



ENGAGE

SUR IHVVLR QDO#P HWDYHUVH

Lqwhulp #Uhvxcaw#5355

[www.engageplc.com](http://www.engageplc.com)



## Highlights

- A period of strong progress with revenue up **41%** to **€1.76m**
- ENGAGE revenue up **61%** to **€1.5m**
- Excellent new client wins and client upsells include **META, KIA, Kuehne + Nagel , Natixis**
- Development of new ENGAGE Link progressing as planned with launch expected in **Q4**
  - Launch partners already announced: **HTC** and **The Virtual Human Interaction Lab at Stanford University**
  - **Three further launch partners confirmed**
- Increasing engagement with potential customers, with strong pipeline
- Looking forward with optimism and remain confident in the expectations for the year





# Platform Overview

**ENGAGE is a metaverse platform designed for corporate communications, remote collaboration, training and development, education, events, and much more.**

Unlike other metaverse platforms, ENGAGE is developed with a focus on **security, scalability, and professional use cases.**

Instead of beginning life as a video game or social media platform, the early days of ENGAGE was about highly effective remote virtual education. Today ENGAGE provides a wide variety of professional enterprise services to corporations worldwide including Meta, HTC and other leading metaverse companies.

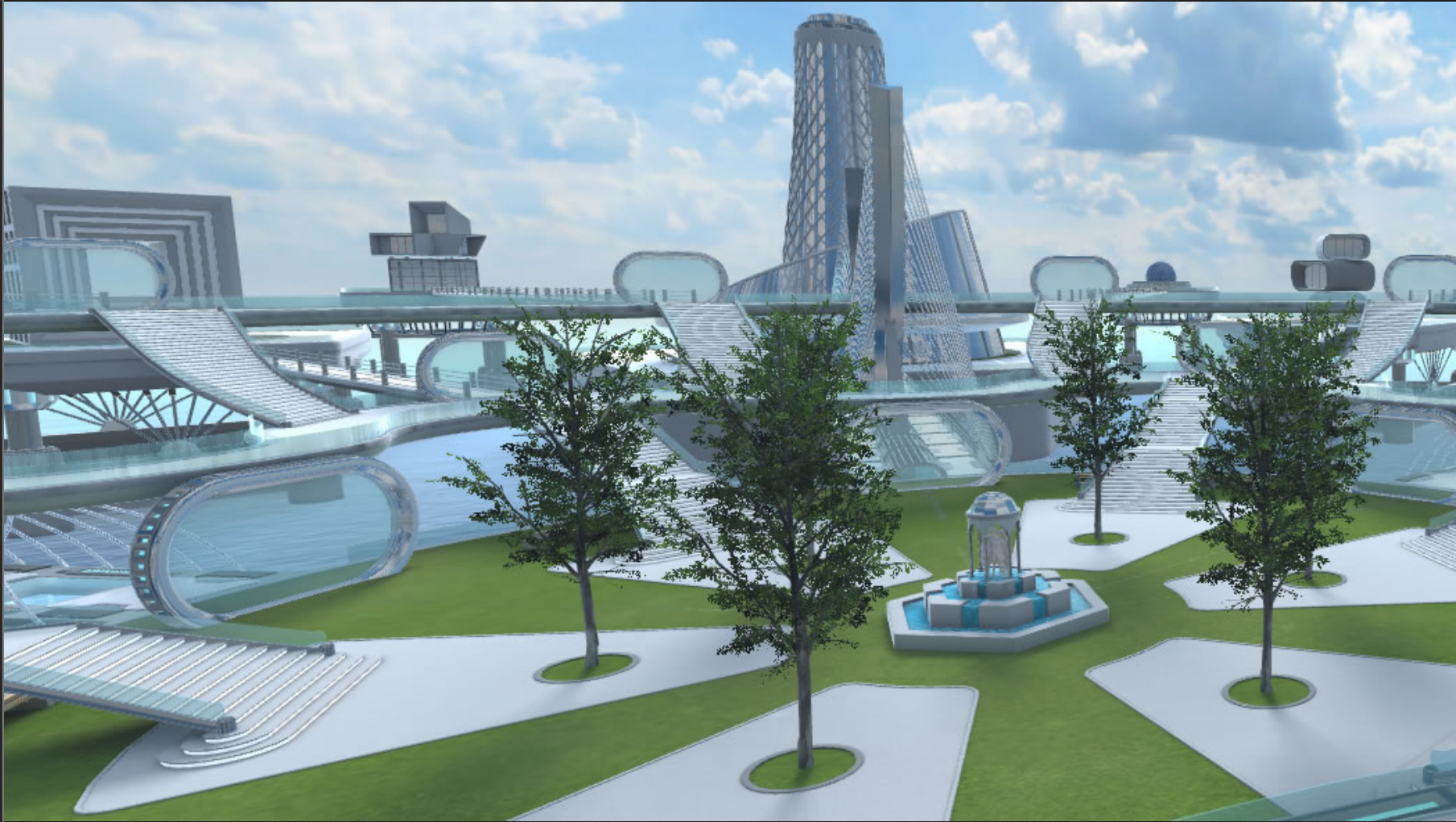
The only virtual world platform with **ISO 27001** security certification and European **GDPR** compliance, ENGAGE has unmatched privacy and security.

