of CD\$1.00. Victory Square will pay for the Purchase Price by the issuance of 1,000,000 common shares in the capital of the Company at a deemed price per VST Share of CD\$1.00. Furthermore, in connection with the investment, the Company will also grant certain top ups payable in additional VST Shares or in cash in the event the value of the VST Shares (as determined by the market price of the VST Shares at certain future milestones) does not meet CD\$1.00.
- In August 2021, Victory Square signed a letter of intent (LOI) for a follow-on investment of CD\$1,000,000 in Creator.co. The funds will be used to grow the existing platform, and to complete the development of an add-on feature, which will allow creators to launch their own digital currency powered by the blockchain. The funds will be used to scale the company's current features while adding **tokenomics** to the ecosystem, giving creators even more ways to earn on Creator.co. The influencer marketing space is on track to grow 30% annually, which would make it worth over \$80 billion by 2028.
- Creator.co's Advisory Council members and shareholders include Manjit Minhas (Dragons' Den), Dario Meli (Hootsuite), Andrew Reid (Rival Technologies), and Phoenix Ventures.
- The company achieved CD\$1 million in lifetime sales since inception.
- Creator.co received a 4.5 star rating from Influencer Marketing Hub.
- The company partnered with One Tree Planted to see that every collaboration on the platform yields a new tree planted in an area of need.

**Cloud Benefit Solutions Inc.**  
(doing business as “CloudAdvisors”)  
<https://www.cloudadvisors.ca/>  
Vertical: Insurance tech



CloudAdvisors is an established SaaS platform within the group life and health insurance industry that offers Canada’s largest Insurtech cloud platform and marketplace powered by AI. CloudAdvisors provides a digital distribution channel for insurance providers, connecting them with advisors and employers and simplifying the brokerage system through an automated process. Providers, such as insurance carriers, third party administrators, and health and wellness vendors can list their products and services in the marketplace, with the system allowing advisors to customize it in order to analyze, automate, and organize instant quotes and advisory models. CloudAdvisors was founded in 2015 and is headquartered in Vancouver, BC.

Recent company highlights include the following:

- CloudAdvisors launched Canada’s employee benefits marketplace. The fully digital platform provides access to benchmarking data from over 10,000 employers, AI automated recommendations, and a solution marketplace that uniquely matches employers with benefits they can purchase. The digital marketplace, which launched with 65+ providers and 500+ solutions, delivers valuable insights to thousands of employers.
- The company launched Professional Plus and MGA Plus for the Canadian insurance industry. Professional Plus provides advisors with a fully customized and automated insurance advice, improving the experience for their clients. MGA Plus allows enterprise clients to automate and scale their business within their highly complex structures.
- In November 2021 BestStartUp BC awarded Cloud Advisors among the top 9 InsurTech companies in BC, Canada.

Next Decentrum Technologies Inc.  
("Next Decentrum")

<https://nextdecentrum.com/>

Vertical: Computer software, education tech, and  
learning platforms



Next Decentrum is a blockchain startup building a suite of products to bring art and culture to the metaverse—a trillion dollar market—with a seasoned founders, a diverse and experienced team, signed contracts, strategic partnerships, and owned IP. Next Decentrum is capitalizing on this emerging opportunity by democratizing access to the most coveted artworks and artifacts from the world's top museums and delivering unique, social, and meaningful experiences.

The company delivers unique, social, and meaningful art and culture experiences through its suite of products, including:

- *Momentable.ai*—The platform for iconic art and culture NFTs from the world's top museums;
- *Fyve.xyz*—An easy-to-use email marketing tool for artists; and
- *Nyftx.com*—A bespoke publication exploring the impact of NFTs on art and culture.

Next Decentrum is also the creative force behind Crypto Pharaohs, a generative NFT collection inspired by the history, life, and legacy of the pharaohs of ancient Egypt. The company is working with some of the top museums in North America and the world, having partnered with Visual Capitalist, one of the fastest growing online publishers globally to publish specialized content about NFTs, and expects to be working with Daily Hive, a leading Canadian online publication with a hyper-local focus to promote local art by upcoming artists.

Recent company highlights include the following:

- In June 2021, Cloud Nine Web3 Technologies Inc. (company description on page 31) announced that it has strengthened its existing tech development relationship with Next Decentrum. In connection with the new arrangement, Cloud Nine Web3 and Next Decentrum entered into a strategic alliance agreement, a share purchase agreement, and an investor rights agreement (IRA). Pursuant to the strategic alliance agreement, Next Decentrum has agreed to continue to provide development services to Cloud Nine Web3, and pursuant to the share purchase agreement, Cloud Nine Web3 closed the first and second tranches of its strategic investment in Next Decentrum. The IRA grants the Company a right of first refusal to acquire Next Decentrum in the event of a potential change in control sale.
- In accordance with the terms and conditions of the share purchase agreement, Cloud Nine acquired a 19.7% ownership interest in Next Decentrum, on an undiluted basis, by providing a total cash payment of CD\$500,000 in eight tranches over a period of six months in exchange for the issuance of an aggregate of 2,673,792 units of Next Decentrum, at a price of CD\$0.187 per unit.
- Next Decentrum intends to use the investment proceeds for product development, market outreach, and growing the company's team. Next Decentrum is in the process of opening up early access to Momentable.ai, a digital collectables platform that empowers creators to create, manage, and promote NFT-based digital products, experiences, collections, and communities on the flow blockchain.

#### **Project Launch - Crypto Pharaohs**

- Their first Generative Art NFT project
- The waitlist is live <https://cryptopharaohs.world/>

#### **Software Release – Fyve**

- Their marketing app for artists
- Website <https://www.fyve.xyz/>
- App <http://app.fyve.xyz/>

#### **Early Platform Access - Momentable Collector**

- Collector registration is now open
- Link <https://app.momentable.ai/>
- Official announcement is on January 7, 2022

Victory Square Health Inc. ("VS Health")  
<http://www.safediagnosticos.com.br/>  
Vertical: Diagnostic test research and production



Victory Square Health was founded in 2016 to accelerate the development of personalized medicine and technology solutions, including diagnostic tests to support patient care and improve health outcomes. The company has successfully completed and received approval for a catalogue of their tests (as listed below). They have also been working to start the at-home testing and telemedicine offering in Brazil.

Current tests offered:

- (1) Canine Leishmaniasis Rapid Test - Approved by MAPA (partnership with Eco Diagnóstica)
- (2) Covid-19 IgG/IgM Serological Rapid Test - Approved by ANVISA (partnership with Gold Analisa)
- (3) Covid-19 Antigen Rapid Test (Swab) - Concluded. In the process of ANVISA registration at Biotechtown
- (4) Dengue IgG/IgM Serological Rapid Test - Concluded, under validation studies for ANVISA
- (5) Zika IgG/IgM Serological Rapid Test - Concluded, under validation studies for ANVISA
- (6) Chikungunya IgG/IgM Serological Rapid Test - Concluded, under validation studies for ANVISA

Tests Under Development:

- (1) Glanders (infectious disease that affects horses)
- (2) HTLV I and II
- (3) Covid-19 Antigen + Influenza Rapid Test
- (4) Leprosy Rapid Test
- (5) Urinary Infection Rapid Test
- (6) Canine Leishmaniasis Antigen Test and new version of the Serological test
- (7) Brucellosis Rapid Test
- (8) Colon Cancer Rapid Test
- (9) Smartphone Based Rapid Test
- (10) Vaginal Infection



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Recent company highlights include the following:

- The company has begun the launch of at home testing services with a city in Brazil being the first to offer this service.
- In 2021, VSH was selected for the Belo Horizonte City Health Tech Development Program at Belo Horizonte, Brazil (2021), selected for IdeiaGov program at São Paulo State, Brazil (2021), and Selected for Biotech Rondônia at Rondônia State, Brazil (2021).
- In March 2021, Victory Square announced that VSH teamed up with Hydreight (page 47) to launch a one-stop virtual healthcare platform (telemedicine, virtual pharmacy, and at-home point-of-care diagnostic testing) in Brazil.
- In November 2020, VSH's leishmaniasis and certain Safetest COVID-19 Assay Tests (the rapid version and the enzyme-linked immunosorbent assay [ELISA] version), received approval for sale and usage in Brazil.
- From June 2020 to March 2021, VSH established business development and sales agreements with multiple distributors in Canada, the U.S., Europe, and Brazil, including Molkom Pharmaceuticals of Brazil.
- In June 2020, Victory Square announced VSH had acquired all of the outstanding shares of Safetest Comércio de Diagnósticos Ltd., a developer of COVID-19 testing kits (the "Safetest COVID-19 Assay Tests"). Per the terms of the agreement, VS Health has agreed to acquire Safetest assets and intellectual properties for CD\$4,000,000 in exchange for the issuance of common shares of VS Health, with Victory Square Health owning 20% of the combined entity.
- Victory Square Health saw a substantial valuation increase from CD\$5 million in February 2020 to CD\$65 million in September 2020. This valuation was performed by a third-party, independent, certified business valuator.

**Stardust Solar Technologies Inc.**<https://stardustsolar.com/>**Vertical: Solar**

Stardust is a franchisor of renewable energy installation services, including **solar photovoltaic** (panels) array installation, energy storage, and electric vehicle supply equipment. Stardust lends its brand and business management services to entrepreneurs looking to enter the industry of renewable energies. The company's franchisees install and maintain these clean energy products for residential and commercial purposes. As a franchisor, Stardust supplies its franchisees with the following products: solar PV equipment, energy storage equipment, and electric vehicle supply equipment. As well, Stardust supports its franchisees with many services from head office including, marketing, sales, engineering, plan sets, customer service, and project management.

Stardust's competitive advantage is its industry leading certified training programs for the design and installation of renewable energies. The company offers certified training courses throughout North America, which are approved by CSA and NABCEP as qualified training for people entering the industry. Stardust continues to offer these training programs to the public and industry professionals alike, creating a feeder system for its franchise business model. The Company is also a licensed and bonded electrical contractor performing the installation and maintenance of solar PV systems, energy storage banks, and electric vehicle supply equipment.

Recent company highlights include the following:

- Adding more franchisees, totaling 7 to date (with 3 more in the pipeline expected).
  - Burnaby, BC
  - Richmond, BC
  - Surrey, BC
  - Kamloops, BC
  - Edmonton, AB
  - Barrie, ON
  - Halifax, NS
- In July 2021, Stardust Solar became the first and only coast-to-coast Authorized Canadian dealer of the solar and energy services provider, SunPower. As an Authorized SunPower Dealer, Stardust will offer its SunPower solar solutions to residential customers, including SunPower's DC solar panels and InvisiMount mounting hardware for faster installation and design.
- In June 2021, Victory Square announced that it had completed its investment in Stardust Solar, pursuant to a share purchase agreement dated June 8, 2021 between the Company and Stardust. In consideration for 20% of the issued and outstanding shares of Stardust, the Company has agreed to issue to Stardust, the number of common shares of the Company ("VST Shares") equal to CD\$600,000 divided by a price of \$0.89 per share for a total of 674,157 VST Shares.
- Stardust Solar teamed up with RETTI (Renewable Energy Technology Training Institute) to teach at the Africa Fellowship for Young Energy Leaders (AFYEL).
- In Q3 2021 the company had its largest revenue by quarter, \$330,000, up 184% from Q2 (\$116,000).

**GameOn Entertainment Technologies Inc.**  
(formerly V2Games Inc.) (“GameOn”)  
(GET-CSE) (GMETF- OTCQB) (9E7-FSE)  
<https://gameon.app/>

**Vertical: Real time online gaming and  
entertainment prediction**



GameOn provides media, entertainment and sports companies with the most innovative white label game technologies. Through the company’s innovative gamification technologies and meta-layers, including first-of-its-kind NFT integration, GameOn brings fans closer to their favorite sports and entertainment content and increases engagement through community, competition, and rewards.

GameOn has a dynamic and experienced management team led by its CEO, Matt Bailey (Brooklyn Nets, Barclays Center), Chief Product Officer, Santiago Jaramillo (Dapper Labs, NBA Top Shot, EA Sports) and vice president of Partnerships, Ryan Nowack (Madison Square Garden, New York Knicks, New York Rangers), as well as its Directors, J Moses (Take-Two Interactive), Shafin Tejani (Victory Square Technologies), Liz Schimel (Apple, Comcast, Meredith) and Carey Dillen (YYOGA, FIFA, IOC).

