VOYAGER

VOYAGER DIGITAL REPORTS REVENUE OF US$102.7 MILLION FOR THE QUARTER ENDED MARCH 31, 2022

TSX: VOYG
OTCQX: VYGVF
Borse Frankfurt: UCD2

NEW YORK, May 16, 2022 /CNW/ - Voyager Digital Ltd. ("Voyager" or the "Company") (TSX: VOYG) (OTCQX: VYGVF) (FRA: UCD2) one of the fastest-growing, publicly traded cryptocurrency platforms in the United States, today announced revenue and user metrics for the fiscal 2022 third quarter ended March 31, 2022.

"We performed strongly amidst the challenging macroeconomic and lower trading volumes seen across our industry," said Steve Ehrlich, CEO and Co-founder of Voyager. "Despite market conditions, we continued to deliver customer account and net deposit growth, while continuing to build upon our revenue diversification strategy."

"With the announcement of the private placement of approximately USD$60 million, the Company has over $225 million of net liquidity, comprised of over $175 million in cash, and approximately $50 million in crypto. With the recent changes to our rewards model and actively addressing our cost structure to ensure an efficient use of capital, we are working toward a goal of returning to positive operating income, after adding back stock-based compensation, in early calendar 2023. Ehrlich continued, "Additionally, in the quarter we successfully launched our extremely popular moon mode and on-boarded customers to the beta programs for both our debit card and desktop app. The debit card is on target and expected to be deployed to the remainder of the waitlist throughout the quarter and the desktop app is set to be expanded to a wide group of customers."

The Company announces the following for fiscal 2022 third quarter ended March 31, 2022 Financial and Operational Key Metrics:

- Revenue for the quarter is $102.7 million, up 70% compared to $60.4 million for the quarter ended March 31, 2021.
- Operating loss is $43.0 million for the quarter vs an income of $29.8 million for the quarter ended March 31, 2021. Operating loss/income includes stock-based compensation of $5.4 million for the quarter vs $5.3 million for the quarter ended March 31, 2021, respectively.
- Total verified users on the platform stand at 3.5 million, up 9% from 3.2 million at the quarter ended December 31, 2021.
- Total funded accounts reached 1,190,000 as of March 31, 2022, up 11% from 1,074,000 at the quarter ended December 31, 2021.
- Total Assets on Platform decreased to $5.8 billion from $6.0 billion at December 31, 2021.
- Our headcount increased to 318 as of March 31, 2022, from 250 at December 31, 2021.

All figures are preliminary and unaudited and subject to final adjustment. All amounts are in U.S. dollars, unless otherwise indicated.

The company is also pleased to announce Ashwin Prithipaul as Chief Financial Officer. He comes to Voyager with deep financial leadership experience, including as the former CFO of Galaxy Digital. In conjunction with this, Evan Psaropoulos is moving into a new role as Chief Commercial Officer to build out the Company's revenue diversification as well as partner with the new CFO in creating cost efficiencies.

"In closing, we strongly believe we are in the early stages of global crypto adoption. Voyager remains very well capitalized to strategically grow our business and serve consumers amidst a rapidly evolving crypto landscape," Ehrlich added.

Conference Call Details

Voyager will discuss its fiscal 2022 third quarter results today, May 16, 2022, via a conference call at 8:00 a.m. Eastern Time. To access the webcast, please register by clicking here. A live webcast and a replay will be available on the Investor Relations section of the Company's website at https://www.investvoyager.com/investorrelations/overview.

Forward Looking Statements

Certain information in this press release, including, but not limited to, statements regarding future growth and performance of the business, momentum in the businesses, future adoption of digital assets, and the Company's anticipated results may constitute forward looking information or forward-looking statements, (collectively referred to as "forward-looking statements")which can be identified by the use of terms such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" (or the negatives) or other similar variations under applicable securities laws. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Voyager's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, the future events and trends discussed in this press release may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Forward looking statements are subject to the risk that the global economy, industry, or the Company's businesses and investments do not perform as anticipated, that revenue or expenses estimates may not be met or may be materially less or more than those anticipated, that trading momentum does not continue or the demand for trading solutions declines, customer acquisition does not increase as planned, product and international expansion do not occur as planned, risks of compliance with laws and regulations that currently apply or become applicable to the business or the interpretation or application of laws and regulations by regulatory authorities, and those other risks contained in the Company's public filings, including in its Management Discussion and Analysis and its Annual Information Form (AIF). Factors that could cause actual results of the Company and its businesses to differ materially from those described in such forward-looking statements include, but are not limited to, a decline in the digital asset market or general economic conditions; changes in laws or approaches to regulation, regulatory investigations, enforcement actions or other regulatory action or sanction, the failure or delay in the adoption of digital assets and the blockchain ecosystem by institutions; changes in the volatility of crypto currency, changes in demand for Bitcoin and Ethereum, changes in the status or classification of cryptocurrency assets, cybersecurity breaches, a delay or failure in developing infrastructure for the trading businesses or achieving mandates and gaining traction; failure to grow assets on platform, an adverse development with respect to an issuer or party to the transaction or failure to obtain a required regulatory approval. In connection with the forward-looking statements contained in this press release, the Company has made assumptions that no significant events occur outside of the Company's normal course of business and that current trends in respect of digital assets continue. Readers are cautioned that the key metrics disclosed in this press release, including, without limitation, Assets on Platform and trading volumes fluctuate and may increase and decrease from time to time and that such fluctuations are beyond the Company's control. Forward-looking statements, past and present performance and trends are not guarantees of future performance, accordingly, you should not put undue reliance on forward-looking statements, current or past performance, or current or past trends. Information identifying assumptions, risks, and uncertainties relating to the Company are contained in its filings with the Canadian securities regulators available at www.sedar.com. The forward-looking statements in this press release are applicable only as of the date of this release or as of the date specified in the relevant forward-looking statement and the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after that date or to reflect the occurrence of unanticipated events. The Company assumes no obligation to provide operational updates, except as required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law. Readers are cautioned that past performance is not indicative of future performance and current trends in the business and demand for digital assets may not continue and readers should not put undue reliance on past performance and current trends. Refer to definition of certain Non-IFRS terms in Management's Discussion and Analysis including Assets On Platform, Adjusted EBITDA and Adjusted Working Capital. All figures are in U.S. dollars unless otherwise noted.

