

VICTORY OPPORTUNITIES 1 CORP.

Unaudited Financial Statements
For the period from July 1, 2022)
to September 30, 2022
(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim financial statements, they must be accompanied by a notice indicating that these condensed interim financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for review of condensed interim financial statements by an entity's auditor.

The accompanying notes are an integral part of these financial statements

VICTORY OPPORTUNITIES 1 CORP.Statement of financial position - Unaudited
(Expressed in Canadian dollars)

	September 30, 2022
	\$
Assets	
Current assets	
Cash	106,628
Total assets	106,628
Liabilities and shareholders' equity	
Current liability	
Accrued Liabilities	10,000
GST Payable	-1,745
Accounts payable and accrued liabilities	8,254
Shareholders' equity	
Share capital (Note 5)	168,500
Share Issuance Cost	-5,250
Deficit	-64,876
Total shareholders' equity	-64,876
Total liabilities and shareholders' equity	106,628

Initial Public Offering (Note 4)

Approved and authorized for issuance on behalf of the Board of Directors on December 6, 2022 by:

/s/ Michael Yeung
Director

/s/ Jeff Stevens
Director

The accompanying notes are an integral part of these financial statements

VICTORY OPPORTUNITIES 1 CORP.

Unaudited Statement of net and comprehensive loss
(Expressed in Canadian dollars)

	July 1, 2022 to September 30, 2022
	\$
Expenses	
Bank fees and interest	77
Other Expenses	8,539
Legal Fees and professional fees	9,113
Net and comprehensive loss for the period	(-17,729)
Loss per share, basic and diluted	(0.00)
Weighted average number of shares outstanding, basic and diluted	3,370,000

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VICTORY OPPORTUNITIES 1 CORP.Unaudited Statement of changes in shareholders' equity
(Expressed in Canadian dollars)

	Share capital		Deficit + share Issuance cost \$	Total shareholders' equity \$
	Number of shares	Amount \$		
Balance, March 15, 2022 (date of incorporation)	-	-	-	-
Shares issued for cash	3,700,000	185,000	-	185,000
Cancelled Shares	(330,000)	(16,500)		(16,500)
Net loss for the period	-	-	(47,147)	(47,147)
Balance, June 30, 2022	3,370,000	168,500	(47,147)	158,577
Balance, September 30, 2022	3,370,000	168,500	(70,126)	98,374

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VICTORY OPPORTUNITIES 1 CORP.

Unaudited Statement of cash flows
(Expressed in Canadian dollars)

	July 1, 2022 to September 30, 2022
	\$
Operating activities	
Net loss for the period	(17,729)
Adjustment for non-cash working capitals:	
GST receivable	(1,745)
Accounts payable and accrued liabilities	11,965
Net cash used in operating activities	(31,439)
Financing activity	
Issuance of common shares	-
Cancelled shares payable	(16,500)
Net cash used by financing activity	(16,500)
Increase in cash	
Cash – beginning of period	158,577
Cash – end of period	110,635

The accompanying notes are an integral part of these financial statements

VICTORY OPPORTUNITIES 1 CORP.

Notes to the Unaudited financial statements
For the Period from July 1, 2022 to September 30, 2022
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

VICTORY OPPORTUNITIES 1 CORP. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on March 15, 2022. The Company is intending to be classified as a Capital Pool Company as defined in the TSX Venture Exchange (the "Exchange") Policy 2.4. The principal business of the Company is the identification and evaluation of a Qualifying Transaction ("QT") and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholders' approval, if required, and acceptance by regulatory authorities.

The head office, principal address and registered office of the Company are located at Suite 228 – 1122 Mainland Street, Vancouver, B.C. V6B 5L1, Canada.

There is no assurance that the Company will identify a QT.

These financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at September 30, 2022, the Company has not generated any revenues from operations and has an accumulated deficit of \$64,876. The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

In March 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. 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 has also disrupted the normal operations of many businesses. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time. The pandemic might affect the Company's ability to raise capital or complete a QT as required by the Exchange's Policies.

2. BASIS OF PRESENTATION

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretation Committee.

Basis of Preparation

The financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. The financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

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(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (Cont'd)

Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. The estimates and associated assumptions are based on anticipations and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. There have been no significant judgments made by management in the application of IFRS other than the going concern assumption (note 1) that have a significant effect on these financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards within the framework of the significant accounting policies described below:

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

i) Financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss); and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or OCI.

Cash is classified as held at amortized cost.