ENGAGE is also one of the few VR platforms that supports a wide range of devices including (but not limited to) phones, tablets, standalone VR devices, standard PCs, and Mac devices.

The metaverse is an evolution of the internet and should be accessible by all no matter what device they choose to use.





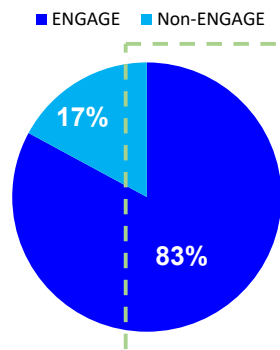
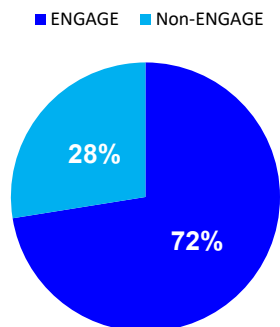


Professional Metaverse Preview

# FY2022 | ENGAGE Driving Group Performance

	H1 2022 (€)	H1 2021 (€)	% Change
<b>Revenue</b>	<b>1,757,438</b>	<b>1,248,441</b>	<b>+41%</b>
<i>ENGAGE</i>	1,457,019	904,895	+61%
<i>Non-ENGAGE</i>	300,419	343,546	(13%)
<b>Gross Profit</b>	<b>1,420,194</b>	<b>992,572</b>	<b>+43%</b>
<i>Gross profit margin</i>	81%	80%	+1%
<b>Cash and cash equivalents</b>	<b>4,900,780</b>	<b>9,192,065</b>	<b>-47%</b>

- Generated H1 22 revenue of **€1.76m** up approx. 41% **on prior period**
- ENGAGE revenue up by over 60%, now accounting for greater than 80% of Group revenues
- €1.5m in ENGAGE Revenue to 30 June 2022 up approx. 61% on prior period.
- Gross profit margin shows a slight increase to 81% up from 80% in prior period.
- Cash balance of **€4.9m** with net monthly cash burn running at approx. €0.45m at period end which burn declining with continued revenue growth



# Financial Summary – Income Statement

6 months ended 30 June	H1 2022 (€)	H1 2021 (€)	% Change
<b>Revenue</b>	<b>1,757,438</b>	<b>1,248,441</b>	<b>+41%</b>
<i>Cost of Sales</i>	<i>(337,244)</i>	<i>(255,869)</i>	<b>+32%</b>
<b>Gross Profit</b>	<b>1,420,194</b>	<b>992,572</b>	<b>+43%</b>
Gross Profit %	81%	80%	<b>+1%</b>
<i>Administrative Expenses</i>	<i>(4,200,985)</i>	<i>(2,287,350)</i>	<b>+84%</b>
<b>Operating Loss</b>	<b>(2,780,791)</b>	<b>(1,294,778)</b>	<b>+115%</b>
<b>EBITDA</b>	<b>(2,526,448)</b>	<b>(955,865)</b>	<b>+164%</b>
<i>Finance Costs</i>	<i>(17,524)</i>	<i>(3,259)</i>	<b>+438%</b>
<b>Total comprehensive loss for the period</b>	<b>(2,798,315)</b>	<b>(1,298,037)</b>	<b>+116%</b>

- H1-22 revenue of €1.76m up approx. 41% on prior year
- Increase in gross profit to €1.42m up approx. 43% on prior year. Gross profit % showing a slight increase from 80% in the prior period to 81% in current period.
- Increase in administrative expenses primarily driven by increased headcount in 2022 due to continued expansion of team specifically the expansion of the sales team which has grown from 2 to 10 since the start of 2022.
- Increase in EBITDA loss driven by rise in administrative expenses offset by increase in gross profit.