Recent company highlights include the following:

- In December 2021, Polygon studios invested in GameOn, strategically partnering to bring NFT games to the masses. The non-dilutive investment will see Polygon Studios provide funding for 50% of GameOn’s ongoing product development costs in the NFT space.
- In November 2021, GameOn secured up to \$6 million in strategic investment from India’s Brand Capital International. The strategic investment arm of The Times Group, India’s largest media conglomerate and parent company of GameOn customer MX Player, will invest up to \$6 million to support the Company’s expansion into the Indian market.
- In November 2021, GameOn partnered with Kevin Garnett-backed gaming society to elevate Women’s sports. Gaming Society will license GameOn’s proprietary technology to power the fan engagement initiatives. The companies will also share in all revenue generated by the platform.
- In November 2021, GameOn signed a letter of intent to acquire Fanclash. The move signals GameOn’s entry into the \$18.6 billion fantasy sports and entertainment market, expected to reach \$48.6 billion by 2027.
- In October 2021, GameOn announced an expanded partnership with existing customer, MX Player, an entertainment super app that integrates all forms of entertainment on one platform—including video playback, streaming video, and gaming (in select markets). MX Player hosts a wide library of premium content across 10 languages and has spread its footprints across 12 markets, including the United Arab Emirates, U.S., Canada, UK, Australia, New Zealand, Bangladesh, Nepal, Afghanistan, Sri Lanka, Maldives, and Bhutan. Having already launched free-to-play prediction games for cricket, the partnership now includes an additional commitment to games for soccer, tennis, and **kabaddi**. All games are scheduled for a 2022 release and will go live within the MX Player app, powered by GameOn’s white label game engine.
- In October 2021, GameOn announced a partnership with shareholder rewards platform, TiiCKER™, the world’s first direct-to-shareholder loyalty and engagement platform. TiiCKER’s approach to rewarding shareholder loyalty grants unprecedented access to perks, commission-free trading, and customized content unique to their investment interests and brands they love. TiiCKER verifies ownership on behalf of the company and offers new ways to connect, engage, and reward their investors. Companies leveraging the TiiCKER platform include Disney (DIS-NYSE) and Ford (F-NYSE).

- In October 2021, GameOn signed a partnership with Chibi Dinos. The partnership entails Chibi Dinos utilizing GameOn's NFT Prediction Game product to give their 10,000 digital dinos utility in gaming. The deal guarantees GameOn \$120,000 in revenue with an expected gross profit of 80%. The deal also includes a 50% revenue share of primary and secondary sales of at least one new NFT drop related to the Chibi Dinos NFT Prediction Game.
- In June 2020, it was announced that Bill C-218, a bill that legalizes single-game sports wagering, had passed the Canadian Senate and now proceeds for Royal Assent to become law in Canada. Known as The Safe and Regulated Sports Betting Act, Bill C-218 repeals a section of Canada's criminal code, which makes wagering on a single sporting event outcome illegal in Canada. GameOn expects to benefit from this announcement.
- In April 2021, GameOn filed a non-offering final long form prospectus and was provided conditional approval for trading on the CSE. GameOn began trading on June 1, 2021 under the symbol "GET".
- In February 2021, Victory Square announced that GameOn had completed an oversubscribed private placement of common shares of GameOn to raise gross proceeds of CD\$5.8 million.
- From February to March 2021, Victory Square announced significant additions to the board of directors and the advisory and management teams of GameOn, including the following: J. Moses (Take Two Interactive), Mike Vorhaus (Draft Kings, Roblox), Sean Hurley (Draft Kings), Santiago Jaramillo (FIFA at EA Sports, NBA Top Shot at Dapper Labs), and Liz Schimel (Former Head of Business at Apple News).
- In December 2020, Victory Square announced the completion of the purchase of substantially all of the assets of GameOn.

Grow Academy Technologies Inc.  
("Grow Tech")

<https://www.growtechlabs.com/>

Vertical: Plant-based science



Founded in 2018 following seed capital from Victory Square, Grow Tech Labs is a dynamic business accelerator in the cannabis sector focused on Canadian and international companies innovating in the medical and recreational cannabis industry. Grow Tech Labs has created a complete suite of services for cannabis companies to expand or enter their enterprise into the legal marketplace by route of marketing and branding, investment, and a host of microprocessor services. Grow Tech Labs' strategy is to develop and expand a co-operative for small cannabis producers and processors in British Columbia (BC). The initiative is designed to help maintain the province's historic position as a global cannabis leader. Grow Tech Labs was founded in 2018 and is based in Vancouver, BC.

Recent company highlights include the following:

- Grow Tech Labs partnered with the ETC3 Emerging Technologies Centre in Vancouver to launch Canada's first privately-owned plant science research center to advance innovation in nutrition and medicine. ETC3 Emerging Technologies Centre, operating from a research facility in the University of British Columbia, provides business services to start-ups in the cleantech, fintech, agri-tech, and life science sectors.
- The company launched the TruHavn educational website ([www.truhavn.com](http://www.truhavn.com)) for information, events, and updates on psychedelics and plant science, research, nutrition, and medicine.
- Grow Tech Labs appointed Sandra Nomoto as managing editor of TruHavn. A former public relations agency CEO and the senior administrative coordinator at Grow Tech Labs, Ms. Nomoto will be responsible for managing all editorial content on TruHavn.

**Silota Research and Development Inc.**<http://www.silota.com>**Vertical: Blockchain, Fintech**

Silota is an analytics firm that provides visualization software, data talent, and training to organizations trying to understand their data.

Services offered include:

- *Data engineering.* Data warehouse setup, configuration, and optimization. Event tracking setup, data enrichment integrations, and ETL pipelines; and
- *Data analytics.* Data modeling, KPI reporting, and advanced data science models for predicting customer retention, churn, sales forecasting, and marketing channel attribution.

Silota offers an online SQL editor for data analysts. A powerful platform with a modern SQL editor, interactive dashboards, and seamless sharing with an entire team.

**Cassia Research, doing business as CoPilot AI  
("CoPilot AI")**<https://copilotai.com/>**Vertical: AI technology, sales enablement**

CoPilot AI is an SaaS company based in Vancouver, Canada in the AI Sales Enablement space. The company uses AI technology to help sales teams automatically target qualified prospects on social media, initiate one-to-one conversations, and surface timely sales opportunities without requiring any content marketing, spam emails, or advertising. The company's vision and mission is to create a kinder capitalism by enhancing digital human interactions. Customers have connected with over 3.3 million prospects in 2021 through CoPilot AI. With an AI engine trained on 8 million conversation threads doubling every 8 months, CoPilot AI is expected to become the backbone of all AI sales activity on the internet within 5 years.

Recent company highlights include the following:

- CoPilot AI was the winner of 2021's Deloitte Fast 50 companies-to-watch award;
- CoPilot AI was ranked #140 on Canadian Business Magazine's 2020 list of fastest-growing companies in Canada and #15 fastest growing companies in Vancouver;
- The company was named G2 High Performer and 4.7 out of 5 rating on Capterra in 2021; and
- The company was nominated as Startup Of The Year in Vancouver by the team at HackerNoon.

CoPilot AI is also a BC Technology Impact Award finalist, and named by Canadian Business as the winner of the Best Pivot Award.

**Howyl Ventures Inc.**  
(d/b/a “Capaciti”)  
<http://www.capaciti.io/>  
Vertical: Blockchain assembly/software development



Capaciti is expected to be the first blockchain-based, enterprise-grade, decentralized project professional-services marketplace for digital design and technology development services. Its technology will fully complement the massive growth in digital freelancing, being driven by a convergence of connectivity, distributed skilled workers, a shift to output-oriented work, and the rise of the gig economy. Built from an exclusive, vetted global network of top digital experts, Capaciti offers a frictionless marketplace experience that leverages blockchain and smart-contract technology for maximum scale, speed, and trust. The company’s application of blockchain technology upgrades an online marketplace from a manual, analog process to a decentralized, automated marketplace. This innovation could create the foundation for the next evolution of connecting talent and clients in the digital marketplace.

**PayVida Solutions Inc.**  
<http://www.getpayvida.com/>  
Vertical: Fintech



A FinTech company who built a financial platform and mobile application to simplify consumer and business transaction engagement using “One Platform and One Card”, PayVida provides qualified business owners a “Same Day Pay” transaction settlement service never before offered to merchants, expediting payouts to business in cash flow sensitive industries.

PayVida’s platform and mobile app enables businesses the ability to accept the largest methods of payments, including AliPay®, WeChatPay® Visa®, MasterCard®, China UnionPay®, American Express®, Discover®, JCB®, ACH, and crypto currencies on-line, in-store and any mobile merchant setting.

PayVida’s pre-paid MasterCard® does not require a credit check for approval and may be used to send money, pay bills, receive money, and make purchases anywhere MasterCard® is accepted. PayVida’s Payment Platform enables business and consumers to finally use one payment platform to facilitate and finance on-demand loans and guarantee payments, online, in-stores, and mobile locations. The PayVida Card is available within the PayVida Wallet and in plastic form usable anywhere MasterCard® is accepted.

Flo Digital Inc. ("Flo Digital")  
<http://www.flovr.ca/>



Flo Digital is a developer of a VR advertising platform designed to deliver targeted, immersive VR experiences on a global scale. The Flo VR AD Tech platform offers 360° content viewable within any browser, VR platform, or mobile device, which changes the way viewers are interacting with VR content, enabling websites and application publishers to monetize their content by seamlessly introducing ads into VR content experiences and games. For example, one of Flo's latest VR/360 video experiences for Chrysler Canada allows the user to virtually test drive the all-new Dodge Challenger. Using Flo VR, brands and advertisers have a new way of connecting with their customers while they are immersed inside VR worlds byway of the monetization of games and apps. Companies wishing to advertise can partner with developers to design 360-degree advertisements for a particular audience that the brand wishes to target. Flo Digital is currently building the first ever Cause Related, Virtual Reality, and Augmented Reality Blockchain—Ad tech platform. Flo Digital expects to tie in a charitable component on every ad campaign, giving back a percentage of revenue from each campaign to select causes around the globe, being mindful of the cause-related premise (which is to help others). Flo Digital is also building out the first-ever blockchain-based VR advertising technology platform.



## SUBSIDIARIES

**Fantasy 360 Technologies Inc., doing business as (d/b/a) Immersive Technologies ("Immersive Technologies") (VRAR-CSE)(OTC- FNTTF) (FSE: 79)**  
<https://www.immersivetech.co/>  
**Vertical: Virtual Reality, Augmented Reality, Experiential Marketing**



Victory Square subsidiary (built internally), Fantasy 360 Technologies Inc. d/b/a Immersive Technologies, is building the Physical Metaverse through its location-based platform. Since 2016, Immersive has been an industry leader in Social Entertainment, VR, and AR entertainment attractions. With its Hardware Platform, UNCONTAINED, and its Software Platform, Uncontained/OS, the company helps its stakeholders build user experiences unmatched in realism, depth, and immersion. The company builds experiences on its platforms for some of the world's largest companies, including, Intel, Bayer, Capital One, Scotia Bank, the US Food and Drug Administration (FDA), Allegiant Airlines, and more.

The team behind Fantasy 360 Technologies is a blend of accomplished executives coming together under CEO Tim Bieber (BroadbandTV, CBS Interactive), Director of Franchise Development, Steven Dooner (The VOID, Walt Disney Imagineering, Universal Studios Japan), Kevin Williams (Walt Disney Imagineering, Spider Entertainment), Dan Bugar (VRAR Association President, Shape Immersive), Lance Priebe (co-founder Club Penguin, Disney Interactive) as well as its Directors Alvin Wang Graylin (HTC China President, Virtual Reality Venture Capital Alliance President), and Cathy Hackl (CEO of Futures Intelligence Group, Metaverse Strategist, & Tech Futurist).

Recent company highlights include the following:

- In November 2021, UNCONTAINED VR had a successful launch and strong support from the industry at the International Association of Amusement Parks 2021 (IAAPA) Expo.
- In November 2021, the company announced that its common shares are now trading on the OTC Markets Exchange ("OTCQB") for U.S. investors under the symbol "FNTTF".
- In November 2021, the company announced Deep Signal, the first Hyper-Immersive Game for the UNCONTAINED Platform.
- In November 2021, the company launched Uncontained: Metaverse VR Attraction At Global Industry Expo IAAPA.
- In November 2021, Fantasy 360 Technologies Announced Uncontained and Uncontained/OS Hardware and Software platforms for building the Physical Metaverse.
- In September 2021, Immersive Technologies announced that its common shares are now trading on the Frankfurt Stock Exchange (FSE) and are under the symbol "79W". Additionally, the company received final approval for listing from the Canadian Securities Exchange. It began trading under the symbol VRAR on September 8, 2021.

- In September 2021, the company announced that it has signed a binding letter of intent with respect to the acquisition of all of the shares of Synthesis VR Inc., a leading location-based VR content store and technology engine empowering approximately 300 out-of-home entertainment locations worldwide. Synthesis VR serves more than the location-based entertainment industry with its first-to-market and industry leading technology but also operates a broader sandbox platform serving the education and enterprise sectors as well. In 2021, the Synthesis VR global community has already logged over 10,000,000 minutes of game play with over 600,000 booking reservations across its global network of 300+ operator centers and 130,000+ active users.
- In April 2021, Victory Square announced that Immersive Technologies had signed a Letter of Intent (LOI) with Autobahn Indoor Speedway for an initial purchase of their “UNCONTAINED” VR attraction with an option to purchase up to 10 units.
- In April 2021, Victory Square announced the closing of Immersive Technologies’ oversubscribed financing for gross proceeds of CD\$2.3 million.
- In March 2021, Victory Square announced the addition of new advisors to Immersive Technologies’ strategic team, including Cathy Hackl, Lance Priebe, and Kevin Williams.
- In March 2021, Immersive Technologies announced that it has entered into an agreement with magician and celebrity YouTube creator, Chris Ramsay, on an exclusive immersive experience that will be featured on his channels to a collective 6.4 million fans.
- In January 2021, Victory Square announced that Immersive Technologies had launched a new location-based entertainment VR attractions division named UNCONTAINED, a free-roam interactive VR franchise (Figure 9), to capitalize on the growing demand for COVID-19 safe attractions.

