

NEWSLETTER

SPRING 2021



VISIONSTATE™



Message from the President

As COVID-19 continues to persist, there are positive signs moving forward that the pandemic may be abating as recent case counts continue to drop. Visionstate is looking forward to businesses and facilities re-opening and starting afresh with a new approach to cleaning protocols and using our WANDA™ technology to combat disease outbreaks on the front lines.

The pandemic caused Visionstate to change the way we do business too. Our focus has been on developing new features in our application to increase deployment, improve installation timelines, and reduce the amount of touch points required to use our technology. In this newsletter we will talk about some of the exciting new features we have developed to meet our objectives.

Despite the pandemic, Visionstate has been successful in proving our business model and recording the first ever profitable quarter followed by another profitable quarter in the current fiscal year. This bodes very well for the Company as we move forward and continue to position ourselves as the global leader in facility management software.

Once again, we thank our valued shareholders for supporting Visionstate as we continue to execute on our business plan and grow in value. Stay safe and keep well.

**John Putters, CEO,
Visionstate Corp.**

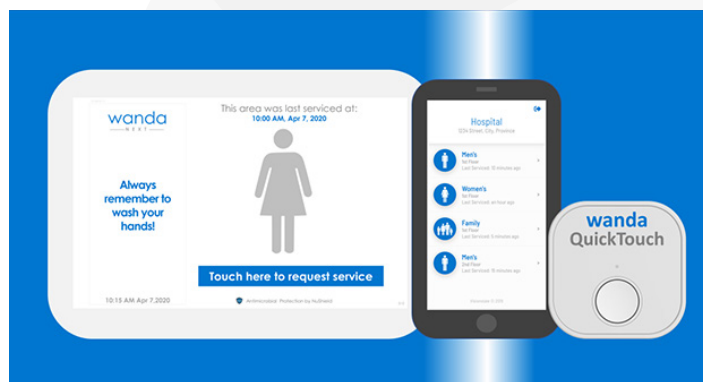
Sales and Marketing Update

In Q2 of the current fiscal year Visionstate Corp. posted its second consecutive profit on sales that were ten times higher compared to the same quarter in the previous year. The increase in revenue can be attributed to increased sales of WANDA™, the residual revenue generated from subscriptions, and diversification into other IoT (Internet of Things) verticals. During the second quarter, the Company signed a \$500,000 contract (note: a portion of the agreement is payable over the course of the next quarter) to build an IoT solution for a large, private cannabis producer. The contract has helped boost revenues and provides opportunity for the Company to expand its technology into other market sectors outside of facility management.

WANDA™ revenue has been increasing along with the sales pipeline and residual recurring revenues. The Company has been focusing on deploying its WandaMOBILE app because it addresses key performance indicators in the cleaning industry, including task scheduling, inventory management and tracking whether cleaning protocols have been met. The mobile app is designed for quick and easy deployment and generates revenue based on a subscription model.

Visionstate's distribution partner Bunzl Canada made its first WANDA™ sale into Queen's University in Ontario, Canada, marking yet another new vertical for the Company. WANDA™ is now penetrating large college campuses, which represents vast opportunities for the Company. The new deployment at Queen's University is also the first one that features the deployment of sensors measuring restroom supplies.

Another important deal Visionstate is currently working on has been requested by the City of Edmonton and includes the Company managing cleaning activities and maintenance of the city's 400 bus shelters using a unique QR code for each shelter for reporting



via WandaMOBILE app. This will become another exciting new vertical for Visionstate, and the Company is now pricing out the program and finalizing the agreement.

Visionstate IoT Inc. is currently working on new functionality that will further enhance the appeal of WANDA™ and will lead to even quicker deployments. The Company anticipates an official launch of the new features in July 2021. Upon completion of Visionstate's new technology, the Company will be undertaking a massive relaunch of WANDA™ on a worldwide basis in coordination with its global partner.



Queen's University, Ontario, Canada

Technology Update

New QR Code Feature Expands WANDA™ Footprint

The Company is excited about the new functionality being introduced to the WANDA™ IoT solution. These new features are substantial and, in many respects, reflect the new world order resulting from the COVID-19 pandemic. First, the Company has responded to the public's general reluctance to interact with touchscreens and has developed a QR code-based system for accepting customer feedback. Also included in these new features is the ability for staff to scan the QR code to provide proof of presence at a certain location and then use WandaMOBILE to record activities and supply usage, among other critical information used to measure performance and efficiency. The new technology also makes the WANDA™ solution less restroom centric with virtually no limitation on where QR codes are incorporated. The QR code-driven WANDA™ is also quick to deploy, with no physical hardware required, and can be disbursed throughout large public facilities in a matter of days.

Auto Supply Replenishment Unleashes the E-Commerce in WANDA™

In more exciting news on technology development, Visionstate is working with its global partner to enable automatic supply replenishment through the WANDA™ solution. Since WANDA™ already tracks inventory and supply usage, the next step is to integrate with our partner's backend ordering system to provide just-in-time inventory capabilities. Once fully deployed, the technology will enable customers to access the WANDA™ portal to order directly from our global partner.

Advanced Analytics Enhances Value of WANDA™

Analytics is a required tool to assess efficiency and gain insights on operations. Visionstate will be ramping up its analytics reporting to provide customers with more insights into their cleaning efficiency. A focus will be on deriving predictive analytics on supplies and maintenance using highly accurate people-counting sensors. The analytics platform will be able to predict supply shortages and maintenance issues based on foot traffic, removing the need to have sensor-enabled devices in restroom environments.

Portfolio Company Updates

Exceed Solar

Exceed Solar is gearing up to install in June 2021 its first high-tech solar-powered greenhouse that will be located in the grounds of the University of Alberta. The project will put Exceed's futuristic greenhouse on full display and will also result in the development of even more new technology through collaboration with the university's electrical engineering department. The greenhouse project could not come at a better time as more and more people are turning to gardening as a way of offsetting increasing food costs. Also, because of COVID-19, more and more people are spending time at home in their backyards. Exceed's solar-powered greenhouse is designed to lengthen the growing season while maximizing yields. It is also designed with state-of-the-art building materials that are environmentally friendly and sustainable. As a modular design, the greenhouses can be commoditized and positioned for rapid deployment.



Freedom Cannabis

In May 2021, Freedom Cannabis announced a new partnership with a leading extracts company that will expand the company's product base and increase revenues. At the same time Freedom Cannabis is launching its packaging division by leveraging \$8 million in equipment that has already been purchased. These initiatives demonstrate that Freedom is increasingly becoming an integrated brand, with business-to-business sales, retail sales in certain provinces and territories, and packaging services for other cannabis producers.



Investor Relations

In May 2021, Visionstate entered into a contract with Stockhouse to provide further exposure to the Company brand and announcements through Stockhouse's vast online community outreach. In the meantime, our official IR representative, CHF Capital Markets, is continuing to develop appealing content for Visionstate, which includes Blogs, newsletters, social media presence, as well as setting up investor meetings, coordinating events and answering shareholder emails and calls.



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