



2023 Full Year Results Presentation

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What is **ENGAGE?**

ENGAGE is the platform for professionals seeking Spatial Computing, AI and Metaverse services for use in training, events, development, onboarding and educational use cases.

- What is **Spatial Computing / Mixed Reality**?
- What is **Metaverse**?
- Why **Now**? What are the **benefits**?

4x

Faster to train than in the classroom

275%

More confident to apply skills learned after training

4x

More focused than their e-learning peers

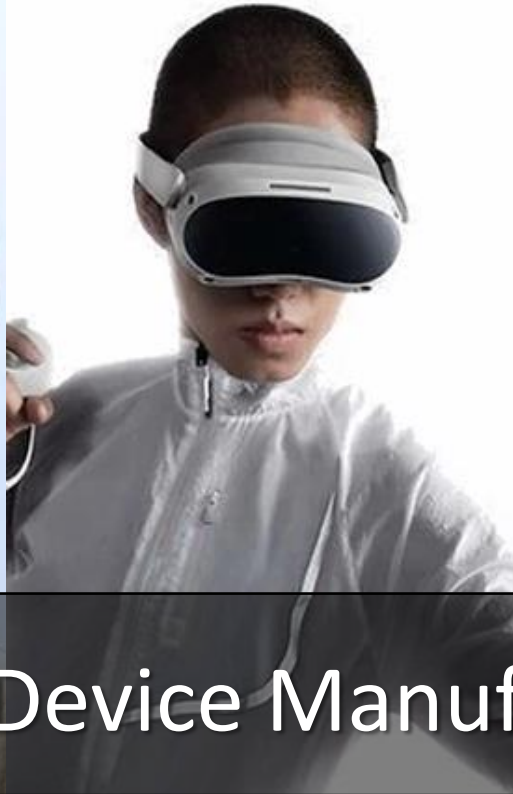
[View Full Survey and Results Here](#) 





ENGAGE

Trailer



Current Device Manufacturers



SAMSUNG

Google

SONY

Coming To Market

A large, high-angle photograph of a modern office space with several employees working at long white desks. The office has large windows on the right side, and the overall atmosphere is professional and active.

2023 Return To Work

- Late 2022 – removal of travel restrictions
- Late 2022 – tech company lay offs
- Negative impact on Enterprise renewals at the end of 2023
- Focus from business team on K12 and 3rd level education for revenue opportunities
- Expect churn and net revenue retention levels to improve in 2024

What are the **Use Cases?**

Virtual Worlds and Immersive technologies such as VR/AR have been used in industry and training for over 40 years.

Now that this technology has become affordable, we are seeing growth areas with clients of the ENGAGE platform who use it for:

- **A.I Enhanced Remote Training & Development**
- **Remote Education**
- **Immersive Content Development**
- **Digital Twins & Virtual MetaWorld Hosting**
- **Virtual Meetings, Exhibits & Events**
- **Virtual Product Launches**
- **Team Building & Collaboration**

AI Real Time Demo

Nikola Tesla

AI powered Avatars in ENGAGE are extremely smart and can be used for a wide variety of different role play scenarios. This video example shows Nikola Tesla in our School of AI, however the same technology is now being refactored for our enterprise users.

Key Points:

- Trained and educated using extensive documentation so responses are accurate
- Voice is AI generated from a real person
- Can be linked into other sub systems of ENGAGE to trigger content or features
- Will be extensively tested within K12 education over the next few months before being released to enterprise clients

Use Cases:

- Replacement for live HR onboarding of staff
- Can be used as a virtual sales rep
- Can be used for robust training scenarios which change depending on responses and inputs

NOTE: ENGAGE is already working with clients on using AI Avatars for training and development.



Industry Professional Training

Virtual Film School

The Metaverse Film School brings the professional motion picture production & soundstage experience to a whole new world of aspiring filmmakers - creative minds who would likely never be able to access this level of experience and education otherwise.