# Financial Summary – Balance Sheet

6 months ended 30 June	2022 (€)	2021 (€)	% Change
<i>Non-Current Assets</i>			
Fixed & Intangible Assets	312,069	744,480	-58%
<i>Current Assets</i>			
Trade & Other Receivables	1,087,352	610,704	+78%
Cash and cash equivalents	4,900,780	9,192,065	-47%
<i>Total Current Assets</i>	<i>5,988,132</i>	<i>9,802,769</i>	<i>-39%</i>
<b>Total Assets</b>	<b>6,300,201</b>	<b>10,547,249</b>	<b>-40%</b>
<i>Equity &amp; Reserves</i>			
	5,675,641	10,195,361	-44%
<i>Liabilities</i>			
Trade and Other Payables	612,378	312,122	+96%
Operating Lease Liability	12,182	39,766	-69%
<i>Total Liabilities</i>	<i>624,560</i>	<i>351,888</i>	<i>+77%</i>
<b>Total Equity &amp; Liabilities</b>	<b>6,300,201</b>	<b>10,547,249</b>	<b>-40%</b>



# Financial Summary – Cash Flow

6 months ended 30 June	2022	2021	% Change
Adjusted loss from continuing operations	(2,798,315)	(1,298,037)	+116%
<i>Less:</i>			
Property, plant & equipment	(37,883)	(35,432)	+7%
<i>Plus:</i>			
Proceeds from issuance of shares	-	8,457,324	-100%
Other	257,578	333,219	-23%
Working capital movement	(310,660)	(297,726)	+4%
<b>Net cash (outflows)/inflows in period</b>	<b>(2,889,280)</b>	<b>7,159,348</b>	<b>-140%</b>
Opening cash	7,790,060	2,032,717	+283%
<b>Closing cash</b>	<b>4,900,780</b>	<b>9,192,065</b>	<b>-47%</b>







## Why Now?

Metaverse is an overused marketing term for what is in fact the evolution of the internet from a solo 2D experience reading web pages and watching flat videos to a 3D shared social experience with others exploring virtual worlds built by individuals, business and corporations.

The metaverse is not VR, Crypto or NFT's but these are all part of a wider ecosystem when combined can loosely be termed the "Metaverse". This is the same as saying the internet is not just a group of text based webpages it's a collection of tools and services accessible via a sharded network run by no single individual or governmental group.

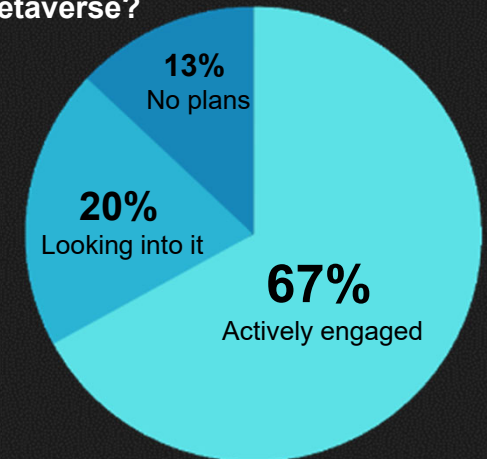


In PwC's survey of over 5,000 US consumers and 1,000 US business leaders, 50% of consumers call the metaverse exciting, and 66% of executives report that their companies are actively engaged.

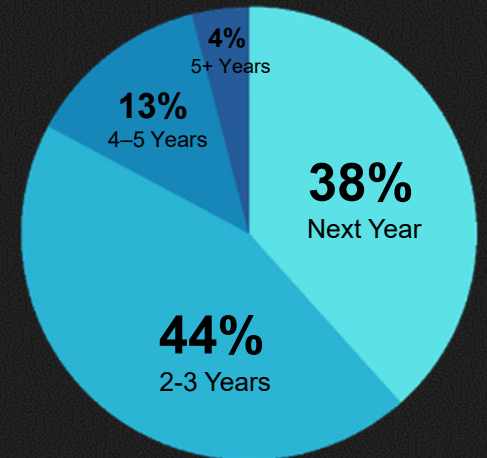
These companies are building proof of concepts, testing use cases and even generating revenue from metaverse environments or (more commonly) the underlying technologies. Eighty-two percent of executives expect metaverse plans to be part of their business activities within three years.

