

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Victory Square Technologies Inc.** (the "Issuer").

Trading Symbol: **VST**

Number of Outstanding Listed Securities: **76,491,818**

Date: **January 8, 2021**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

Victory Square Technologies Inc. ("Victory Square" or "VST") builds and invests in emerging technology companies with proven business models and strong teams. Our companies are disrupting and fundamentally changing the business model in various sectors of the global economy

including fintech, insurance, health, and gaming. Victory square technologies has 20+ portfolio companies (10 of them are selected companies, that are in final stages of our process) in emerging technologies such as AI, AR/VR and Blockchain. Victory Square Technologies supports these companies as they grow, by providing comprehensive functional expertise in commercialization, product market-fit; and further through access to proprietary technology solutions and to our extensive ecosystem of global partnerships. The unique combination of financial, business development, technology, and operational support and services provides competitive advantages to our portfolio companies and more importantly increases their probability of success.

Victory Square's leadership team, advisors and partners are industry leaders and experts that provide the full range guidance and value on the technologies and best practices needed to scale, including main areas such as product, engineering, customer acquisition, talent management and internationalization. This enables our portfolio companies to become leading players in their markets in a shorter period of time. Victory Square is headquartered in Vancouver, Canada, and listed on the Canadian Securities Exchange (VST), Frankfurt Exchange (6F6) and the OTCQX (VSQTF).

During the month of December 2020, the Issuer continued with general and corporate operations.

2. Provide a general overview and discussion of the activities of management.

During the month of December 2020, management continued to search for business opportunities to enhance shareholder value.

On December 1, 2020, the Issuer announced it has filed its condensed audited interim consolidated financial statements and Interim Management Discussion and Analysis (MD&A) for the three months ending September 30, 2020 and reported record net income of \$8,890,748 and Earnings Per Share of \$0.12 in Q3 2020.

Highlights included:

- Net income for the three-month period ending September 30th, 2020 increased to \$8,890,748 and earnings per share increased to \$0.12.
- Net income for the nine-month period ending September 30th, 2020 increased to \$13,617,124 and earnings per share increased to \$0.18.
- VST ended the quarter with a healthy balance sheet and closed an oversubscribed Brokered Private Placement of Special Warrants subsequent to the quarter for aggregate gross proceeds of approximately \$6.1 million.

On December 4, 2020 the Issuer announced that it will be participating in the Lytham Partners End of Year 1x1 Conference.

On December 7, 2020 the Issuer has entered into two Manufacturing, Sales and Distribution Agreements to supply White Label Covid-19 Rapid Antibody and Antigen Tests to be distributed through the issuer's global distribution network, as well as sold online through the issuer's ecommerce channels.

The agreements will also supply Victory Square with access to manufacture, sell and distribute other White Label diagnostic tests that will be available on the Issuer's telehealth platform to be launched shortly.

The Covid-19 Rapid Antibody Tests have FDA Permission under EUA for sale & distribution in the United States and the CE Designation for sale & distribution throughout the European Union. The Covid-19 Rapid Antigen Tests come with the CE Designation for sale & distribution throughout the European Union.

These agreements will alleviate the supply and packaging challenges the issuer is currently facing due to the high demand for the Issuer's Safetest Rapid Tests in the country of origin - Brazil.

On December 14, 2020, Victory Square Health Inc. ("VSH"), a portfolio company of the Issuer, has entered into a new sales and distribution contract with a Brazilian medical production and supply company. The contract will provide for an initial order of 3.7 million Covid-19 Rapid Tests to be supplied from VSH. The order is to be filled over a 24-month period.

On December 16, 2020, the Issuer announced that V2 Games Inc., a portfolio company of the Issuer, closed a transaction to acquire substantially all of the assets (the "AssetPurchase") of GameOn App Inc. ("GameOn")pursuant to an asset purchase agreement between V2 Games and GameOn dated November 11, 2020, as amended by an amending agreement dated November 30, 2020 (the "APA").

As consideration for the Asset Purchase, V2 Games issued 3,123,288 common shares of V2 Games at a deemed price of \$0.80 per share, assumed USD\$274,400 in liabilities of GameOn, and issued a convertible note with a principal amount of USD\$92,000 and a maturity date of December 1, 2022 (the "Convertible Note"), equivalent to a total purchase price of approximately \$2,965,047 based on the Bank of Canada exchange rate for United States dollars to Canadian dollars as of December 14, 2020. No interest is payable on the principal amount of the Convertible Note, which is convertible into common shares of V2 Games at a price of \$0.25 per share at the option of the holder. Pursuant to the APA, V2 Games has agreed to use commercially reasonable efforts to complete a going public transaction and list its common shares on the Canadian Securities Exchange(the "CSE") by February 28, 2021, or such other date as may be agreed by V2 Games and GameOn (the "Going Public Transaction") and, immediately prior to the closing of the Going Public Transaction, V2 Games will issue such number of common shares of V2 Games as is equal to \$150,000 divided by the deemed price per share determined in connection with the Going Public Transaction (the "Going Public Share Price") to such

directors, employees and consultants of GameOn as GameOn may direct. V2 Games has also agreed to use commercially reasonable efforts to complete a financing with gross proceeds of at least \$1,500,000 at a price of \$0.25 per share (the "V2 Games Financing") prior to completion of the Going Public Transaction. The board of directors of V2 Games (the "Board") will be reconstituted to consist of five members, three of whom will be nominees of V2 Games and two of whom will be nominees of GameOn. The details of the reconstitution of the Board will be announced in due course.