Key Points:

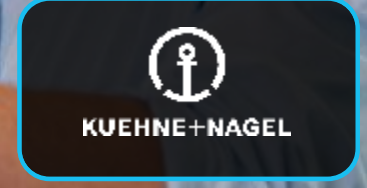
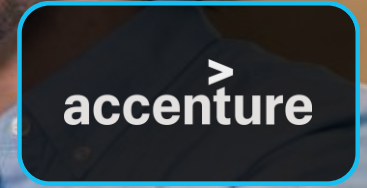
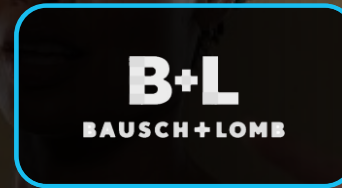
- Large cost reduction on providing courses
- Access to expensive equipment virtually
- Ability to teach remotely
- Set changes are done instantly drastically reducing time requirement



THE METAVERSE
FILM SCHOOL LLC

Our CLIENTS

Here you will see a small selection of clients who use ENGAGE to provide a range of different services for their clients, employees and students. Clients included in the selection are either long-term renewing clients who have increased their spend in 2023/2024 or new clients during the period.



Growth Strategy

Existing Customers

Retain and grow

New Customers

Focus on Quality

Sector Focused

Core Education and Training Focus

Product
Improvements

AI Aided Immersive Education and Training

Strong Pipeline

Current pipeline of €5m for 2024

Financial Overview FY-23

ENGAGE FY-23 Financial Highlights



Group Revenue

€3.7m

FY-22

€3.9m

Gross Margin

90%

FY-22

82%