[Data Source PwC Q3 2022](#)

### Who's betting on the metaverse?

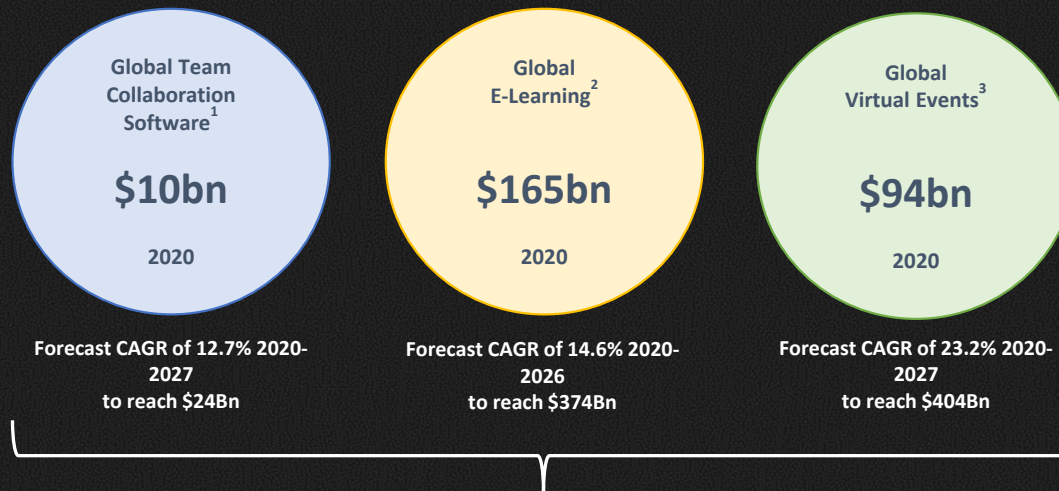


### ...and when they expect it to be business as usual





## Growing Global Markets



Requirement for virtual, remote communications in response to COVID impact and WFH (work from home) phenomenon is accelerating forecast growth rates in these markets and the market share for VR or next generation solutions



1 Grand View Research  
2 Facts & Factors  
3 Grand View Research  
4 Management Estimate

## ENGAGE Target Addressable Market (TAM)

- Management estimate a Total Addressable Market for ENGAGE of between **\$10bn– \$25bn**
- Within the overall markets VR/AR CAGR is expected to be a multiple of non-VR/AR CAGR for the foreseeable future
- ENGAGE has cross platform use on desktop, phone, and tablet positions EXR to participate in these broader markets, unrestricted by availability of VR/AR hardware
- Management expect 2023 to be another formative year, specifically with the launch of ENGAGE Link at the end of 2022, with regard to building an evidence base for the relevant ENGAGE TAM





## Evolving The Model

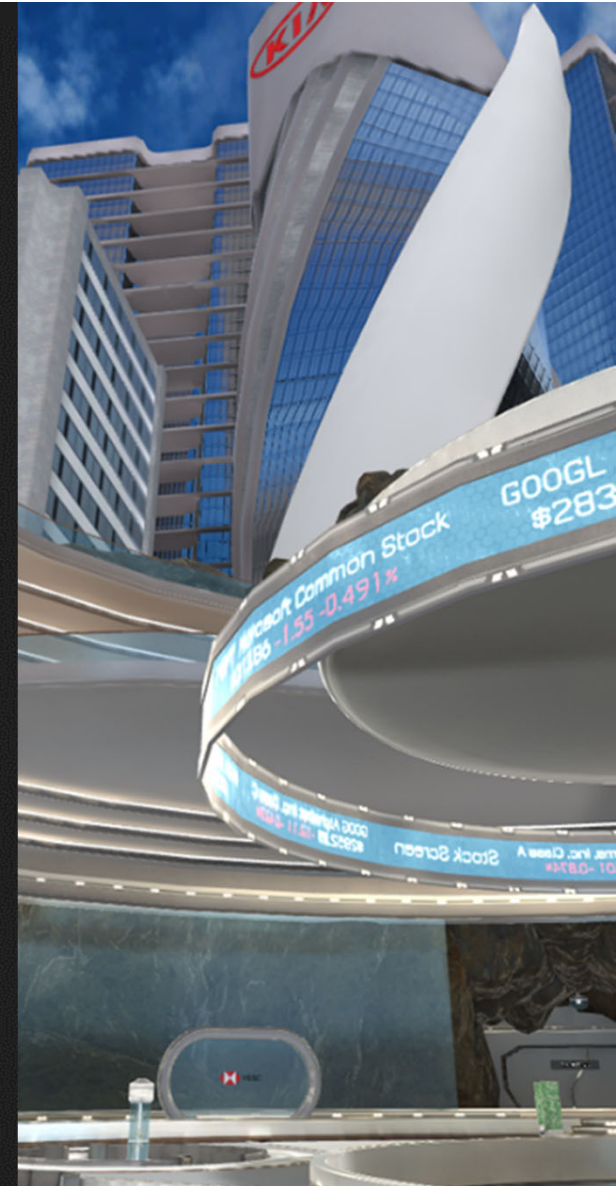
At ENGAGE today we generate revenue in one of three ways. We sell yearly licenses to customers, charge for professional events or charge for custom content development. This is a standard SaaS model which has grown revenue over the past couple of years. The release of our professional metaverse ENGAGE Link is going to enhance this model to include a B2C model where clients can sell direct to customers.