Figure 9  
IMMERSIVE TECHNOLOGIES UNCONTAINED



Source: Victory Square Technologies Inc.

- In January 2021, Victory Square announced that Steven Dooner had joined Immersive Technologies as Director of Franchise Development for UNCONTAINED. Mr. Dooner’s most notable franchise endeavors involve the expansion of entities including Chuck E Cheese, ESPNZone, and a series of Disney launches with Club Disney, DisneyQuest, and the expansion of Tokyo Disneyland.

#### IV Hydreight Inc. ("Hydreight")

<https://hydreight.com/>

Vertical: Telemedicine, online pharmacy



The landscape of medicine is changed forever and Hydreight is at the forefront of that movement, bringing convenience and compliancy to its users through the use of technology. The company provides immediate wellness through its mobile platform and core team of professionally trained service providers. Hydreight's unique, custom built, proprietary telemedicine service allows users to book confidential health and wellness and/or medical services at their home, hotel, office, or wherever they might need discreet assistance with the same ease and convenience as booking a ride or ordering food delivery. Hydreight has a 503B pharmacy license under the United States Federal Food, Drug and Cosmetic Act and is a U.S. certified e-script and telemedicine provider, allowing it to provide services in all 50 states. In addition to providing telehealth services, Hydreight's other products include intravenous drips, Botox, and other medical and medspa treatments for a variety of conditions, including dehydration, anti-aging, and more. Each type of therapy uses a specially-formulated blend of ingredients that contains the ideal types and amounts of vitamins for the condition being treated. The business model of Hydreight leverages decentralized healthcare to bring quality telehealth, medical, health, and wellness services to the masses in an efficient, scalable, and cost-effective way. Hydreight has operations in the U.S. with plans for expansion into Canada, South America, and beyond.

Recent company highlights include the following:

- New 2021 partners = 90 (up 64%)
- Online pharmacy sales 2021 up 259% on same period last year
- 2021 app service sales up 156% on same period last year
- Expanded into 18 new states
- In February 2021, Victory Square announced that it had completed the acquisition of IV Hydreight for \$1.6 million. This acquisition fits within its planned growth for VSH (page 48) for the emerging lucrative telehealth platform. The company also plans to expand the current Hydreight offerings combined with the VST Health options in existing jurisdictions across the U.S. and in the global marketplace, including Canada, Brazil, and Europe.
- Hydreight has signed exclusive distribution contracts for their offerings, with total value of approximately CD\$1.28 million.
- In March 2021, Victory Square announced that Hydreight teamed up with Victory Square Health to launch a one-stop shop virtual health care platform (telemedicine, virtual pharmacy, and at-home point-of-care diagnostic testing) in Brazil.

**VS Digital Health Inc.**  
**("VS Digital Health")**  
**Vertical: Digital health options**



VS Digital Health is 360-degree healthcare company, offering smart, connected devices, at-home diagnostic tests, personalized digital guidance and monitoring, 24/7/365 access to healthcare professionals, and prescription delivery. VS Digital Health is affiliated with a national network of professional corporations (PCs). These affiliated medical practices contract with licensed medical providers and exert full and exclusive control over the professional clinical services rendered by the providers. In turn, VS Digital Health provides administrative and management services and technology solutions to these affiliated PCs.

Recent company highlights include the following:

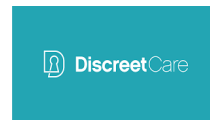
- In October 2021, Victory Square announced that its wholly owned portfolio company, VS Digital Health, is now affiliated with a national network of PCs. These affiliated medical practices contract with licensed medical providers and exert full and exclusive control over the professional clinical services rendered by the providers. In turn, VS Digital Health provides administrative and management services and technology solutions to these affiliated PCs. The affiliation between VS Digital Health and the friendly PCs are expected to enable customers to benefit from the relationship model created by VS Digital Health. The structure of the affiliation is designed to enable everyone, not just licensed medical professionals, to participate in the exclusive VS Digital Health business in a legally and fully compliant manner.
- Completed their technology platform that connects medical professionals and patients, helping power the future of consumer healthcare (telemedicine, online pharmacy, booking and scheduling, automated reminder, payment processing and online portal); this platform can be white-labeled.

The affiliation between VS Digital Health and the friendly PCs is expected to:

- Link VS Digital Health business partners with licensed professionals to provide professional medical services for clients with the supervision and oversight of a physician licensed in their state;
- Facilitate the procurement and fulfillment of therapies, treatments, and pharmaceuticals through a licensed practicing physician;
- Support the individual needs and goals of each business partner and independent contractor who retains autonomy over his or her administrative or clinical efforts, as applicable, including operating hours, scheduling, location etc.; and
- Provide the structure and relationships legally required for VS Digital Health professionals and business partners to provide VS Digital Health services in CPM (Corporate Practice of Medicine) states.

VS Digital Health is expected to be supporting these critical businesses by providing administrative and non-clinical exclusive support services, including products, technology, and proprietary offerings.

**DiscreetCare**  
<https://discreetcare.com/>  
**Vertical: Telehealth**



DiscreetCare was launched in May 2021 across the U.S. as part of its multi-phase expansion into the rapidly growing Telehealth category. Phase 1 of the DiscreetCare.com web app focuses on treating hair loss, erectile dysfunction, premature ejaculation, genital herpes, cold sores, acne, and bladder control issues. Phase 2, expected to launch Q1 2022, is expected to offer at-home testing for STDs, testosterone and fertility, as well as treatment for a broader range of sensitive medical issues. The company seeks to become a one-stop provider for what many consider ‘delicate’ medical issues. While convenience is one of many benefits offered to users, DiscreetCare also offers doctor evaluations as well as FDA-approved medications with competitive pricing. For users who seek a personal experience or in-depth medical consultation, DiscreetCare expects to offer private virtual appointments with a certified doctor from the Company’s network of physicians across all 50 states.

The COVID-19 pandemic has resulted in more people being comfortable receiving medical care from the convenience of their home, turning the concept of telehealth from a service for early adopters to a fixture across the U.S. Through the development of Victory Square’s Telehealth platform and nationwide clinician network, the Company is positioned to capitalize on this emerging trend, either further expanding their own niche services or providing an all-in-one solution for businesses looking to license a white-label virtual care platform and clinician network.

**Victory Entertainment Inc.**  
**(“Victory Entertainment”)**



Victory Entertainment is an integrated entertainment company specializing in television and Internet programming. The Company develops, produces, and distributes television and Internet programming, license, and market program-related branded consumer merchandise.

Victory Entertainment currently holds investments in the film industry space, including:

- The Opening Act, <https://www.imdb.com/title/tt8633748/>
- Dragged Across Concrete <https://www.imdb.com/title/tt6491178/>
- What They Had <https://www.imdb.com/title/tt6662736/>.

**PDL USA**  
**Vertical: Custom Software Development**



PDL USA has IP and technology in fantasy sports, esports, sports betting, and NFT games on the blockchain.

**Draft Label Technologies Inc.**  
**Vertical: Custom Software Development**

Draft Label is a custom development shop for all portfolio companies within Victory Square's portfolio and holds the intellectual property (IP) on any technologies built within the portfolio.

**VS Blockchain Assembly**  
<http://blockchainassembly.tech/>  
**Vertical: Web 3.0, Blockchain**



VS Blockchain Assembly is a development shop with access to a network of Web 3.0, blockchain and gaming developers, engineers, and consultants to help companies with their NFT, DeFi, and GameFi projects. Blockchain Assembly is a technology and financial advisory firm that accelerates early-stage technology companies with game-changing blockchain initiatives. The company focuses on designing and deploying innovative token-based capital solutions for technology firms with transformative market-leading potential. The team helps businesses raise capital through comprehensive tokenization strategies, including delivering initial coin offerings (ICOs) to the global crypto market. Blockchain Assembly provides a full range of services in strategic investment, innovation, and business advisory services to help guide its clients through the complexities of the cryptocurrency market. Blockchain Assembly partners with its clients to identify, analyze, and develop blockchain market opportunities. Further, the company concurrently coordinates financial advisory services to ensure that its team is offering entrepreneurs the best opportunities to generate value in this new token economy. Blockchain Assembly is expected to disrupt and transform global industries.

**BlockX Capital Corp.**

<http://block-x.co/>

Vertical: Web 3.0, Blockchain



BlockX Capital finds and explores investment opportunities in early Web 3.0, blockchain, DeFi, GameFi, Metaverse, NFT, and Play to Earn technologies and companies. BlockX focuses on disruptive innovation and is dedicated to disciplined due diligence, governance, and an investment process that results in qualified disruptive opportunities.

### Other Highlights—Digital Currencies

**Covalent Network Corporation, CQT Token**—<https://www.covalenthq.com/>

Covalent leverages big-data technologies to create meaning from hundreds of billions of data points, delivering actionable insights to investors and allowing developers to allocate resources to higher-utility goals within their organization. Instead of painstakingly sourcing data from a small handful of chains, Covalent aggregates information from across dozens of sources, including nodes, chains, and data feeds. The Covalent API then sources end-users with individualized data by wallet, including current and historical investment performance across all types of digital assets. Most importantly, Covalent returns this data in a rapid and consistent manner, incorporating all relevant data within one API interface. Having achieved product-market fit, Covalent is now planning to execute the next phase, which is a progressive decentralization that will enable the Company to be owned and operated by its users (with a critical piece to this being CQT). Covalent was acquired by Byzantine Labs, a blockchain start-up, and has partnered with OpenDeFi to enhance the transparency of tokenized real-world assets. Covalent has also launched “One Million Wallets: A Celebration of Ethereum 2.0.”

Recent highlights of Covalent include the following:

Covalent’s CQT token price as of January 7, 2022 is \$0.52.

- In May 2021, Covalent announced that it had closed \$10 million in funding from a CoinList Public Sale. The new funding will bring the Covalent Query Token (CQT) to the public for the first time as Covalent continues to move toward a community-led project.
- In March 2021, the company closed a CD\$2 million funding round, led by South Korea’s Hashed Ventures. Other participating investors included Binance Labs, Coinbase Ventures, Delphi Ventures, Hypersphere Ventures, as well as blockchain protocol firms, including Moonbeam, Avalanche, Near and Elrond.
- In December 2020, Covalent announced that it was acquiring Byzantine Labs, a blockchain startup incubator and consultancy based in Vancouver, BC for an undisclosed amount. The Byzantine Labs team will be joining Covalent’s product and engineering departments.
- In December 2020, Covalent announced that it was partnering with OpenDeFi, a protocol that is bridging the gap between traditional and decentralized finance through the tokenization of real-world assets that are backed by an actual physical asset. Through OpenDeFi, real-world assets are held on-chain while also enabling developers to build applications on top of them.
- Following the first phase of the Ethereum 2.0 roll-out, Covalent launched One Million Wallets, a campaign to celebrate the creativity, diversity, and passion of the Ethereum developer community.



## Milestones

### 2020 Key Milestones

The following key transactions were recorded in the Company's 2020 Financial Statements:

- On March 26, 2020, FansUnit completed a private placement, issuing 8,948,326 common shares for gross proceeds of CD\$3,131,918, and concurrently completed the acquisition of McBookie, a provider of betting services in the United Kingdom, for CD\$2 million. As a result of the private placement, the Company's interest in FansUnit was reduced from 48.55% to 7.02% and FansUnit was deconsolidated from the Company's financial statements.
- On June 3, 2020, Victory Square completed a transaction pursuant to which VS Health acquired all of the issued and outstanding shares of Safetest, the developer of the Safetest COVID-19 Assay Tests, in exchange for the issuance of 400 common shares of VS Health, representing an 80% interest in VS Health. As a result, the Company's interest in VS Health was reduced from 100% to 20% and VS Health was deconsolidated from the Company's financial statements and is now a Portfolio Company.
- On November 9, 2020, Victory Square raised gross proceeds of CD\$5,590,788 and a settlement of CD\$500,000 in debt from the chief executive office of the Company in relation to a private placement of special warrants of the Company.
- On December 1, 2020, GameOn acquired substantially all of the assets of GameOn App Inc. ("GOAI") in exchange for the issuance of common shares of GameOn, the assumption of certain debt of GOAI, the issuance of a convertible note to the former chief executive officer of GOAI, and contingent consideration GOAI and the former CEO of GOAI, who became the chief executive officer of GameOn, upon completion of the transaction. As a result, the Company's interest in GameOn was reduced from 100% to 64.39%.