ENGAGE Platform Revenue

€3.3m

FY-22

€3.3m

EBITDA Loss

€4.0m

FY-22

€5.8m

Recurring Revenue

66%

FY-22

71%

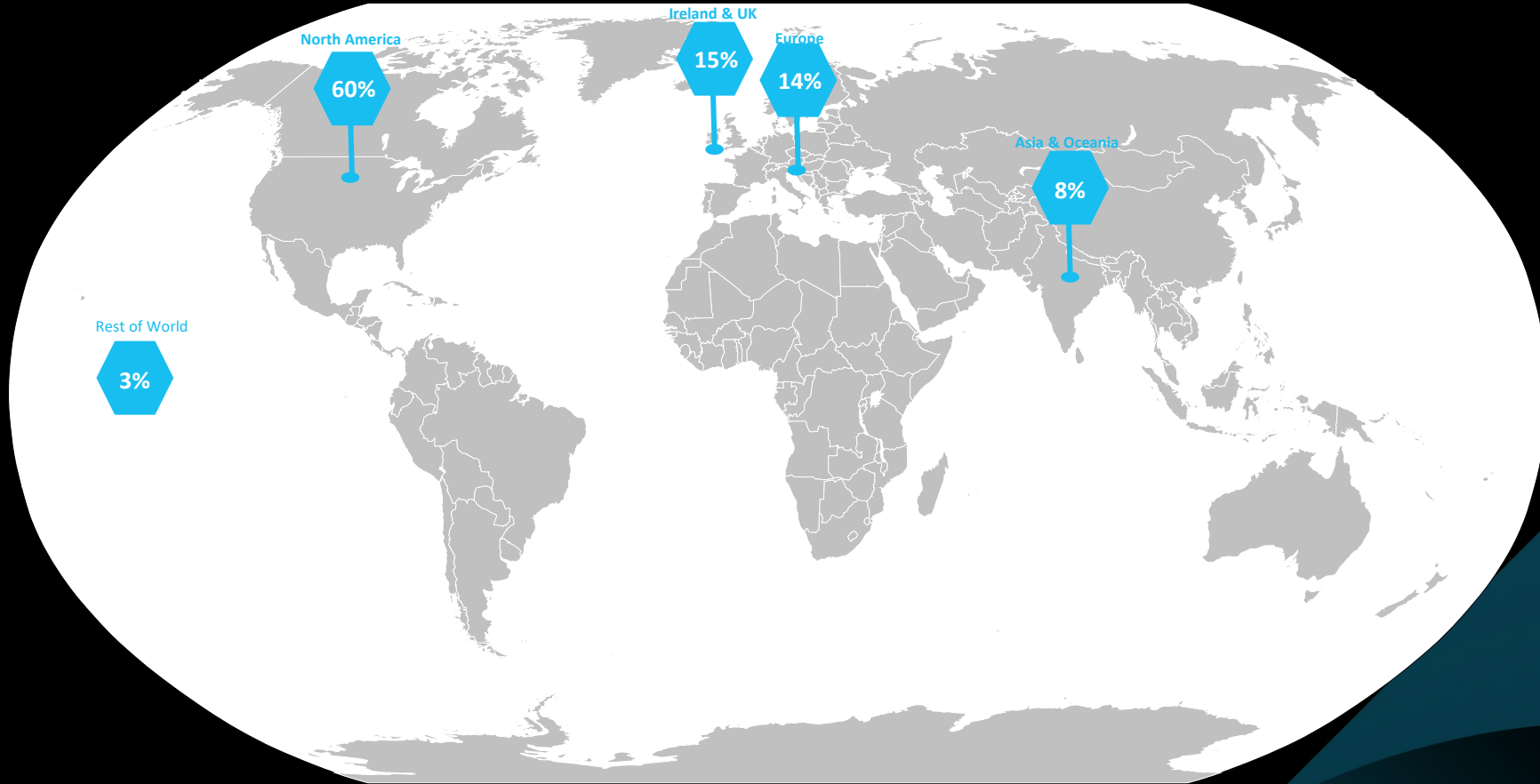
Cash at Year End

€7.9m

FY-22

€2.2m

ENGAGE Revenue at a Glance

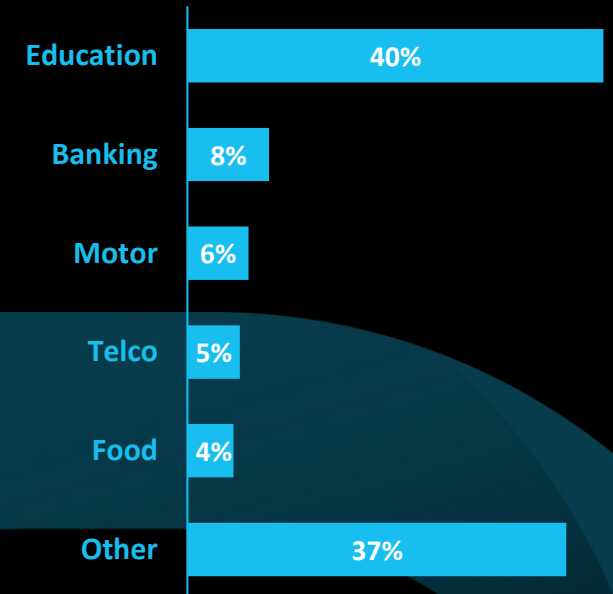


Customer Overview - 2023

>14,000

licensed customers

2023 Revenue by Industry

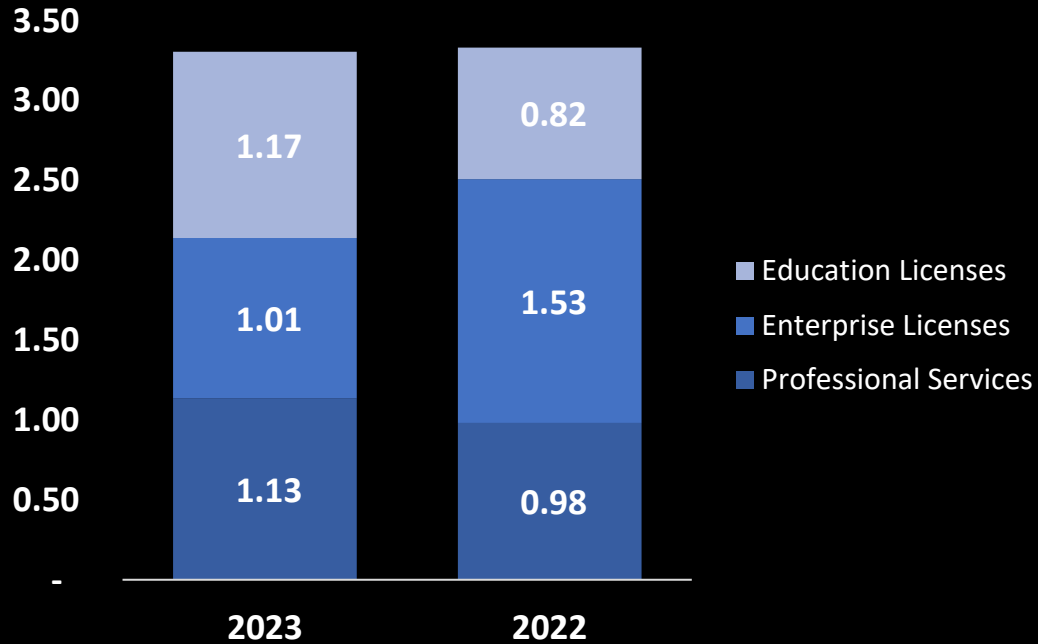


ENGAGE Revenue by Type

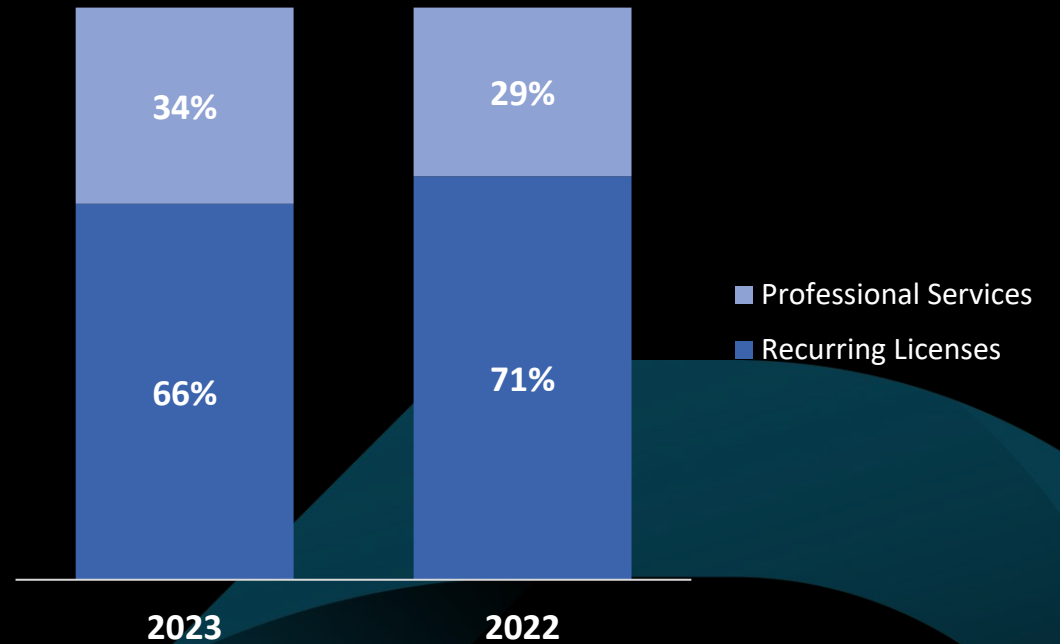
Increased focus on Education License Revenue in 2023 and expected into 2024