### Current Model

- Yearly license subscriptions
- Immersive event production
- Professional content development

### 2023 Model

- Yearly license subscriptions
- Immersive event production
- Professional content development
- MetaWorld hosting services
- Marketplace content sales revenue share
- Metaverse events revenue share
- Professional services revenue share

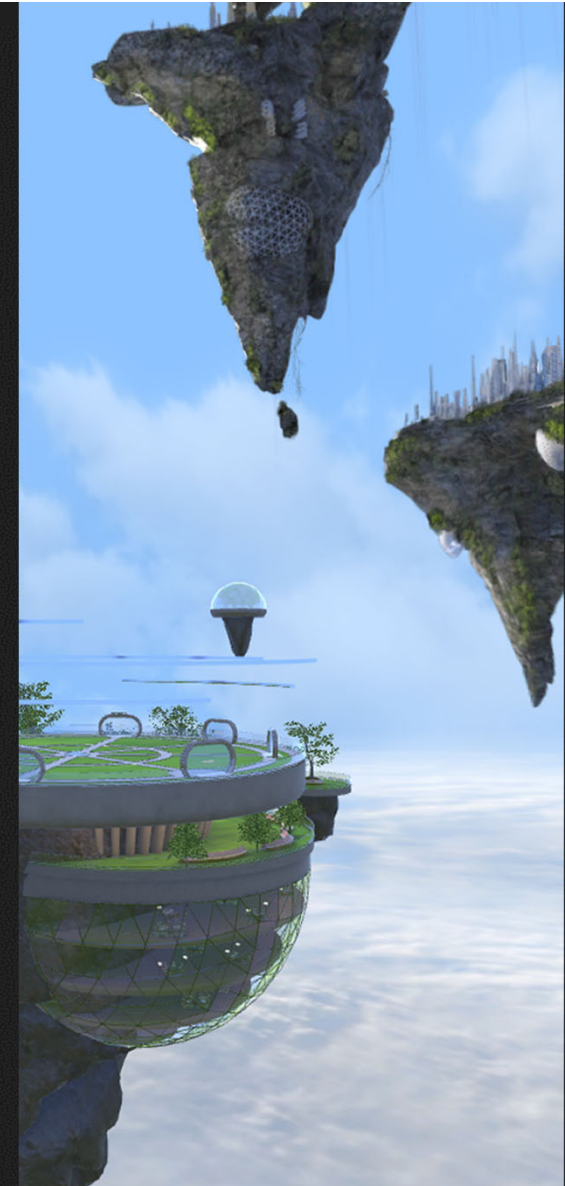




## ENGAGE Client List

ENGAGE has one of the largest corporate clients lists for metaverse services with 130+ commercial clients across the world. Clients range from fortune 500 companies and government agencies all the way to large educational institutions.

A small selection of our clients:







3M



3M Home is a worldwide access point for fully spatial 3D customer interaction and collaboration with 3M materials and technologies.

3M Home is used for sales demos, employee onboarding, collaboration and internal events.

3M Home [Link](#)



Meta



Meta use ENGAGE for client events, internal meetings and corporate functions.

One of the more public applications has been the setup of 10 Metaversities through a third party vender on the platform named Victory XR. All 10 Metaversities are being funded directly by Meta and setup as digital twins in the metaverse.



htc



HTC became a trusted partner of ENGAGE during the pandemic and have utilized ENGAGE for company events, product launches and also their own Vive Conference for the past 3 years.