### 2021 Key Transactions

The following key transactions were recorded in the Company's 2021 financial statements:

- On February 10, 2021, the Company closed the acquisition of the shares of IV Hydrecht Inc. ("Hydrecht") for total consideration of \$1,600,000 via issuance of 3,007,058 common shares of the Company. The CEO of Hydrecht, Shane Madden, was also granted an earn-in feature valued at \$1,000,000 or 1,634,271 common shares contingent on future operating metrics of the entity. The Company paid CD\$232,066 as Finder's Fee on the transaction.
- On February 16, 2021, the Company's special warrants were automatically converted to common shares and warrants automatically upon the publishing of the final short form prospectus. A total of 11,713,053 common shares were issued and 5,856,526 warrants are outstanding at the date of conversion. Warrants can be used to purchase 1 common share of the Company at CD\$0.78 and expire on November 9, 2023.
- In February 2021, the Company began a common share buyback program. As of March 31, 2021, the Company had re-purchased 105,000 common shares at a cost of CD\$0.70 to CD\$0.83 per common share. Total cash spent on these buybacks was CD\$81,830. Common shares were repurchased under the normal course issuer bid but have not yet been cancelled and returned to treasury.



- On March 5, 2021, the Company closed an agreement to purchase various blockchain assets from Aspen in exchange for 4,600,048 common shares of VST valued at CD\$0.74 per common share or CD\$3,404,036 in total as well as forgiveness of debt of CD\$1,587,001 for a total consideration of CD\$4,991,036.
- On March 11, 2021, GameOn Entertainment completed its financing of 16,505,536 Subscription Receipts at a price of CD\$0.35 for gross proceeds of CD\$5,776,938.
- On March 12, 2021, the Company sold their holding of Talo Flow for \$325,000. In early 2021, Talo Flow split their stock 2000:1 such that the Company's holding increased from 500 common shares to 1,000,000. The Company was looking for an exit strategy for this investment and was able to secure a buyer and negotiate for a price of \$0.325 per share. The Company received funds and transferred ownership of the shares on March 12, 2021.
- On March 15, 2021, the Company sold various blockchain assets to Cloud Nine for consideration of 4,411,765 common shares of Cloud Nine valued at CD\$1.76 per common share or CD\$7,764,706 in total consideration.
- On April 1, 2021, Immersive Technologies completed a non-brokered private placement of 4,691,180 common shares at a price of \$0.25 per share for aggregate gross proceeds of \$1,172,795.
- On April 23, 2021, Immersive Technologies completed a non-brokered private placement of subscription receipts by the issuance of 6,750,803 subscription receipts at a price of \$0.35 per subscription receipt for aggregate gross proceeds of \$2,362,781. Immersive Technologies subsequently filed a final long form prospectus dated August 9, 2021 and in connection therewith each Immersive Technologies subscription receipt converted into one common share of Immersive Technologies and one half of one common share purchase warrant of Immersive Technologies with each such full warrant exercisable for a period of 24 months to acquire an additional common share of Immersive Technologies at \$0.52.
- On May 14, 2021, GameOn settled an outstanding convertible debenture with a balance of \$1,538,482 through the issuance of 6,125,933 common shares of GameOn at a value of \$0.25 per common share.
- On May 27, 2021, VST issued a dividend to shareholders of 1,999,974 common shares of GameOn at a price of \$0.25 per share for a total value of \$499,994.
- On June 8, 2021, the Company purchased 25,000 shares in Stardust Solar representing a 20% interest in Stardust Solar at a price per Stardust Solar share of approximately \$22.76 by the issuance of 674,157 Common Shares at a deemed price per Common Share of \$0.65 for aggregate Common Share value of \$438,202 and a contingent consideration of \$130,918 for aggregate consideration of \$569,120.
- During the period ended September 30, 2021, the Company held 6,363,965 tokens of the digital currency Covalent CQT, which had a market value of \$8,209,515 on September 30, 2021 less a 27% discount for liquidity on market due to the tokens being tradeable over a period of fifteen months from the date of issuance on June 23, 2021 resulting in digital currency asset of \$5,992,946 and a corresponding fair value gain on digital currencies of \$5,992,946.
- In the nine months ended September 30, 2021, the Company exercised 350,000 warrants of Argo at a value of exercise price of £0.08 per unit for total proceeds paid of £28,000 or \$49,000. Given the trading price of Argo on this date was £2.80, the Company recognized a gain on exercise of warrants on this date of £952,000 or \$1,688,148. The value of the shares on this exercise date was £980,000 or \$1,737,148. During the nine months ended September 30, 2021, the Company sold all 350,000 common shares of Argo for gross proceeds of £659,729 or \$1,135,937.

- On September 9, 2021, the Company signed an agreement to increase their holdings in Silota by 12.5% as well as acquire a convertible promissory note due from Silota via two installment payments of \$150,000 each as well as delivery of shares of a former subsidiary company.
- During the nine months ended September 30, 2021, the Company sold 1,898,936 shares of FansUnite for gross proceeds of \$1,688,682.
- During the period ended September 30, 2021, the Company sold 33,000 shares of Cloud Nine for net proceeds of \$12,598.

### **Most Recent Transactions**

#### *April 2021*

- Victory Square Technologies reported record net income of CD\$19,733,031 and positive earnings per share of CD\$0.30 in fiscal 2020;
- Immersive closed an oversubscribed financing;
- Immersive announced an LOI with Autobahn Indoor Speedway for an initial purchase of their “UNCONTAINED” VR Attraction with an option to purchase up to 10 units; and
- Portfolio companies, Next Decentrum and Cloud Nine Web3, announced Strategic Partnership to Launch NFT (Non-Fungible Token) Products and Managed Services Platform.

#### *May 2021*

- Victory Square declared a special dividend of common shares on portfolio company, GameOn; and
- Victory Square launched DiscreetCare, a full-service web app for the treatment of sensitive and delicate medical issues.

#### *June 2021*

- GameOn officially began trading on the Canadian Securities Exchange on June 1, 2021;
- Victory Square Announced completion of investment in renewable energy company – Stardust;
- Immersive announced the appointment of Alvin Wang Graylin to its Board of Directors. Mr. Graylin currently serves as the Chinese President of HTC Corporation, managing all aspects of HTC’s business in the China Region;
- GameOn announced an exclusive partnership with India’s entertainment super app MXPlayer, which will introduce cricket prediction games for mobile to their service;
- Cloud Advisors announced the launch of Canada’s first digital employer and employee benefits marketplace;
- Covalent closed \$10 million in a public sale of its CQT token on the distribution platform CoinList;
- Immersive announced the appointment of Metaverse leader, Cathy Hackl, to its Board of Directors;
- VR/AR thought leader and industry expert, Dan Bugar, joined Immersive as advisor; and

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- Next Decentrum Technologies received CD\$500,000 investment to launch Momentable.ai, a digital collectables platform that empowers creators to create, manage, and promote NFT-based digital products, experiences, collections, and communities on the flow blockchain.

#### *July 2021*

- Victory Square portfolio company, Turnium Technology Group, included on the Ready to Rocket list for 2021 of BC-based technology companies set for faster growth;
- FansUnite Entertainment Technologies closed CD\$24,792,390 Public Offering of units;
- GameOn announced a partnership with Blockparty to launch a first-of-its-kind NFT predictor product;
- Stardust became the first and only coast to coast authorized Canadian dealer of the highly sought-after solar and energy services provider, SunPower; and
- Victory Square portfolio company, Turnium Technology Group, partnered with IBM to onboard Turnium's cloud-native SD-WAN solution to the IBM Cloud for telecommunications.

#### *August 2021*

- FansUnite granted UK gambling licenses for B2C and B2B businesses;
- Victory Square Signed an LOI for a follow-on investment in one of the top 10 ranked influencer platforms, Creator.co;
- Victory Square portfolio company, Immersive Technologies, received conditional approval to list on the Canadian Securities Exchange under the symbol VRAR;
- Victory Square declared and issued a special dividend of common shares in portfolio company Immersive; and
- Hydreight signed strategic sales and marketing agreement with Medline Industries Inc. to provide Hydreight's telemedicine platform to Medline's clients.

#### *September 2021*

- Fantasy 360 Technologies Inc. d/b/a Immersive Technologies announced the start of trading on the CSE (CSE:VRAR); and
- Fantasy 360 Technologies signed a binding letter of intent to acquire Synthesis VR Inc., a leading location-based virtual reality content store and technology engine powering 300 global locations.

#### *October 2021*

- VS Digital Health launched an affiliated network with medical professionals to increase market share across the united states through new exclusive service model;
- GameOn partnered with NBA Player-Backed NFT Project, Chibi Dinos, for first-of-its-kind gamification; and
- GameOn secured three additional prediction game projects with MX Player for soccer, tennis, and kabaddi.

#### *November 2021*

- Victory Square Technologies signed a follow-on investment in #4 ranked influencer platforms, Creator.co.

### Potential Milestones

The Company expects to focus on the following goals for the upcoming months:

- Victory Square to consider other opportunities for public listings for its other portfolio companies;
- Victory Square expects to work with Creator.co to grow their existing platform and to complete the development of an add-on feature, which will allow creators to launch their own digital currency powered by the blockchain; and
- Victory Square expects to look for additional investment opportunities in ventures (M&A) working on the following: EV Solutions, renewable energy, digital assets management, FinTech (rent now, pay later), employee health and wellness, and the creator economy.

The Company continues to expect to work on new digital health technology that allows for white-labeling for enterprise brands and customers, as well as anticipates:

- Spinning off of Stardust Solar, Turnium, Copilot, and Creator.co;
- Helping continue to organically grow existing portfolio companies; and
- Investing in the team and infrastructure to support further investments and scaling.

Victory Square is focused on integrating a strong ESG (environmental, social, and corporate governance) component all through its operations. Its portfolio highlights minority entrepreneurs often overlooked by traditional investors, including many from developing countries.

The Company is also dedicated to giving back to the communities in which it serves and operates. Victory Square'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.

### Potential Future Acquisitions/Companies to Bring Into the Umbrella

Victory Square is currently focused within four key areas: next generation internet, digital health, the climate and circular economy, and creator economy. The Company has built a solid portfolio of anchor companies within these categories, as described below.

- ***Next generation internet space***, with the Company anticipating to go deeper into Web3, crypto, as well as Metaverse.
- ***The digital health space***, with a focus on the first mover advantage in Brazil with its presence through Victory Square Health (VSH), (described on page 48). VSH has established relationships with governments, states, hospitals, medical distributors, and retailers, where it is using its first mover advantage to grow the Company's diagnostic tests and expand its telehealth business within Brazil. In the U.S. and Canadian market, recognizable names within this space include Roman, Everlywell, Teledoc, or Wellhealth (Canada), which have grown significantly. Victory Square believes that it has a significant competitive advantage in this space in Brazil.
- ***The climate and circular economy space***, since not only is this a massive environmental issue but also a very significant economic opportunity. Victory Square has recently brought in Stardust Solar (described on page 38).
- ***The creator economy***, in which Victory Square recently announced an investment in Creator.co, where the Company is building a variety of unique projects around social tokens and creator coins within this ecosystem (described on page 38).

## Investment Highlights

- Victory Square Technologies Inc. is a technology accelerator with a diverse portfolio of 25 next generation technology companies within key sectors, including Web 3.0, Gaming, the Creator Economy, NFTs, the Metaverse, Digital Health, and Renewable Energy.
- The Company has reported five consecutive quarters of positive net income and earnings per share (EPS), with net income of CD\$19,733,031 and positive EPS of CD\$0.30.
- For shareholders of Victory Square, every time the Company spins out an asset, it issues a special share dividend. The Company issued three special common share dividends in 2021.
- The Company's NAV increased from CD\$4 million in 2017 to CD\$110 million (unaudited) in 2021, benefitting from the approximately three to four new portfolio companies being added every year.
- The Company expects to see value creation as its portfolio companies mature and spin out. In 2022, Victory Square is focused on getting Stardust Solar, Turnium, Copilot, and Creator.co public on their own as well as building new portfolio companies and assets into the mix.
- Victory Square is also aiming for an up-listing to the TSX, estimated in the 2022 timeframe, to be followed by a NASDAQ listing in the U.S.
- Portfolio company, Fantasy 360 Technologies Inc. d/b/a Immersive Technologies, was built by Victory Square internally as the Company believed in the AR/VR space several years ago. The company has worked with clients including Intel, Snickers, Bayer, Ardbeg, USFDA, Scotia Bank, and Capital One, among others. Immersive Technologies went public earlier this year and now has a market cap for approximately CD\$40 million.
- GameOn came into Victory Square's portfolio through an acquisition in December 2020 and went public in 2021, with a current market cap of approximately CD\$25 million. The company is in the social gaming space, building social NFT games on the blockchain.
- FansUnite is in the esports and sports betting space, having built a B2B product. This company came into Victory Square's portfolio in 2017 as one of the first due to acquisition, spun out last year, and has a current market cap of CD\$123 million.
- IV Hydreight was acquired in 2021 and is 100% owned by Victory Square. Within the med spa arena, the company offers on demand/on site health services. This was exceptionally beneficial during the pandemic since they had the technology infrastructure in place to be able to offer mobile health services, nursing services, IV drip, and other types of vaccinations, as well as COVID testing direct to home.
- Within the Creator space, Creator.co is a portfolio company in which Victory Square expects to devote more of its focus for the next 12-plus months. With over 100,000 creators in their platform, the company has built a technology to connect brands with micro-influencers. The company is expected to allow creators to launch their own social tokens in the near future.
- Within the solar space, Stardust Solar is expected to be spun out early Q1 2022.
- Covalent has built a "Google" for the blockchain. The company came into Victory Square's portfolio through an investment in 2018, raising capital by issuing tokens (\$10 million in 2021) with the CQT token.
- Victory Square is focused on companies with technology that they believe will have asymmetrical returns in the near future, with anchor companies that are led brilliant boards and management teams.

