Voyager Digital Reports Record Revenues of US$60 Million with a 50% Operating Margin Generating an Operating Profit of $30 Million for the Fiscal Third Quarter

written by Raj Shah | May 26, 2021
May 25, 2021 (Source) –

- ***Company Continues to Experience Accelerated Growth in April and May***
- ***Verified Users Currently Exceed 1.6 Million***

Voyager Digital Ltd. ("Voyager" or the "Company") (CSE: VYGR) (OTCQB: VYGVF) (FRA: UCD2), today announced financial results for its third quarter of fiscal 2021, which ended March 31, 2021.

Voyager reported another record quarter, with momentum continuing in the fiscal fourth quarter to date.

- Total revenue in the fiscal 2021 third quarter increased to US$60.4 million, up over 16x from US$3.6 million in the fiscal 2021 second quarter.
- Operating profit of US$30 million for the fiscal third quarter, with an operating margin of 50% – the Company's first ever quarter of operating profit.
- The Company ended the fiscal 2021 third quarter with adjusted working capital of US$197 million.
- US$5 billion of principal volume traded for the fiscal

2021 third quarter, compared to US$350 million of principal value traded in the fiscal second quarter.

- May new funded accounts already have well exceeded the entire month of April, exceeding 1.6 million verified accounts as of today.

“Voyager reported another record period with strong third quarter results. This momentum has continued into our fiscal 2021 fourth quarter to date, as we continue to see an acceleration in all of our key metrics,” said Steve Ehrlich, Voyager’s CEO and Co-founder. “It is clear that Voyager’s strategy to be the most consumer friendly, transparent, and easy-to-use platform with leading offerings of altcoins and interest-yielding assets has gained significant market share. Our focus on a wide range of coins has contributed to a long-term economic model with fiscal third-quarter operating margins increasing to 50%. Given our success to date, we anticipate that our operating margin should continue to scale in future periods.”

During the fiscal 2021 third quarter, Voyager continued to make significant upgrades to its systems infrastructure and staff with a focus on platform security, scalability and customer support. Since calendar year end, the Company has increased its headcount by approximately 4x in support of these initiatives and Voyager’s rapid growth.

Mr. Ehrlich continued, “In the March quarter, we saw exponential adoption of cryptocurrencies as a recognized and investable asset class, which translated into significant growth for Voyager. The U.S. market continues to outperform given our compelling and competitive differentiation. The management team is committed to continuing our strong execution, even as we expand our international market reach. Our team is extremely proud of what we have accomplished to date.”

For more detailed information, the Company encourages investors to read its interim financial statements and related Management Discussion & Analysis (“MD&A”) for the three and nine months ended March 31, 2021, which will be filed with SEDAR today.

Conference Call

The Company will conduct a conference call today at 5:00 p.m. (Eastern Time) to review the results as well as provide an overview of the Company’s recent milestones and growth strategy. A live webcast of the conference call can be accessed here: webcast link.

For more information on Voyager Digital, please visit https://www.investvoyager.com. The Voyager App is available for Android and iPhone.

About Voyager Digital Ltd.

Voyager Digital Ltd. is a publicly traded holding company whose subsidiaries operate a crypto-asset platform that provides retail investors with a seamless solution to trade crypto assets. The Voyager Platform provides its customers with competitive price execution through its smart order router and as well as a custody solution on a wide choice of popular crypto-assets. Voyager was founded by established Wall Street and Silicon Valley entrepreneurs who teamed to bring a better, more transparent, and cost-efficient alternative for trading crypto-assets to the marketplace. Please visit us at https://www.investvoyager.com for more information.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release. No securities regulatory authority has either approved or disapproved of the contents of this press release.

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 (collectively, 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. 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 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, 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 under management, 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 Assets Under Management 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. Adjusted Working Capital is defined as Current Assets less Current Liabilities excluding Warrant Liability. All figures are in U.S. dollars unless otherwise noted.