

Steve Ehrlich on Voyager's 100x growth in less than 13 months bringing crypto to market

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In a recent InvestorIntel interview, Tracy Weslosky speaks with Stephen Ehrlich, CEO and Co-Founder of [Voyager Digital Ltd.](#) (CSE: VYGR | OTCQB: VYGVF), about Voyager's 100x growth in Assets Under Management in less than 13 months.

On January 15, 2021, Voyager announced that Assets Under Management have crossed USD\$500 million. In this InvestorIntel interview, which may also be viewed on YouTube ([click here to subscribe to the InvestorIntel Channel](#)), Stephen started, "On December 31, 2019 we announced, on our financials, \$5 million of customer assets. So, 100x growth in less than 13 months." He continued, "It shows the adaption and how effective we are in bringing your true crypto agency broker to the market. For us it is a milestone. One of many future milestones." Stephen attributed their success to "focused execution".

Stephen also provided an update on the Voyager Token (VGX) which is for royalty program and reward. It rewards users within the Voyager crypto broker ecosystem with extra interest if they hold a certain amount of tokens.

To watch the full interview, [click here](#)

About Voyager Digital Ltd.

Voyager Digital Ltd. is a crypto-asset broker that provides retail and institutional investors with a turnkey solution to

trade crypto assets. Voyager offers customers best execution and safe custody 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.

To know more about Voyager Digital Ltd., [click here](#)

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Crypto-asset broker Voyager flies to new heights (again) with Q1 results

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Last week, [Voyager Digital Ltd.](#) (CSE: VYGR | OTCQB: VYGVF) reported its fiscal 2021 first quarter financial results, which included revenue growing almost 200% quarter-over-quarter and a staggering 2,600% year-over-year.

Headquartered in New York City, Voyager operates as a fully regulated, crypto-asset broker and, through its platform, allows retail and institutional investors the ability to trade and invest in a wide variety of crypto assets.

Fiscal Q1/2021 Financial Highlights for the Quarter Ended September 30, 2020

- Revenue for FQ1/2021 was US\$2.0 million, up 200% from US\$0.7 in the previous quarter, and up over 2,600% from US\$72,230 in the same period last fiscal year.
- Revenue is generated from two main sources: (1) Fee income, which includes spread revenue and transactional fees related to movements on the blockchain, and (2) Interest income, which is generated from the storage of cryptocurrencies with various custodians.
- In FQ1/2021, Fee income was US\$1.6 million, significantly up from US\$72,230 in FQ1/2020, and accounted for 81% of the quarter's revenue.
- The Fee income increase was attributed to higher volumes as users traded approximately US\$192.3 million in cryptocurrencies compared to US\$20.6 million in the prior period.
- Interest revenue accounted for only 19% of the revenue in FQ1/2021 as the Company recorded US\$0.4 million of interest income from custodians. Voyager did not start lending digital assets to custodians until October 2019 so it did not record any Interest income from custodians in the prior period for year-over-year comparison purposes.
- Voyager believes that allowing customers to earn interest on certain cryptocurrencies while they trade has been a significant driver in the growth of the Company's business.
- Operating expenses for the three months ended September 30, 2020, increased by almost 78% to US\$4.7 million as compared to US\$2.6 million in the prior period. The Operating expense increase included additional headcount and infrastructure costs as the Company grew, US\$1.0 million for non-cash, share-based payments, as well as increased marketing costs and interest paid to customers.

Stephen Ehrlich, Co-founder and CEO of Voyager commented, "Our strong fiscal 2020 momentum carried over into the first fiscal

quarter of 2021, where we saw record revenue and customer asset growth,” and added in a recent [InvestorIntel video](#) that the revenue growth continued into the second fiscal quarter.

Rapid AUM Growth

Voyager has registered rapid growth in Assets Under Management (“AUM”). On November 6, the Company announced that AUM surpassed US\$100 million, up 20 times from US\$5 million of AUM at the end of December 2019. And, more recently, the Company reported that AUM jumped another 50% to US\$150 million.

Cash Balance Continues to Grow

The Company is well funded for growth with a cash and cash equivalents balance of US\$7.5 million on September 30 and believes it has sufficient capital to meet its ongoing operating expenses and project obligations for the next year.

After completing a C\$5.75 million raise in September, Voyager recently announced a C\$7.0 million private placement offering of special warrants to fuel the Company’s growth plans.

Platform Continue to Evolve

Even after being awarded the [People’s Choice Award](#) at the 6th annual 2020 Benzinga Global FinTech Awards in November 2020, Voyager plans an aggressive product development rollout over the next few years that includes debit and credit cards, a desktop solution, loan programs, and basket trading.

Currently, Voyager provides investors with an easy-to-use app that can be download from Google Play or the Apple App Store, and offers commission-free trading, access to over 50 coins, including three Stablecoins and 10 Decentralized Finance Coins, and customers can earn interest on 22 coins.

Its platform allows a user to open a new account in three minutes or less and rewards new account holders with a US\$2 million give-away contest to encourage new cryptocurrency investors to try its trading platform.

The platform also provides portfolio tools and data to track balances, transactions, and performance, and supplies news, social feeds, and real-time alerts to keep users connected to the changing market.

For the security of accounts, Voyager offers a multi-authorization cryptocurrency wallet management solution and fiat currency is stored at custodial banks.

International Expansion

In October, Voyager announced the purchase of LG0 SAS, a financial services company based in France and focused on trading digital assets, for US\$1.0 million in Voyager shares. LG0 is an Autorité des Marchés Financiers (“AMF”) regulated company and the merger provides Voyager with a fully licensed European entity to accelerate its European expansion strategy.

The LG0 transaction is expected to close by the third quarter and is subject to further due diligence as well as regulatory approval.

The Company also announced that it is working with regulators in Canada to bring the Voyager products to the Canadian marketplaces. In July, Voyager announced that it expects to launch the Voyager app in Canada this year.

Bitcoin up 160% in 2020

Bitcoin continues to be one of the best performing asset classes this year, up more than 160%, and cryptocurrencies are emerging as a new asset class for institutional investors that are using

them as an investment vehicle and a hedge against possible inflation, becoming an alternative to buying gold.

Voyager's offering appears to be a "popular" product that can meet the needs of the cryptocurrency investor.

CHART 1: VYGR Quarterly Revenue



Source: S&P Capital IQ