## M&A Highlights

- **FansUnite**—Acquired Ascott Entertainment and McBookie, positioning FansUnite as Canada’s leading online gaming company.
- **V2 Games**—Acquired 100% of GameOn Entertainment Technologies. GameOn empowers sports and entertainment content providers with the world’s simplest and most accessible gamification platform.
- **Victory Square Technologies acquired 100% of Hydreight**—A U.S. certified e-script and telemedicine provider, allowing Hydreight to offer a wide array of health and medical services in all 50 states.
- **Victory Square Health acquired 100% of Safetest Brazil**—This is expected to accelerate the development of personalized medicine and technology solutions, including diagnostic tests to support patients care and improve health outcomes.
- **Immersive acquired Synthesis VR**—Announced that its portfolio company, Fantasy 360 Technologies Inc. d/b/a Immersive Technologies, signed a binding letter of intent on September 17, 2021 regarding the acquisition of all of the shares of Synthesis VR Inc., a leading location-based VR content store and technology engine, empowering nearly 300 out-of-home entertainment locations worldwide.
- **Creator.co LOI**—Signed an LOI for a follow-on investment of \$1,000,000 in portfolio company, Creator.co. The funds will be used to grow the existing platform and to complete the development of an add-on feature, which will allow creators to launch their own digital currency powered by the blockchain.
- **Creator.co follow on investment LOI**—Announced that it had signed a share purchase agreement on October 13, 2021 to invest in Shop and Shout Ltd. ( “Creator.co”), a Vancouver-based technology company doing business as Creator.co.
- **Sale of Limitless VPN to Cloud 9 Web3 Technologies**— Cloud Nine Web3 Technologies Inc. announced that it has signed and closed an asset purchase agreement, dated March 15, 2021, to acquire certain intellectual property assets related to a development stage VPN platform from Victory Square Technologies Inc.
- **Acquisition of Aspen**—Announced that it had signed an Asset Purchase Agreement dated February 1, 2021, to acquire certain intellectual property assets of Aspen Technologies Inc., a technology company focused on building Blockchain and Cybersecurity solutions.

## Financings/IPO Highlights

- **FansUnite**—Successful IPO at CD\$25 million valuation, trading as high as CD\$380 million market cap.
- **GameOn**—Successfully completed oversubscribed non brokered financing of CD\$5.8 million at CD\$15 million pre money valuation; listed on the CSE under the symbol GET.
- **Immersive Technologies**—Recently completed oversubscribed financing CD\$2.36 million at CD\$23.8 million pre-money valuation. Common shares began trading on the CSE under the symbol VRAR on September 8, 2021.
- **CQT token**—The Company had an unrealized fair value gain of CD\$5,992,945 on their Covalent CQT tokens.

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## Competition

The market for investment opportunities is highly competitive. Victory Square competes with a large number of other investors focused on similar investments, such as private equity funds, mezzanine funds, investment banks, and other equity and non-equity based public and private investment funds. Competitors may have a lower cost of funds and may have access to funding sources that are not available to the Company. In addition, certain competitors to Victory Square may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships and build their respective market shares. As a result of this competition, there can be no assurance that Victory Square will be able to locate suitable investment opportunities, acquire such investments on acceptable terms, or achieve an acceptable rate of return on the investments it does make. The competitive pressures faced by the Company may have a material adverse effect on its activities, financial condition, and results of operations.

## Historical Financial Results

Figures 10, 11, and 12 (pages 60-62) provide a summary of Victory Square's most recent key financial statements. (Note: See accompanying Notes to the Condensed Consolidated Interim Financial Statements filed on SEDAR November 29, 2021, <https://bit.ly/33qqSUs>).

Figure 10  
CONDENSED CONSOLIDATED INTERIM UNAUDITED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME  
(Expressed in Canadian dollars)

|  | Note        | Three months ended September 30, |                   | Nine months ended September 30, |                   |
|--|-------------|----------------------------------|-------------------|---------------------------------|-------------------|
|  |             | 2021                             | 2020              | 2021                            | 2020              |
| <b>Revenue</b>   | 25          | \$ 337,761                       | \$ 583,302        | \$ 748,835                      | \$ 1,065,832      |
| <b>Cost of goods sold</b>  | 25          | 157,450                          | 73,307            | 288,426                         | 526,942           |
|  |             | 180,311                          | 509,995           | 460,409                         | 538,890           |
| <b>Expenses</b>  |             |                                  |                   |                                 |                   |
| Amortization and depreciation  | 10,13       | 188,950                          | 1,802             | 553,489                         | 15,912            |
| Donations  |             | -                                | -                 | 263,359                         | -                 |
| Foreign exchange (gain) loss   |             | 3,068                            | 24,253            | 66,606                          | (28,887)          |
| General and administration   |             | 439,466                          | 33,908            | 907,047                         | 119,898           |
| Insurance  |             | 14,509                           | -                 | 16,589                          | 26,935            |
| Investor relations   |             | 64,232                           | 14,285            | 547,076                         | 20,350            |
| Management fees  | 21          | 7,717                            | 63,050            | 378,616                         | 97,500            |
| Professional and consulting fees   | 21          | (47,809)                         | 72,936            | 294,981                         | 309,019           |
| Rent   |             | 9,647                            | 37,921            | 108,297                         | 134,489           |
| Research and development   | 26          | (557,589)                        | -                 | 215,185                         | -                 |
| Sales and marketing  |             | 29,176                           | 54,386            | 906,252                         | 262,123           |
| Share based payments   | 20,21       | 299,402                          | -                 | 2,385,008                       | -                 |
| Transfer agent and regulatory fees   |             | 43,939                           | 13,866            | 108,350                         | 38,909            |
| Wages  | 21          | 536,357                          | 104,565           | 1,212,245                       | 377,141           |
| <b>Total expenses</b>  |             | (1,031,065)                      | (420,972)         | (7,963,100)                     | (1,373,389)       |
| <b>Other Items</b>   |             |                                  |                   |                                 |                   |
| Fair value gain on marketable securities   |             | -                                | 3,300             | 46,375                          | 4,950             |
| Gain on deconsolidation of subsidiaries  | 3           | -                                | 1,440,623         | 5,266,509                       | 5,007,627         |
| Gain on exercise of warrants   | 10          | -                                | -                 | 1,688,148                       | -                 |
| Equity gain (loss) on investments  | 10          | (14,559)                         | 47,155            | 132,420                         | 46,545            |
| Fair value gain (loss) on investments  | 10          | (3,439,904)                      | 8,178,598         | (6,876,765)                     | 10,798,875        |
| Impairment of investments  | 10          | 233,000                          | 532,110           | (620,000)                       | 532,110           |
| Impairment of related party loans  | 21          | -                                | -                 | 5,428                           | -                 |
| Impairment on loan receivable  |             | -                                | (630,259)         | -                               | (630,259)         |
| Gain (loss) on disposal of assets  | 10,13       | 4,975                            | 1,449             | 7,366,770                       | 21,623            |
| Loss on settlement of payables   |             | -                                | 1                 | (150,137)                       | -                 |
| Lease revenue  |             | -                                | 34,000            | -                               | 85,000            |
| Gain (loss) on settlement of receivables   |             | -                                | -                 | (923,612)                       | -                 |
| Gain on CEBA loans   | 16          | -                                | 52,558            | 8,649                           | 59,827            |
| Interest expense   | 12,16,18,19 | (7,626)                          | (3,754)           | 26,254                          | (18,102)          |
| Interest and other income  | 27          | 132,073                          | 51,245            | 434,834                         | 50,420            |
|  |             | (3,092,041)                      | 9,707,026         | 6,404,873                       | 15,958,616        |
| <b>Net income (loss) from continuing operations for the period</b>   |             | (3,942,795)                      | 9,796,049         | (1,097,818)                     | 15,124,117        |
| <b>Net loss from discontinued operations for the period</b>  | 3           | -                                | (922,954)         | (1,900,499)                     | (1,524,648)       |
| <b>Net income (loss) for the period</b>  |             | (3,942,795)                      | 8,873,095         | (2,998,317)                     | 13,599,469        |
| <b>Other Comprehensive Income</b>  |             |                                  |                   |                                 |                   |
| Currency translation adjustment  |             | 583                              | 17,161            | (3,104)                         | 17,654            |
| Unrealized fair value gain on digital currency   | 9           | 4,254,470                        | -                 | 5,992,946                       | -                 |
| <b>Comprehensive income for the period</b>   |             | 312,258                          | 8,890,256         | 2,991,525                       | 13,617,123        |
| <b>Net income (loss) attributable to:</b>  |             |                                  |                   |                                 |                   |
| Shareholders of the parent company   |             | (3,857,219)                      | 8,873,095         | (1,928,545)                     | 13,599,469        |
| Non-controlling interest   | 3,20        | (85,576)                         | -                 | (1,069,772)                     | -                 |
|  |             | \$ (3,942,795)                   | \$ 8,873,095      | \$ (2,998,317)                  | \$ 13,599,469     |
| <b>Basic earnings (loss) from continuing operations per share attributable to the shareholders of the parent company</b>   |             | <b>\$ (0.04)</b>                 | <b>\$ 0.12</b>    | <b>\$ (0.02)</b>                | <b>\$ 0.18</b>    |
| <b>Diluted earnings (loss) from continuing operations per share attributable to the shareholders of the parent company</b> |             | <b>\$ (0.03)</b>                 | <b>\$ 0.11</b>    | <b>\$ (0.02)</b>                | <b>\$ 0.17</b>    |
| <b>Weighted average number of common shares outstanding for the period - basic</b>   |             | <b>97,387,700</b>                | <b>75,783,069</b> | <b>93,059,903</b>               | <b>74,518,148</b> |
| <b>Weighted average number of common shares outstanding for the period - diluted</b>                                       |             | <b>111,243,918</b>               | <b>80,758,069</b> | <b>107,282,484</b>              | <b>79,493,148</b> |

Source: Victory Square Technologies Inc.



Figure 11  
CONDENSED CONSOLIDATED INTERIM UNAUDITED STATEMENTS OF CASH FLOWS  
(Expressed in Canadian dollars)