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Instruments (Cont'd)

i) Financial assets (Cont'd)

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its financial assets:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through OCI (FVOCI): Debt instruments that are held for collection of contractual cash flows and for selling the debt instruments, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the debt instrument is derecognized, the cumulative gain or loss previously recognized in OCI is not reclassified from equity to profit or loss. Interest income from these debt instruments is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss in the period in which it arises.

ii) Financial liabilities

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: where the Company optionally designates financial liabilities at FVTPL the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

At present, the Company classifies all of its financial liabilities as held at amortized cost. These financial liabilities are classified as current liabilities as the payment is due within 12 months.

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income (loss). Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Share issuance costs

Costs directly identifiable with the raising of capital will be charged against the related capital stock. Costs related to shares not yet issued are recorded as deferred financing cost. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are no longer probable of being issued. Share issuance costs consist primarily of corporate finance fees, filing fees and legal fees.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

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4. INITIAL PUBLIC OFFERING

The Company intends to file a prospectus with the securities regulatory authorities in the provinces of British Columbia and Alberta, and pursuant to an Agency Agreement (the "Agency Agreement") to be entered into between the Company PI Financial Inc. (the "Agent"), to offer up to 5,000,000 Common Shares at \$0.10 (the "Offering") per share to the public for total estimated proceeds of up to \$500,000 (before transaction costs). The Agent will be granted warrants to purchase up to 8% of the total common shares sold under the offering at a price of \$0.10 per share, expiring 24 months from the closing date. The Company will pay the agent a commission equal to 8% of the gross proceeds, a corporate finance fee of \$15,000 and reasonable expenses related to the Offering. As at March 31, 2022, the Company has not paid any fees to PI Financial Inc.

5. SHARE CAPITAL

Authorized share capital

Unlimited Class A Common Shares without par value; and
Unlimited Class B Preferred Shares without par value

Share issuances

On March 15, 2022, the Company completed a private placement and issued 1,500,000 common shares at a \$0.05 per common share for gross proceeds of \$75,000 (all of which were issued to management and/or members of the Board of Directors).

On March 31, 2022, the Company issued 2,200,000 common shares at \$0.05 per share for proceeds of \$110,000 (500,000 of which were issued to management).

On June 28, 2022 the Company entered into share repurchase agreements to purchase and return to treasury for cancellation 330,000 common shares at a price of \$0.05 per common share (\$16,500). The \$16,500 was paid by the Company during the month of July, 2022.

Seed shares issued below the Initial Public Offering ("IPO") price, shares acquired from treasury by non-arm's length parties to the CPC and CPC stock options and shares issued on exercise of stock options, which were granted before the IPO and at an exercise price less than the IPO price, are all subject to a CPC Escrow Agreement. Under the CPC Escrow Agreement, 25% of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 25% will be released on the dates 6, 12, and 18 months following the Initial Release. Shares acquired by the "Pro Group" as such term is defined in Exchange policies, at or above the IPO price and shares acquired by a "Control Person" as such term is defined in Exchange policies, in the secondary market are not subject to the CPC Escrow Agreement.

6. TRANSACTIONS WITH RELATED PARTIES

During the period ended September 30, 2022, there were no related party transactions. There was no compensation to key management personnel.

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the identification and evaluation of a QT and continue as a going concern. The Company considers capital to be all accounts in equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise

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of the Company's management to sustain future development of the business. Additional funds may be required to finance the Company's QT. In accordance with Policy 2.4 of the Exchange, the proceeds raised from the sale of securities may only be used to identify and evaluate assets or businesses, and obtain shareholder approval for a QT, with the exception that up to the lesser of 30% of the gross proceeds realized by the Company in respect of the sale of its securities, or \$210,000, may be used for purposes other than such identification and evaluation of businesses or assets. These restrictions apply until completion of a QT by the Company as defined under Policy 2.4 of the Exchange.

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

Risk Disclosures and Fair Values

The Company's financial instruments, consisting of cash and accounts payable and accrued liabilities, approximate fair values due to the relatively short-term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Liquidity Risk

As at September 30, 2022, the Company had accounts payable and accrued liabilities of \$8,254 due within 12 months and had cash of \$106,628 to meet its current obligations. As a result, the Company has minimal liquidity risk.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company limits its exposure to credit loss for cash by placing its cash with a major financial institution. The Company believes it has no significant credit risk.

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2022
	\$
Loss before income taxes	(64,876)
Expected income recovery	0
Unrecognized tax benefits	0
Total income tax recovery	-

The Company has non-capital loss of approximately \$47,147 available to reduce taxable income in future years, if not utilized, will expire in 2042.