About Voyager Digital Ltd.

Voyager Digital Ltd.'s (TSX: VOYG) (OTCQX: VYGVF) (FRA: UCD2) US subsidiary, Voyager Digital, LLC, is a fast-growing cryptocurrency platform in the United States founded in 2018 to bring choice, transparency, and cost-efficiency to the marketplace. Voyager offers a secure way to trade over 100 different crypto assets using its easy-to-use mobile application. Through its subsidiary Coinify ApS, Voyager provides crypto payment solutions for both consumers and merchants around the globe. To learn more about the company, please visit https://www.investvoyager.com.

The TSX has not approved or disapproved of the information contained herein.

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Voyager Digital Ltd.
Interim Condensed Consolidated Statements of Financial Position (Unaudited)
(USD, in thousands)

	March 31, 2022	June 30, 2021
Assets		
Current assets		
Cash and cash equivalents	$ 99,406	$ 193,933
Cash held for customers	112,413	162,852
Crypto assets held ($895.7 million and $0.0 million restricted, respectively)	3,433,142	2,286,399
Crypto assets loaned	2,022,444	393,561
Crypto assets collateral received	227,339	-
Investments	-	31,359
Other current assets	16,111	5,839
Total current assets	5,910,855	3,073,943
Goodwill and intangible assets	79,334	559
Other non-current assets	8,695	2,860
Total assets	$ 5,998,884	$ 3,077,362
Liabilities		
Current liabilities		
Crypto assets and fiat payable to customers	$ 5,482,009	$ 2,807,015
Crypto assets collateral payable	227,339	-
Crypto assets borrowed	-	36,832
Warrant liability	6,102	23,810
Other current liabilities	16,155	22,644
Total current liabilities	5,731,605	2,890,301
Other non-current liabilities	9,496	739
Total liabilities	5,741,101	2,891,040
Equity		
Share capital	408,353	261,908
Share-based payments reserve	30,570	15,125
Warrant reserve	1,144	3,457
Other comprehensive loss	(347)	-
Accumulated deficit	(181,937)	(94,168)
Total equity	257,783	186,322
Total liabilities and equity	$ 5,998,884	$ 3,077,362

Voyager Digital Ltd.
Interim Condensed Consolidated Statements of Comprehensive Income/ (Loss) (Unaudited)
(USD, in thousands except for shares data)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2022	2021	2022	2021
Revenues				
Transaction revenue	$ 33,386	$ 53,736	$ 163,402	$ 57,418
Fees from crypto assets loaned	31,025	6,702	80,892	8,590
Merchant services	18,347	-	48,148	-
Staking revenue	14,359	-	42,788	-
Other revenue	5,626	-	13,868	-
Total revenues	102,743	60,438	349,098	66,008
Operating expenses				
Rewards paid to customers	59,321	7,409	182,014	8,949
Marketing and sales	30,367	8,935	82,082	10,288
Cost of merchant services	17,979	-	47,184	-
Share-based payments	5,386	5,271	14,506	6,650
Compensation and employee benefits	12,365	2,476	26,984	4,558
Total compensation and employee benefits	17,751	7,747	41,490	11,208
Trade expenses	2,984	726	14,145	1,069
Customer onboarding and service	3,525	2,677	9,179	2,677
Professional and consulting	6,033	1,141	20,371	2,233
General and administrative	7,743	1,957	20,703	5,327
Total operating expenses	145,703	30,592	417,168	41,751

Income/ (loss) before other income/ (loss)	(42,960)	29,846	(68,070)	24,257
Other income/ (loss)				
Change in fair value of crypto assets held	(17,516)	12,953	(24,560)	18,440
Change in fair value of investments	-	18,977	6,114	29,570
Change in fair value of crypto assets borrowed	-	(30,030)	(13,584)	(36,282)
Change in fair value of warrant liability	9,981	(98,990)	16,825	(116,092)
Fees on crypto assets borrowed	-	(1,319)	(2,532)	(1,428)
Total other income/ (loss)	(7,535)	(98,409)	(17,737)	(105,792)
Net income/ (loss) before provision/ (benefit) for income tax	(50,495)	(68,563)	(85,807)	(81,535)
Provision (benefit) for income tax	10,945	-	1,962	-
Net income/ (loss)	(61,440)	(68,563)	(87,769)	(81,535)
Other comprehensive income/ (loss)				
Foreign currency translation adjustment	(148)	(14)	(347)	(14)
Total comprehensive income/ (loss)	$ (61,588)	$ (68,577)	$ (88,116)	$ (81,549)
Earnings per share				
Basic	$ (0.36)	$ (0.49)	$ (0.53)	$ (0.66)
Diluted	$ (0.36)	$ (0.49)	$ (0.53)	$ (0.66)

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