|   | Note          | Nine months ended September 30, |               |
|---|---------------|---------------------------------|---------------|
|   |               | 2021                            | 2020          |
| <b>Operating activities</b>   |               |                                 |               |
| Net income (loss) for the period  |               | \$ (2,998,317)                  | \$ 13,598,794 |
| <b>Adjustments for non-cash items:</b>  |               |                                 |               |
| Amortization and depreciation   | 3,10,12,13,16 | 553,489                         | 489,428       |
| Foreign exchange (gain) loss  | 7,10(n)       | 66,606                          | (121,841)     |
| Non-cash consulting costs   | 10(a),21      | 212,500                         | -             |
| Share based payments  | 20            | 2,385,008                       | -             |
| Shares to settle non cash consulting costs  |               | 150,000                         | -             |
| Fair value gain on marketable securities  |               | (46,375)                        | (4,950)       |
| Gain on deconsolidation of subsidiaries   | 10(o)         | (5,266,509)                     | (5,007,628)   |
| Gain on exercise of warrants  | 10(n)         | (1,688,148)                     | -             |
| Equity (gain) loss on investments   | 10            | (132,420)                       | (46,545)      |
| Fair value (gain) loss on investments   | 10            | 6,876,765                       | (10,651,491)  |
| Impairment of investment  | 10            | 620,000                         | 100,000       |
| Impairment of related party loans   |               | (5,428)                         | 630,259       |
| Gain on disposal of assets  | 14            | (7,366,770)                     | (21,623)      |
| (Gain) loss on settlement of payables   | 21            | 150,137                         | (19,570)      |
| (Gain) loss on settlement of receivables  |               | 923,612                         | -             |
| Gain on CEBA loans  | 16            | (8,649)                         | (78,753)      |
| Accrued interest expense  |               | (26,254)                        | 248,641       |
| Accrued interest income   | 27            | (112,450)                       | (300,243)     |
| <b>Changes in non-cash working capital items:</b>   |               |                                 |               |
| Trade receivables   |               | (222,044)                       | (210,460)     |
| Government sales tax recoverable  |               | 7,667                           | 3,871         |
| Prepaid expenses  |               | (79,347)                        | (483,417)     |
| Trade payables  |               | 135,605                         | 174,841       |
| Accrued liabilities   |               | (484,218)                       | -             |
| Inventory   |               | (116,271)                       | -             |
| Deferred revenue  |               | 193,073                         | (61,509)      |
| Other payables  |               | (245,655)                       | 202,086       |
| <b>Net cash flows used in operating activities by continuing operations</b>                 |               | (6,524,393)                     | (1,560,110)   |
| <b>Net cash flows used in operating activities by discontinued operations</b>               | 3             | (1,239,583)                     | (327,379)     |
| <b>Investing activities</b>   |               |                                 |               |
| Cash flows from discontinued operations   | 3             | (2,098,730)                     | (318,702)     |
| Cash used for investments   | 10            | (85,496)                        | -             |
| Cash used for additions to property and equipment   | 13            | (133,490)                       | (2,412)       |
| Cash used for additions to intangible assets  | 11(b),14      | (1,550,583)                     | -             |
| Cash used for share buybacks  | 20            | (81,830)                        | -             |
| Cash used for deferred financing fees   |               | -                               | (180,000)     |
| Proceeds received on acquisition of investment  | 10,11         | 90,113                          | -             |
| Proceeds received from note receivable  | 7             | 1,697,912                       | 104,042       |
| Proceeds received from sale of furniture  |               | -                               | 15,705        |
| Proceeds received from sale of investments  | 10            | 3,264,885                       | 40,000        |
| Proceeds received from sale of marketable securities  |               | 44,508                          | -             |
| <b>Net cash flows provided by (used in) investing activities by continuing operations</b>   |               | 1,147,289                       | (341,367)     |
| <b>Net cash flows provided by (used in) investing activities by discontinued operations</b> | 3             | (1,711,717)                     | (713,540)     |
| <b>Financing activities</b>   |               |                                 |               |
| Cash used for lease payments  |               | -                               | (42,273)      |
| Cash used for (proceeds from) payments to related parties                                   | 21            | (175,221)                       | 274,723       |
| Cash used for interest payments   |               | -                               | (33,697)      |
| Proceeds received for lease payments  |               | -                               | 51,000        |
| Payments on lease liability   | 12            | (7,852)                         | -             |
| Proceeds received for exercise of warrants  | 20            | 45,240                          | -             |
| Proceeds received for exercise of stock options   | 20            | 106,875                         | 3,750         |
| Proceeds received for share issuance of subsidiary  | 20            | 2,087,761                       | 2,170,349     |
| Proceeds received (refunded) in advance of convertible debenture issuance of subsidiary     | 19            | (95,000)                        | 50,000        |
| Proceeds received from CEBA loans   | 16            | 20,000                          | 160,000       |
| <b>Net cash flows provided by financing activities by continuing operations</b>             |               | 1,981,803                       | 2,633,852     |
| <b>Net cash flows provided by financing activities by discontinued operations</b>           | 3             | 5,702,482                       | 1,058,436     |
| <b>Effect of foreign exchange on cash</b>   |               | -                               | 480           |
| Change in cash and cash equivalents   |               | (644,119)                       | 750,372       |
| Cash and cash equivalents, beginning  |               | 4,551,751                       | 128,593       |
| <b>Cash and cash equivalents, ending</b>  |               | \$ 3,907,632                    | \$ 878,965    |

Source: Victory Square Technologies Inc.

Figure 12  
CONDENSED CONSOLIDATED INTERIM UNAUDITED STATEMENTS OF FINANCIAL POSITION  
(Expressed in Canadian dollars)

|  | Note       | September 30, 2021   | December 31, 2020    |
|--|------------|----------------------|----------------------|
| <b>ASSETS</b>                                |            |                      |                      |
| <b>Current assets</b>                        |            |                      |                      |
| Cash and cash equivalents                    | 4          | \$ 3,907,632         | \$ 4,551,751         |
| Prepays                                      | 5          | 579,150              | 499,803              |
| Trade receivables                            | 6          | 294,278              | 72,233               |
| Government sales tax receivable              |            | 112,765              | 120,432              |
| Marketable securities                        |            | -                    | 13,515               |
| Loan receivable                              | 3,7        | -                    | 1,697,912            |
| Inventories                                  | 8          | 116,271              | -                    |
| Digital assets                               | 9          | 5,992,946            | -                    |
|  |            | 11,003,042           | 6,955,646            |
| <b>Non-current assets</b>                    |            |                      |                      |
| Investments                                  | 10         | 30,063,822           | 28,876,300           |
| Advances                                     | 3          | -                    | 500                  |
| Due from related parties                     | 21         | 2,305,324            | 2,440,227            |
| Right of use asset                           | 12         | 134,814              | -                    |
| Property and equipment                       | 13         | 70,747               | 5,751                |
| Intangible assets                            | 3,10,12,13 | 7,880,924            | 941,000              |
| Goodwill                                     | 3,11       | 1,033,400            | 3,432,783            |
| <b>TOTAL ASSETS</b>                          |            | <b>\$ 52,492,073</b> | <b>\$ 42,652,207</b> |
| <b>LIABILITIES</b>                           |            |                      |                      |
| <b>Current liabilities</b>                   |            |                      |                      |
| Trade payables                               | 21         | \$ 513,655           | \$ 363,361           |
| Accrued liabilities                          | 21         | 256,317              | 651,229              |
| Deferred Revenue                             |            | 193,073              | -                    |
| Related party loans                          | 21         | 2,036,686            | 355,818              |
| Loan payable                                 | 3,15       | -                    | 295,078              |
| Share consideration                          | 3,11       | -                    | 104,542              |
| Other payables                               | 17         | 158,766              | 404,421              |
| Current portion of lease liability           | 12         | 44,268               | -                    |
| Convertible debentures                       | 3,20       | -                    | 1,447,872            |
| Obligation to issue convertible debentures   | 3,20       | -                    | 95,000               |
|  |            | 3,202,765            | 3,717,321            |
| <b>Non-current liabilities</b>               |            |                      |                      |
| Derivative liability                         | 3,18       | -                    | 97,896               |
| Convertible note                             | 3,18       | -                    | 8,758                |
| CEBA loans                                   | 16         | 116,423              | 123,405              |
| Lease liability                              | 12         | 86,385               | -                    |
| <b>TOTAL LIABILITIES</b>                     |            | <b>3,405,573</b>     | <b>3,947,380</b>     |
| <b>EQUITY</b>                                |            |                      |                      |
| Share capital                                | 20         | 42,981,503           | 31,865,593           |
| Stock option reserve                         | 20         | 2,344,919            | 442,591              |
| Equity portion of convertible debentures     | 3,19       | -                    | 199,703              |
| Special warrants                             | 20         | -                    | 4,889,021            |
| Broker's warrants                            | 20         | 428,856              | 427,165              |
| Obligation to issue shares                   | 11         | 396,691              | -                    |
| Accumulated other comprehensive income       |            | 6,048,920            | 59,078               |
| Deficit                                      |            | (6,992,258)          | (4,938,669)          |
| Equity attributable to owners of the Company |            | 45,208,631           | 32,944,482           |
| Non-controlling interest                     | 3,20       | 3,877,869            | 5,760,345            |
| <b>EQUITY</b>                                |            | <b>49,086,500</b>    | <b>38,704,827</b>    |
| <b>TOTAL LIABILITIES AND EQUITY</b>          |            | <b>\$ 52,492,073</b> | <b>\$ 42,652,207</b> |

Source: Victory Square Technologies Inc.

## Recent Events

**January 12, 2022**— Victory Square Technologies Inc. provided a corporate update on its renewable energy company, Stardust Solar.

**December 31, 2021**—Announced that, further to its news releases dated August 12, 2021 and December 7, 2021, it has completed the second tranche of its special dividend of common shares in the capital of its portfolio company Immersive Technologies to shareholders of Victory Square. This Second Dividend represented approximately 4,500,000 shares in Immersive (“Immersive Shares”), which when added to the 4,500,000 Immersive Shares previously dividended by Victory Square to its shareholders earlier this year, represents a total of 9,000,000 Immersive Shares dividended to Victory Square shareholders.

**December 13, 2021**—Announced that it would be participating in the Lytham Partners Winter 2021 Investor Conference taking place from December 13-16, 2021. During the event, the company will be participating in a webcasted Fireside Chat discussing its vision for 2022 and conducting 1x1 virtual investor meetings.

**December 09, 2021**—Provided a corporate update from September 1, 2021 through to December 9, 2021.

**December 7, 2021**—Announced that, further to its news release dated August 12, 2021 and December 3, 2021, it has declared the second tranche of its previously announced special dividend of common shares in the capital of its portfolio company Immersive to shareholders of Victory Square. This Second Dividend represents approximately 4,500,000 shares in Immersive, which when added to the 4,500,000 Immersive Shares previously issued by way of dividend by Victory Square to its shareholders earlier this year, represents a total of 9,000,000 Immersive Shares issued by way of dividend to Victory Square shareholders. The Second Tranche Dividend is expected to be completed on or about December 30, 2021.

**December 6, 2021**—Announced a partnership with DAF (Digital Access to Finance) to launch several NFT projects inspired by Egyptian art, culture, and history to allow for greater access and appreciation of one of humanity’s oldest civilizations and bring some of the world’s most iconic artifacts to the metaverse. In 2019 over 12.6 million people visited Egypt. In the same year, the Tutankhamun Paris exhibition broke records for the highest number of visitors in the history of cultural exhibitions in France attracting more than 1.42 million people in 6 months.

**December 03, 2021**—Announced that, further to its news release dated August 12, 2021, the company will issue the second tranche of its previously announced special dividend of common shares in the capital of its portfolio company Fantasy 360 Technologies Inc. (“Immersive”) to shareholders of Victory Square in December 2021. The second tranche will consist of approximately an additional 4,500,000 Immersive Shares which will be eligible to Victory Square shareholders of record as of a date to be determined by Victory Square.

**December 2, 2021**—Announced that portfolio company, GameOn Entertainment Technologies Inc., has formed a strategic partnership with Polygon (\$MATIC) and Polygon Studios to build NFT-Based games on their Ethereum-based scaling platform. The deal will see Polygon Studios provide non-dilutive funding to invest in 50% of GameOn’s ongoing product development costs. GameOn’s product team is spearheaded by Santi Jaramillo, former Head of Sports at Dapper Labs and creator of NBA Top Shot. Polygon, a pioneering blockchain that has onboarded millions to the Web3 ecosystem, recently announced Polygon Studios and plans to commit \$100 million to projects leading the transition to Web3. Investments include DraftKings, DeFine, and now GameOn. MATIC, the native cryptocurrency of Polygon, recently outperformed Bitcoin and Ethereum. Blockchain-based game companies, such as Forte, have surpassed \$1 billion valuations.

**December 1, 2021**—Announced that portfolio company, Next Decentrum, has launched Crypto Pharaohs, an iconic collection of digital collectibles (NFTs) inspired by the culture and heritage of ancient Egypt. Generative NFT collections like Crypto Punks and Bored Ape Yacht Club have been at the forefront of an explosive growth of the NFT market. According to Rarity Tools, which is tracking the sales of 550 generative NFT projects, the all-time sales volume of these NFT projects is over \$10.6 billion.

**November 29, 2021**—Announced it has filed its consolidated condensed interim financial statements and associated management’s discussion and analysis for the three and nine months ended September 30, 2021. Q3 2021 was another strong quarter for Victory Square in which the Company achieved a seventh consecutive quarter with positive comprehensive income, issued a share dividend, and successfully listed Fantasy 360 Technologies Inc.

**November 09, 2021**—Announced that it has signed a share purchase agreement on October 13, 2021 to invest in Shop and Shout Ltd. (“Creator.co”), a Vancouver-based technology company doing business as Creator.co. In connection with the Investment, the Company will purchase and subscribe for 1,052,941 common shares in the capital of Creator.co (“SNS Shares”) in consideration for CD\$1,000,000, with 352,941 SNS Shares purchased at a deemed price per SNS Share of CD\$0.85 and 700,000 SNS Shares purchased at a deemed price per SNS Share of CD\$1.00. VST will pay for the Purchase Price by the issuance of 1,000,000 common shares in the capital of the Company at a deemed price per VST Share of CD\$1.00. Furthermore, in connection with the Investment, the Company will also grant certain top ups payable in additional VST Shares or in cash in the event the value of the VST Shares as determined by the market price of the VST Shares at certain future milestones does not meet CD\$1.00.

**October 26, 2021**—Announced that its portfolio company, GameOn Entertainment Technologies Inc., expanded its partnership with existing customer, MX Player. Having already launched free-to-play prediction games for cricket, the partnership now includes an additional commitment to games for soccer, tennis, and kabaddi. All games are scheduled for a 2022 release and will go live within the MX Player app, powered by GameOn’s white label game engine.