On December 17, 2020, the Issuer filed the Annual Information form for the year ended December 31, 2019.

On December 21, 2020, the Issuer announced that it was granted European Union ("EU") declaration of conformity which indicates that a product complies with all the requirements of European IVDD (in-vitro diagnostic device) legislation. The CE designation allows the issuer to commence marketing, sales and distribution of its white label (OEM) VS SARS CoV-2 Antigen Rapid Test for detecting the Antigen to SARS-CoV-2, for the European Union through December 2022.

The Issuer's VS SARS CoV-2 Antigen 15 Minute Nasal Rapid Test enables the user/administrator to receive test results in 15 minutes. The simple process involves the swabbing of the inside of the nasal cavity with a swab stick and then placing the swab inside a cartridge and awaiting the results. The cartridge will then inform the user/administrator of the Rapid Antigen test result in 15 minutes. The Issuer expects to commence delivery from orders of its white labeled Antigen test as early as January 1, 2021. The World Health Organization ("WHO") has set minimum performance requirements at greater than 80% sensitivity and greater than 97% specificity. The Issuer has clinical validation and performance studies that confirm that the VS SARS CoV-2 Antigen Rapid Nasal test has demonstrated Sensitivity at 92% and Specificity at 99.2% that far exceed the minimum standard requirements by the WHO.

With this announcement, the Issuer has now received CE EU approvals for its three Covid-19 testing products including: 15 Minute Rapid Antibody Blood Test, ELISA Lab-based test, and today's announced 15 minute Nasal Rapid Antigen Test. These product offerings now cover the essential testing procedures to detect SARS Covid-19 both at laboratory and at a point of care level.

Victory Square also announces that it has engaged Proactive to provide written and video interview coverage of news releases and other corporate developments. Proactive is a financial news and events management company with bureaus in Vancouver, Toronto, New York, London, Sydney and Perth. Across all business lines, its worldwide client base numbers approximately 800 companies. Under the agreement, Proactive will provide coverage to Victory Square for a period of 12 months, at a total cost of \$25,000.

On December 30, 2020 the Issuer provided a corporate update on record year. Net income for the nine-month period ending September 30th, 2020 was \$13,617,124 and earnings per share of \$0.18.

The aforementioned news releases and Annual Information Form can be viewed under the Issuer's profile on SEDAR (www.sedar.com) and on the Issuer's Disclosure Page on the Canadian Securities Exchange's website (www.thecse.ca).

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None to report during the month of December 2020.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None to report during the month of December 2020.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

On December 7, 2020 the Issuer has entered into two Manufacturing, Sales and Distribution Agreements to supply White Label Covid-19 Rapid Antibody and Antigen Tests. These transactions are arm's length.

During the month of December 2020, the Issuer engaged Proactive to provide written and video interview coverage of news releases and other corporate developments. This transaction is arm's length.

For more details refer to the Item 2.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None to report during the month of December 2020.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None to report during the month of December 2020.

8. Describe the acquisition of new customers or loss of customers.

None to report during the month of December 2020.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

None to report during the month of December 2020.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

During the month of December 2020, the Issuer's wholly-owned subsidiary hired 5 new employees and one employee left the subsidiary.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None to report during the month of December 2020.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None to report during the month of December 2020.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None to report during the month of December 2020.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	100,000	On December 24, 2020 100,000 stock options of the issuer were exercised at \$0.15 per share.	\$15,000 will be used for working capital purposes

- (1) State aggregate proceeds and intended allocation of proceeds.

15. Provide details of any loans to or by Related Persons.

None to report during the month of December 2020.

16. Provide details of any changes in directors, officers or committee members.

None to report during the month of December 2020.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Trends and risks, which June impact the Issuer, are detailed in the Final Long Form Prospectus filed April 29, 2016 and in the Management Discussion and Analysis for the nine months ended September 30, 2020, available for

viewing under the Issuer's profile on the SEDAR (www.sedar.com) and on the Issuer's Disclosure Page on the Canadian Securities Exchange's website (www.thecse.ca).

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Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated January 8, 2021.

Shafin Diamond Tejani

Name of Director or Senior Officer

/s/ Shafin Diamond Tejani"

Signature

Chief Executive Officer

Official Capacity

<i>Issuer Details</i>	For Month End	Date of Report
Name of Issuer Victory Square Technologies Inc.	December 2020	YY/MM/DD 21/01/8
Issuer Address Suite 1080, 789 West Pender Street Vancouver, BC, V6C 1H2	Issuer Fax No. Not applicable	Issuer Telephone No. (604) 283-9166
Contact Name Shafin Diamond Tejani	Contact Position CEO, Director	Contact Telephone No. (604) 283-9166
Contact Email Address shafin@victorysquare.com	Web Site Address www.victorysquare.com	