

VICTORY OPPORTUNITIES 1 CORP.

MD&A to the unaudited financial statements
For the period the three and nine months ended September 30, 2023

INTRODUCTION

The following management's discussion and analysis of financial condition and results of operations ("MD&A") for the three ended September, 2023, should be read in conjunction with the unaudited condensed interim financial statements for the three months ended September, 2023 and the related notes thereto of Victory Opportunities 1 Corp. ("the Company" or "Victory"), together with the audited financial statements of the Company for the year ended June 30, 2023. The MD&A is the responsibility of management and has been reviewed and approved by the Board of Directors of the Company.

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.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

The following discussion and analysis may contain forward-looking statements which are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth in the following discussion.

COMPANY OVERVIEW

VICTORY OPPORTUNITIES 1 CORP. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on March 15, 2022. The Company is 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.

RESULTS OF OPERATIONS

Three months ended March 31, 2023

The Company recorded a net loss of \$25,374 (\$0.00 per share) for the three months ended March 31, 2023. The Company had no revenue, paid no dividends and had no long-term liabilities during the three months ended March 31, 2023.

Professional fees of \$13,700 consist mainly of accounting, audit and legal fees. The professional fees during the three months ended March 31, 2023 were due to completion of the Company's IPO and the listing of the Company's common shares on the TSX.V.

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SUMMARY OF SELECTED QUARTERLY RESULTS (UNAUDITED)

The following table sets forth selected financial information from the Company's unaudited quarterly consolidated financial statements for the most recently completed quarters.

	THREE MONTHS ENDED			
	September 30			
	2023			
	\$			
Total assets	331,567			
Working capital	321,706			
Net income (loss)	(2,773)			
Net income (loss) per share ⁽¹⁾	(0.00)			

⁽¹⁾The basic and fully diluted calculations result in the same value due to the anti-dilutive effect of outstanding stock options and warrants if any.

LIQUIDITY AND CAPITAL RESOURCES

As at September,30 2023, the Company had accounts payable and accrued liabilities of \$10,000 due within 12 months and had cash of \$331,567 to meet its current obligations. As a result, the Company has minimal liquidity risk.

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and to maintain a flexible capital structure that optimizes the costs of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company is dependent on the capital markets as its primary source of operating working capital and the Company's capital resources are largely determined by its ability to compete for investor support of its projects.

The Company's condensed interim financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. As at September 30, 2023, the Company had accumulated losses of \$163,466 since its inception and expects to incur further losses in the development of its business. The Company's ability to continue as a going concern is dependent upon raising additional capital to complete the acquisition of an asset or business and the achievement of profitable operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

CAPITAL EXPENDITURES

The Company incurred \$nil in capital expenditures during the three months ended September 30, 2023.

RELATED PARTY TRANSACTIONS

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. 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.

CRITICAL JUDGMENTS AND ESTIMATES

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require

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accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

- i. the measurement of deferred income tax assets and liabilities
- ii. the determination of fair value for share-based payments related to incentive stock options and compensation warrants granted, modified or settled

Significant accounting judgments

- i. the evaluation of the Company's ability to continue as a going concern

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements for the three ended September 30, 2023 and this accompanying MD&A (the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

RISKS AND UNCERTAINTIES

The Company is currently subject to financial and regulatory risks. The financial risk is derived from the uncertainty pertaining to the Company's ability to raise capital to continue operations. Regulatory risks include the possible delays in getting regulatory approval for the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings and the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

The Company does not currently have an operating business. Where an acquisition or participation is warranted, funding in addition to the IPO funding may be required. These additional funds may not be available on terms acceptable to the Company. There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the TSX.V, at which time the TSX.V may suspend or de-list the Company's shares from trading.

OTHER INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com.