**October 21, 2021**—Reported on the progress of its normal course issuer bid program (the NCIB). The NCIB was initiated on January 25, 2021, pursuant to applicable securities laws and the rules of the Canadian Securities Exchange.

**October 13, 2021**—Announced that its portfolio company, GameOn Entertainment Technologies Inc, signed a partnership with Chibi Dinos. The partnership entails Chibi Dinos utilizing GameOn’s NFT Prediction Game product to give their 10,000 digital dinos utility in gaming. The deal guarantees GameOn \$120,000 in revenue with an expected gross profit of 80%. The deal also includes a 50% revenue share of primary and secondary sales of at least one new NFT drop related to the Chibi Dinos NFT Prediction Game.

**October 4, 2021**—Announced that its wholly-owned portfolio company, VS Digital Health Inc., is now affiliated with a national network of professional corporations (PCs). These affiliated medical practices contract with licensed medical providers and exert full and exclusive control over the professional clinical services rendered by the providers. In turn, VS Digital Health provides administrative and management services and technology solutions to these affiliated PCs.

**September 20, 2021**—Announced that its portfolio company, Fantasy 360 Technologies Inc. d/b/a Immersive Technologies (“Immersive Technologies” or “Fantasy 360”), signed a binding letter of intent dated September 17, 2021 with respect to the acquisition of all of the shares of Synthesis VR Inc., a leading location-based VR content store and technology engine empowering nearly 300 out-of-home entertainment locations worldwide. Synthesis VR serves more than the location-based entertainment industry with its first-to-market and industry-leading technology, but also operates a broader sandbox platform serving the education and enterprise sectors as well.

**September 7, 2021**—Announced that Its portfolio company, Fantasy 360 Technologies Inc. d/b/a Immersive Technologies, has received final approval for listing from the Canadian Securities Exchange (the “CSE”). The common shares of Immersive Technologies began trading on the CSE under the symbol ‘VRAR’ on September 8, 2021.

**August 30, 2021**—Announced it has filed its consolidated condensed interim financial statements and associated management’s discussion and analysis (“MD&A”) for the three and six months ended June 30, 2021. Q2 2021 was another strong quarter for Victory Square in which the Company achieved a sixth consecutive quarter with positive net income and earnings per share, issued a share dividend, and listed GameOn on the Canadian Stock Exchange. In addition to closing its investment in Stardust Solar Technologies Inc., Victory Square also closed an oversubscribed financing for Immersive Technologies, launched DiscreetCare.com, and Covalent Network Corporation completed a US\$10,000,000 public sale of their CQT token.

**August 25, 2021**—Announced that its portfolio company, Turnium Technology Group Inc., is collaborating with IBM to onboard its cloud-native SD-WAN edge solution to IBM Cloud for Telecommunications. Turnium's solution is designed to help connect customers, applications, and devices by creating a new cloud extension service that helps customers to interconnect their offices, vehicles, and device sites with IBM Cloud in a single private international network. This brings Turnium closer to realizing its vision to connect everything, anywhere.

**August 16, 2021**—Announced that management would participate in the following investor conferences: Q3 Virtual Investor Summit, SNN Network Summer Virtual Event 2021, Sidoti Summer Virtual Microcap Investor Conference 2021, and the Virtual Gravitas Titans of Tech Investor Day 2021. The conferences took place virtually from August 17 to 19, 2021.

**August 12, 2021**—Announced that Victory Square has declared a special dividend of common shares in the capital of its portfolio company, Fantasy 360 Technologies Inc. d/b/a Immersive Technologies, to shareholders of Victory Square. The Dividend represents approximately 9,000,000 shares in Immersive in total, which will be distributed to Victory Square shareholders on separate dates as two different tranches. The company will follow CSE guidelines for this dividend distribution and is subject to CSE approval.

**August 11, 2021**—Announced that its portfolio company, Fantasy 360 Technologies Inc. d/b/a Immersive Technologies, has received conditional listing approval from the Canadian Securities Exchange and will list and trade under the symbol VRAR-CSE. Listing is subject to Immersive fulfilling the final listing conditions of the CSE.

**August 10, 2021**—Announced that the Company had signed an LOI for a follow-on investment of CD\$1,000,000 in portfolio company, Creator.co. The funds will be used to grow the existing platform and to complete the development of an add-on feature, which will allow creators to launch their own digital currency powered by the blockchain.

**August 4, 2021**—Announced that as part of the Company's long-term strategy to maximize shareholder value, the board of directors has approved a strategic dividend reward initiative to unlock the intrinsic value of its portfolio company, Fantasy 360 Technologies Inc. d/b/a Immersive Technologies, by proposing a distribution of a portion of the common shares of Immersive currently held by the Company to shareholders of the Company. Victory Square will evaluate, consider, and assess the mechanism by which to effect such distribution on a tax efficient and financially prudent basis, with the aim of ultimately capitalizing Immersive Technologies as a stand-alone publicly-listed entity following its public listing.

**July 14, 2021**—Announced that it will be featured as a presenting company at the upcoming SNN Network Summer Virtual Event 2021, Sidoti Summer Virtual Microcap Investor Conference 2021 and Q3 Virtual Investor Summit.

**July 13, 2021**—Announced a partnership with NFT platform, Blockparty, to launch a first-of-its-kind NFT Predictor product. GameOn will leverage Blockparty's platform to issue NFTs on the blockchain, allowing content partners to add permanent, tamper-proof watermarks to the collectibles to ensure legitimacy. This will give fans, creators, and collectors a way to validate the collectible's rarity and authenticity while using them as a utility in predictive gaming.

**July 12, 2021**—Announced that its portfolio company, Stardust Solar, has become the first and only coast to coast authorized Canadian dealer of the highly sought after solar and energy services provider, SunPower. As an Authorized SunPower Dealer, Stardust will offer its SunPower solar solutions to residential customers, including SunPower's DC solar panels and InvisiMount mounting hardware for faster installation and design.

**June 23, 2021**—Announce that Bill C-218, a bill that legalizes single-game sports wagering, has passed the Canadian Senate and now proceeds for Royal Assent to become law in Canada. Known as The Safe and Regulated Sports Betting Act, Bill C-218 repeals a section of Canada's criminal code, which makes wagering on a single sporting event outcome illegal in Canada. Victory Square has two portfolio companies that benefit from this: GameOn Entertainment Technologies and FansUnite Entertainment.

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## Risks and Disclosures

This Executive Informational Overview® (EIO) has been prepared by Victory Square Technologies Inc. (“Victory Square Technologies” or “the Company”) with the assistance of Crystal Research Associates, LLC (“CRA”) based upon information provided by the Company. CRA has not independently verified such information. Some of the information in this EIO relates to future events or future business and financial performance. Such statements constitute forward-looking information within the meaning of the Private Securities Litigation Act of 1995. Such statements can only be predictions and the actual events or results may differ from those discussed due to the risks described in Victory Square Technologies’ statements on forms filed from time to time.

The content of this report with respect to Victory Square Technologies has been compiled primarily from information available to the public released by the Company through news releases and other filings. Victory Square Technologies is solely responsible for the accuracy of this information. Information as to other companies has been prepared from publicly available information and has not been independently verified by Victory Square Technologies or CRA. Certain summaries of activities and outcomes have been condensed to aid the reader in gaining a general understanding. CRA assumes no responsibility to update the information contained in this report. In addition, for year one of its agreement, CRA has been compensated by the Company in cash of thirty-five thousand dollars and options to purchase one hundred fifty thousand shares of Victory Square Technologies for its services in creating this report and for quarterly updates.

Investors should carefully consider the risks and information about Victory Square Technologies’ business as described below. Investors should not interpret the order in which considerations are presented in this or other filings as an indication of their relative importance. In addition, the risks and uncertainties overviewed in the accompanying section are not the only risks that the Company faces. Additional risks and uncertainties not presently known to Victory Square Technologies or that it currently believes to be immaterial may also adversely affect the Company’s business. If any of such risks and uncertainties develops into an actual event, Victory Square Technologies’ business, financial condition, and results of operations could be materially and adversely affected.

This report is published solely for information purposes and is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any state. Past performance does not guarantee future performance. For more complete information about the risks involved in an investment in the Company as well as for copies of this report, please contact Victory Square Technologies by calling (604) 283-9166.

### Risks and Uncertainties

Victory Square Technologies is in the investment management business and, as such, is exposed to a number of risks and uncertainties that are common to other companies in the same business. The Company has no material ongoing revenue or income from operations. Victory Square Technologies has limited capital resources and must rely upon the sale its assets or sale of its Common Shares for cash required to make new investments and to fund the administration of the Company. These risks may not be the only risks faced by Victory Square Technologies. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial may also adversely impact the Victory Square Technologies’ business, results of operations, and financial performance. The most significant risks and uncertainties faced by the Company are set out below.

### Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:



### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Victory Square Technologies' primary exposure to credit risk is on its cash held in bank accounts. The cash is deposited in a bank account in Canada. As most of the Company's cash is held by one bank, such that there is a concentration of credit risk. This risk is managed by using a bank that is a high credit quality financial institution, as determined by rating agencies. The Company's exposure to credit risk on cash is assessed as low.

Victory Square Technologies' receivables consist of trade receivables, government sales tax receivable, lease receivable, loan receivable, and due from related parties. Based on the evaluation of receivables as at March 31, 2021, the Company believes that its receivables are collectable; however, due to the current COVID-19 pandemic, there is an increase in the uncertainty of collectability, with management determining the Company's exposure to credit risk to be high.

### *Interest Rate Risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk.

### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Victory Square Technologies has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash. Historically, Victory Square Technologies' main source of funding has been the issuance of equity securities through private placements and loans from related parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Victory Square Technologies' exposure to liquidity risk is assessed as high.

### *Foreign Exchange Risk*

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. Victory Square Technologies does not hedge its exposure to fluctuations in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

### *Limited Operating History*

Victory Square Technologies has limited operating history as an investment company and no operating history as a portfolio manager in making investments in the technology industry. The Company and its business prospects must be viewed against the background of the risks, expenses, and problems frequently encountered by companies in the early stages of their development, particularly companies in new and rapidly evolving markets.

### *Limited History of Profitability*

This is the first year that Victory Square Technologies has made profits since its incorporation. Its future profitability will depend upon its success in making strategic investments in monetizing those investments. Because of the limited operating history and the uncertainties regarding the development of certain technologies and industries in which the Company invests, there are significant risks associated with the Company's investment strategy.

### *Going-Concern Risk*

The Company's most recently issued financial statements have been prepared on a going-concern basis, under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability. The Company's financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should Victory Square Technologies be unable to continue as a going concern.

### *Additional Requirements for Capital*

Substantial additional financing may be required if Victory Square Technologies is to be successful in developing a diversified and material portfolio of investments. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to Victory Square Technologies, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated investments.

### **Risks Relating to Existing and Future Investments**

Victory Square Technologies may make investments that could, in part, be financed by the Company. Existing investments and future investments made by Victory Square Technologies should be considered speculative and there is no guarantee that any such investment will earn any positive return in the short term or long term. Businesses that the Company invests in may also request additional funding from Victory Square Technologies to support their operations and growth and there is no assurance that such funding will be available to Victory Square Technologies from external sources on acceptable terms or at all.

The Company intends to pursue opportunities outside of its existing business segments that would diversify the asset base, the success of which will depend, in part, on its ability to:

- identify suitable investments;
- negotiate the purchase of such investments on terms acceptable to it;
- complete the investments within expected time frames; and
- capitalize on such investments.

Furthermore, the profitability of such investments will be dependent upon a variety of potential factors depending on the underlying industry. For example, the market price of commodities, the level of interest rates, global economic conditions, political conditions, speculative activities, stability of exchange rates, and other factors beyond the Company's control. Investments in companies with publicly traded securities may experience substantial volatility and would be subject to market trends and macroeconomic conditions generally, notwithstanding any potential success of such companies in creating revenues, cash flows, or earnings, and may not accurately reflect the long-term value of such companies. There can be no assurance that continual fluctuations in price will not occur in such instances.



Victory Square Technologies invests in and may make future investments in securities of private companies. In some cases, the Company may be restricted by contract or by applicable securities laws from selling such securities for a period of time. Such securities may not have a ready market and the inability to sell such securities or to sell such securities on a timely basis or at acceptable prices may impair Victory Square Technologies' ability to exit such investments when the Company considers it appropriate.

Foreign investments that may be made by Victory Square Technologies in specific sectors, such as natural resource, industrial, or technology, may be subject to political risks, risks associated with changes in foreign exchange rates, foreign exchange control risks, and other similar risks. The Canadian dollar equivalent of the Company's net denominated assets and dividends would be adversely affected by reductions in the value of the applicable foreign currencies relative to the Canadian dollar and would be positively affected by increases in the value of the applicable foreign currencies relative to the Canadian dollar.