HTC also utilize ENGAGE for client events and the build out of immersive content.



## Our Secret Sauce

As ENGAGE was originally developed for the education market its security and scalability were always at the forefront of our developers minds however its unique content development tools are what makes it stand out from the competition offering unparalleled options for users to create unique experiences and MetaWorlds.

Think of the ENGAGE content development tool similar to Unity3D however setup for newbies with no prior knowledge of [programming](#), [animation](#) or [3D modelling](#). Users can simply spatially record themselves in real time and bring that recording into the content editor to build out immersive content by simply dragging and dropping objects into the environment and adding special effects. The content editor follows a similar design philosophy to video editing software and our menu system is based on the usability features of an iPad.

This enables new users to easily build out extensive content libraries and simulations at a fraction of the cost of going to a production house. ENGAGE also has a cloud file management system to allow users to import [3D models](#), [videos](#), [animations](#) and [standard documents](#) quickly and easily.

Finally ENGAGE also has its own publishing features where users can share content privately or publish it to a wider audience making it available on our public index system. Coming soon will be the ability to sell your own content directly to others generating revenue from client made content.

Editor [Quick View Video](#)







## Conclusion

- An excellent **period of growth** for the company with revenue increasing **41%** to **€1.76m**
- Launch of new **ENGAGE Link** on track for **Q4** of current financial year
- **Strongest Sales Pipeline** to date for H2 2022 and beyond with significant increase in customer engagement
- Market is increasingly recognising the opportunities created by the **Metaverse**
- Client list increasing with more and more **fortune 500 companies**
- ENGAGE platform revenue now comprises **of 83% of total group revenue**
- Our perceived competition use our services to **provide professional events** and **meetings** within the Metaverse.

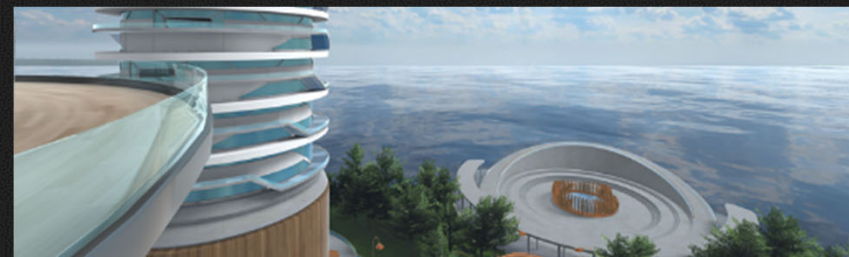




**Get In Touch**

**Contact Name:** David Whelan  
**Contact Email:** david@engageplc.com  
**Contact Phone:** +353851106823

**Web Address:** [www.engageplc.com](http://www.engageplc.com)







[www.engageplc.com](http://www.engageplc.com)



# ENGAGE

SUR IHVVL R QDO#P HWDYHUVH  
Dsshqglfhv



## Appendix 1 - Management Team



David Whelan  
Founder, CEO

[LinkedIn](#)



Sandra Whelan  
Founder, COO

[LinkedIn](#)



Seamus Larrissey  
CFO

[LinkedIn](#)



Richard Allin  
CRO

[LinkedIn](#)



David Forristal  
Head of Delivery

[LinkedIn](#)



## Board Members



Richard Cooper  
Chairman

[LinkedIn](#)



Kenny Jacobs  
Non Executive Director

[LinkedIn](#)



Praveen Gupta  
Non Executive Director

[LinkedIn](#)





## Appendix 2 - ENGAGE XR Holdings Plc Shareholder Information

### Share Information

Shares in issue: 290,101,146  
Options & Warrants: 23,455,846  
Fully Diluted: 313,556,992  
Shares not in public hands: 41.13%

Market Cap €35m

Live page [click here](#)

Shareholder Name	Number of shares	%
HTC	48,284,102	16.62
Octopus Investment Limited	43,622,391	15.02
Enterprise Ireland	18,998,760	6.54
Unicorn AIM VCT Plc	18,977,000	6.53
Barry Downes	13,047,200	4.49
Canaccord	12,500,000	4.30
Suir Valley Ventures	10,528,580	3.63
Aviva plc	9,809,410	3.38

### Related Parties – Directors Shareholdings

Shareholder Name	Number of shares	%
David Whelan	38,665,000	13.31
Sandra Whelan	38,665,000	13.31
Richard Cooper	1,070,400	0.37
Seamus Larrissey	88,000	0.03

[Company Information](#)