2024 focus to grow recurring revenue

ENGAGE Revenue by Type - €m



Revenue by Type - Recurring/Non-Recurring

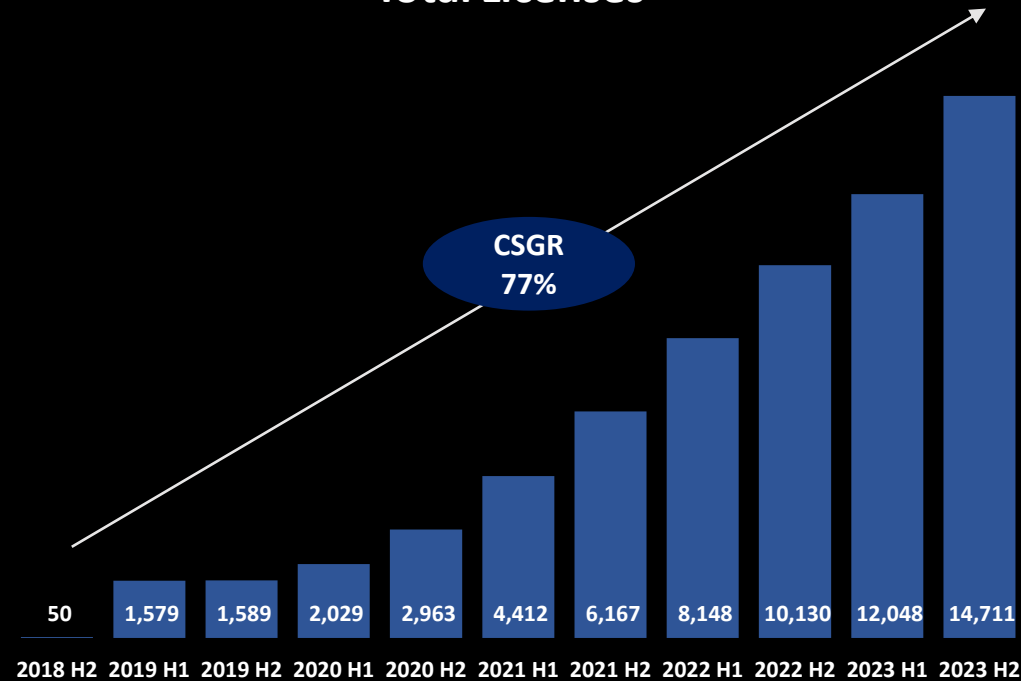


ENGAGE Platform Growth Story

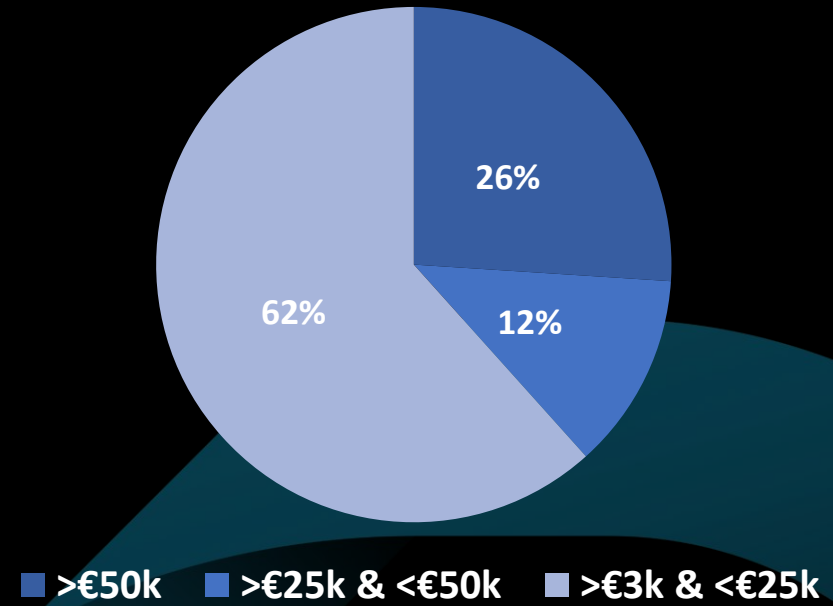
+77% Compound Semi Annual Growth in License Numbers

26% of Contracts Won >€50k

Total Licenses¹



Average Contract Value



¹ As at 31 December 2023. Classified as a license if active as at period end.

Current Trading & Outlook

- Record revenue in Q1 2024 of **€2.0m** which includes our first seven figure deal in the middle east.
- **4** of our **Largest** ever deals have been signed in the past 9 months primarily **education and training** related.
- **School of AI** is being released within weeks with follow on offerings for Universities and Enterprise coming during the summer months.
- Most if not all of our non renewing clients have now been **cleared out** of our pipeline giving clarity to revenue expectations and focus areas.
- New hardware releases focusing on **AR** and **Spatial Computing** services being released over the coming months providing new product possibilities for the ENGAGE platform to capitalize upon.
- Our sales pipeline is showing less in **deal quantity** and more in **deal quality** with **€5.0m** in total potential deals at various stages of negotiation. Revenue month to month will be lumpy however larger deals will be significant and on a more regular basis.