Victory Square Technologies invests in and may make future investments in securities of companies that it does not control. These investments will be subject to the risk that the company in which the investment is made may make business, financial, or management decisions with which Victory Square Technologies does not agree or that the majority stakeholders or management of the company may take risks or otherwise act in a manner that does not serve the Company's interests. If any of the foregoing were to occur, the values of investments by the Company could decrease and Victory Square Technologies' financial condition and cash flow could suffer as a result.

The due diligence process undertaken by Victory Square Technologies in connection with investments it makes or that it wishes to make may not reveal all relevant facts in connection with an investment. Before making investments, Victory Square Technologies will conduct due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence investigations, Victory Square Technologies may be required to evaluate important and complex business, financial, tax, accounting, environmental, and legal issues. Outside consultants, legal advisors, accountants, and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. The due diligence investigations that are carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such investigation will not necessarily result in the investment being successful.

#### *Equity Investment Risk*

Equities, such as common shares, give the holder part ownership in a company. The value of an equity security changes with the fortunes of the company that issued it. General market conditions and the health of the economy can also affect equity prices. Certain securities may be particularly sensitive to general market movements, which may result in a greater degree of price volatility for such securities and for securities of companies that invest in such securities under specific market conditions and over time. Equity related securities that provide indirect exposure to the equity securities of an issuer, such as convertible debentures, can also be affected by equity risk.

#### *Illiquid Securities*

If Victory Square Technologies is unable to dispose of some or all of the securities held by it, the Company may experience a delay in the receipt of the proceeds of disposition until such time as it is able to dispose of such securities or may be able to do so only at prices which may not reflect the true value of such investments.

#### *Asset Class Risk*

The equity investments held by Victory Square Technologies may underperform the returns of other securities that have exposure to other countries, regions, industries, asset classes, or sectors. Various asset classes tend to experience cycles of outperformance and under performance in comparison to the general securities markets.

### *Technology Sector Risk*

The Company obtains exposure to the securities of technology companies. General risks of technology companies include the risks of rapidly changing technologies, short product life cycles, fierce competition, aggressive pricing and reduced profit margins, loss of patent, copyright and trademark protections, cyclical market patterns, evolving industry standards and frequent new product introductions. Certain technology companies may be smaller and less experienced companies, with markets or financial resources and fewer experienced management or marketing personnel.

### *Small and Mid-Capitalization Companies Risk*

Certain of the equity securities to which Victory Square Technologies obtains exposure may be small and/or mid-cap company shares. Such shares have customarily involved material investment risk. Small- and mid-capitalization companies may have limited product lines, markets, or financial resources; may lack management depth or experience; and may be more vulnerable to adverse general market or economic developments than large companies. Some of these companies may distribute, sell, or produce products which have recently been brought to market and may be dependent on key personnel.

The prices of small- and mid-capitalization company securities are often more volatile than prices associated with large company issues, and can display abrupt or erratic movements at times, due to limited trading volumes and less publicly available information. Also, since small- and mid-cap companies normally have fewer shares outstanding and these shares trade less frequently than those of large companies, it may be more difficult for Victory Square Technologies to buy and sell significant amounts of such shares. The securities of small and mid-cap companies are often traded on “over the counter” markets and may not be traded in the volumes typical of a national securities exchange.

### *Regulatory Risks*

Changes in, or more aggressive enforcement of, laws and regulations could adversely impact companies involved in the health, digital health, insurance, gaming, and cryptocurrency businesses. Failure or delays in obtaining necessary approvals, changes in government regulations and policies and practices could have an adverse impact on such businesses’ future cash flows, earnings, results of operations, and financial condition.

### *Dependence on Internet Infrastructure, Risk of System Failures, Security Risks, and Rapid Technological Change*

The success of any developer of technology platforms will depend, by and large, upon the continued development of a stable public infrastructure, with the necessary speed, data capacity and security, and the timely development of complementary products, such as high-speed modems for providing reliable internet access and services. Technology platforms have experienced and are expected to continue to experience significant growth in the number of users, amount of content, and bandwidth availability. It cannot be assured that the infrastructure will continue to be able to support the demands placed upon it by this continued growth or that the performance or reliability of the technology will not be adversely affected by this continued growth.

### *Intellectual Property Rights*

Companies involved in the development and operation of technologies may be dependent on intellectual property rights; the loss of which could harm its business, results of operations, and its financial condition. There can be no assurance that any company’s products will not violate proprietary rights of third parties or that third parties will not assert or claim that such violation has occurred. Any such claims and disputes arising may result in liability for substantial damages, which in turn could harm the underlying business, results of operations, and financial condition of the Company.

### *Cyber Security Risks*

The Company is dependent on information technologies to conduct its operations, including management information systems and computer control systems. Business and supply chain disruptions, plant and utility outages, and information technology system and network disruptions due to cyber-attacks could seriously harm operations and materially adversely affect operation results. Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, the issue or loss of control over computer control systems, and breaches due to employee error.

Victory Square Technologies' exposure to cyber security risks includes exposure through third parties on whose systems it places significant reliance for the conduct of its business. There can be no assurance that the Company has the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to its information and control systems could have severe financial and other business implications.

### *Competition*

The market for investment opportunities is highly competitive. Victory Square Technologies will compete with a large number of other investors focused on similar investments, such as private equity funds, mezzanine funds, investment banks, and other equity and non-equity based public and private investment funds. Competitors may have a lower cost of funds and may have access to funding sources that are not available to the Company. In addition, certain competitors of Victory Square Technologies may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships and build their respective market shares. As a result of this competition, there can be no assurance that Victory Square Technologies will be able to locate suitable investment opportunities, acquire such investments on acceptable terms, or achieve an acceptable rate of return on the investments it does make. The competitive pressures faced by the Company may have a material adverse effect on its activities, financial condition, and results of operations.

### *Key Personnel*

Victory Square Technologies is dependent upon the continued availability and commitment of its management, whose contributions to immediate and future operations of the Company are of significant importance. The loss of any such management could negatively affect Victory Square Technologies' business operations. From time to time, the Company will also need to identify and retain additional skilled management to efficiently operate its business. Recruiting and retaining qualified personnel is critical to Victory Square Technologies' success and there can be no assurance of its ability to attract and retain such personnel. If it is not successful in attracting and training qualified personnel, the Company's ability to execute its business model and growth strategy could be affected, which could have a material and adverse impact on its profitability, results of operations, and financial condition.

### *Conflicts of Interest*

Certain of Victory Square Technologies' directors and officers may, from time to time, serve as directors or officers of other companies involved in similar businesses to the Company and, to the extent that such other companies may participate in the same ventures in which Victory Square Technologies may seek to participate, such directors and officers may have a conflict of interest in negotiating and concluding terms with respect to the extent of such participation. Such conflicts of Victory Square Technologies' directors and officers may result in a material and adverse effect on the Company's results of operations and financial condition.

### *Share Price Volatility Risk*

External factors outside of the Company's control may have a significant impact on the market price of the Common Shares. Global stock markets have experienced extreme price and volume fluctuations from time to time. There can be no assurance that an active or liquid market will develop or be sustained for the Common Shares.

### *COVID-19*

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for Victory Square Technologies to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's ability to raise funds in the future.

Victory Square Technologies was not immune from the effects of the global pandemic. The Company encountered supply chain issues, travel restrictions, and production variables for many of its portfolio companies.

Some portfolio companies that were impacted by "stay at home" measures and other external factors have encountered a decrease in productivity through limited workforce, travel, supply chain, and other factors directly correlated to the virus/pandemic. Victory Square Technologies assisted those companies by providing executive management assistance/leadership and often directly assisted with solving COVID-19 pain points to enable the respective companies to continue with their micro and macro sales and growth strategies during COVID-19.

Victory Square Technologies' immersive services subsidiary, Immersive Technologies, initially faced a decrease in its business due to the in-person nature of its product. However, Immersive Technologies was able to deliver its product to key customers and close several new deals within the 2020 fiscal year. In the second half of fiscal 2020, Immersive Technologies shifted focus and capitalized upon the pandemic shutdown of live events and attractions. The executive team of Immersive Technologies focused efforts and resources on creating a state-of-the-art 5D all immersive attraction called "UNCONTAINED". While similar companies folded during 2020, Immersive Technologies capitalized upon the time to create the next generation of family-fun attractions. In early April 2021, the Company announced that Immersive Technologies had signed a letter of intent with Autobahn Indoor Speedway USA for an option of up to 10-unit purchase of "UNCONTAINED".

The Company also saw many positives during the pandemic, including having portfolio company VS Health shift its focus to the Safetest COVID-19 Assay Tests and other serology and virology products. VS Health also signed key manufacturing and distribution agreements and has capitalized upon the pandemic by providing approved, high-quality testing products along with its other complement of products and services.

VS Health and Hydreight also capitalized upon the global pandemic by providing on demand and in person medical testing, screening, and related services in the U.S. and abroad. Hydreight announced a partnership with VS Health for in-home telehealth services across Brazil and focused upon future growth into Europe and beyond.

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## Glossary

**Artificial Intelligence**—Intelligence demonstrated by machines, as opposed to natural intelligence displayed by animals including humans.

**Augmented reality (AR)**—An interactive experience of a real-world environment where the objects that reside in the real world are enhanced by computer-generated perceptual information, sometimes across multiple sensory modalities, including visual, auditory, haptic, somatosensory and olfactory.

**Creator Economy**—A software-facilitated economy that allows creators to earn revenue from their creations. Examples of creator economy software platforms include Substack, OnlyFans, Lightricks, YouTube, Instagram, TikTok, and Patreon.

**Electronic medical records (EMRs)**—An electronic health record is the systematized collection of patient and population electronically stored health information in a digital format. These records can be shared across different health care settings.

**Fourth Industrial Revolution**—A way of describing the blurring of boundaries between the physical, digital, and biological worlds. It's a fusion of advances in artificial intelligence (AI), robotics, the Internet of Things (IoT), 3D printing, genetic engineering, quantum computing, and other technologies.

**Internet of Things (IoT)**—Describes physical objects that are embedded with sensors, processing ability, software, and other technologies, and that connect and exchange data with other devices and systems over the Internet or other communications networks.

**Investee (plural investees)**—The business entity in which an investment is made. In minority active investments, an investor acquires common shares of an investee with the intent of exerting significant influence over the investee's activities.

**Kabaddi**—A contact team sport played between two teams of seven players. The objective of the game is for a single player on offence, referred to as a "raider", to run into the opposing team's half of a court, touch out as many of their defenders as possible, and return to their own half of the court, all without being tackled by the defenders, and in a single breath.

**Metaverse**—A network of 3D virtual worlds focused on social connection. In futurism and science fiction, the term is often described as a hypothetical iteration of the Internet as a single, universal virtual world that is facilitated by the use of virtual and augmented reality headsets.

**Non-fungible tokens (NFTs)**—A unique and non-interchangeable unit of data stored on a digital ledger. NFTs can be associated with easily-reproducible items such as photos, videos, audio, and other types of digital files as unique items, and use blockchain technology to give the NFT a public proof of ownership.

**Reverse Takeover (RTO) Transaction**—A process whereby private companies can become publicly traded companies without going through an initial public offering (IPO).

**Software-as-a-Service (SaaS)**—A software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted. SaaS is also known as "on-demand software" and Web-based/Web-hosted software.

**Software-defined wide area networking (SD-WAN)**—An SD-WAN (or SDWAN) can connect several branch locations to a central hub office or cover multiple locations in a large campus such as a university campus. Because it is abstracted from hardware, it is more flexible and available than a standard WAN.

**Solar photovoltaic (PV)**—An elegant technology which produces electricity from sunlight without moving parts. In a photovoltaic cell, sunlight detaches electrons from their host silicon atoms.

**Tokenomics**—The study of the economics of crypto tokens or cryptocurrencies.

**Unicorn company (or unicorn startup)**—A private company with a valuation over \$1 billion.

**Virtual reality (VR)**—A simulated experience that can be similar to or completely different from the real world. Applications of virtual reality include entertainment, education and business.

**Web 3.0**—The third generation of internet services for websites and applications that will focus on using a machine-based understanding of data to provide a data-driven and Semantic Web. The ultimate goal of Web 3.0 is to create more intelligent, connected and open websites.

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**About Our Firm:** For the past decade, Crystal Research Associates, LLC has successfully articulated the exceptional stories of small- and mid-cap companies to the Wall Street investor community. Our methods are well-established and diverse, from compiling and disseminating objective, factual information for both institutional and retail investor audiences to capitalizing on our expansive line of targeted distribution channels, which include industry-leading financial data and information providers. Our distribution efforts are accompanied by the use of prominent social media channels and by strategic and targeted appearances on national news programs and print media.

Crystal Research Associates is led by Wall Street veterans, Jeffrey Kraws and Karen Goldfarb. Together, Kraws and Goldfarb have built a unique business model, capitalizing on decades of experience as an award-winning sell-side analyst team to produce institutional-quality industry and market research in a manner that is easily understood by investors and consumers. Our firm's approach has been proven successful over the years as our products are published and available on Bloomberg, Thomson Reuters/First Call, Capital IQ, FactSet, Yahoo! Finance, and scores of other popular forums.