ENGAGE

Appendices

Appendix 1 – Management Team



David Whelan
Founder, CEO

[LinkedIn](#)



Sandra Whelan
Founder, COO

[LinkedIn](#)



Séamus Larrissey
CFO

[LinkedIn](#)



Frank Forsey
CRO

[LinkedIn](#)



David Forristal
Head of Delivery

[LinkedIn](#)

Board Members



Richard Cooper
Chairman

[LinkedIn](#)



Kenny Jacobs
Non Executive Director

[LinkedIn](#)

Appendix 2 - Financial Summary – Income Statement

Year ended 31 December	2023 (€)	2022 (€)	% Change
Revenue	3,690,697	3,868,574	-5%
<i>Cost of Sales</i>	<i>(379,640)</i>	<i>(709,018)</i>	-46%
Gross Profit	3,311,057	3,159,556	+5%
Gross Profit %	90%	82%	+8%
<i>Administrative Expenses</i>	<i>(7,551,774)</i>	<i>(9,133,860)</i>	-17%
Operating Loss	(4,240,717)	(5,974,304)	-29%
EBITDA	(4,033,467)	(5,751,200)	-32%
Total comprehensive loss for the year	(4,054,078)	(6,004,885)	-32%

- FY-23 revenue of €3.7m down approx. 5% on prior period due primarily from delays in contracts closing at end of Q4 2023. First seven figure deal signed in early FY-24 that was expected during FY-23.
- Increase in gross profit margin from 82% in FY-22 to 90% in FY-23 due to greater ENGAGE contribution and no significant subcontracted development costs.
- Decrease in administrative expenses primarily driven by strong cost control within the year and reduction in headcount at start of 2023.
- Decrease in EBITDA loss driven by increase in gross profit and cost containment within administrative expenses.

Appendix 3 - Financial Summary – Balance Sheet

Year ended 31 December	2023 (€)	2022 (€)	% Change
<i>Non-Current Assets</i>			
Fixed & Intangible Assets	123,728	135,577	-9%
<i>Current Assets</i>			
Trade & Other Receivables	1,195,333	1,365,982	-12%
Cash and cash equivalents	7,911,079	2,209,169	+258%
<i>Total Current Assets</i>	<u>9,106,412</u>	<u>3,575,151</u>	<u>+155%</u>
Total Assets	<u>9,230,140</u>	<u>3,710,728</u>	<u>+149%</u>
<i>Equity & Reserves</i>	8,527,635	2,480,358	+244%
<i>Liabilities</i>			
Trade and Other Payables	615,237	1,222,488	+4%
Operating Lease Liability	87,268	7,882	+1007%
<i>Total Liabilities</i>	<u>702,505</u>	<u>1,230,370</u>	<u>-43%</u>
Total Equity & Liabilities	<u>9,230,140</u>	<u>3,710,728</u>	<u>+149%</u>

- Trade and other receivables were €1,195k, ahead of trade and other payables at €615k
- Trade receivables represented an average of 59 debtor days (2023: 52 days). No history of bad debts within the group and the increase merely reflects the timing of invoices in December 2023.
- Cash position on 31 December 2023 was €7.9 million with no debt. At 31 March 2024 cash position was €7.0 million.

Appendix 4 - ENGAGE XR Holdings Plc Shareholder Information



Share Information

Shares in issue: 524,826,146

Options: 42,078,473

Fully Diluted: 566,904,619

Shareholder Name	Number of shares	%
Canaccord	108,395,212	20.65
HTC	62,780,087	11.96
Octopus Investment Limited	54,567,391	10.40
Seneca	21,583,574	4.11
Enterprise Ireland	18,998,760	3.62
Unicorn AIM VCT Plc	18,977,000	3.62
Premier Miton	18,625,000	3.55

Related Parties – Directors Shareholdings

Shareholder Name	Number of shares	%
David Whelan	38,665,000	7.37
Sandra Whelan	38,665,000	7.37
Richard Cooper	1,070,400	0.20
Séamus Larrissey	88,000	0.02