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This announcement is released by ENGAGE XR Holdings plc and contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("EU MAR") and for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR"), and is disclosed in accordance with the company's obligations under Article 17 of EU MAR and Article 17 of UK MAR.

6 February 2023

ENGAGE XR Holdings plc
("ENGAGE XR" or the "Company")

£8.8 million Placing

ENGAGE XR, the virtual reality technology company focused on becoming a leading global provider of virtual communications solutions through ENGAGE, is pleased to announce the successful completion of an oversubscribed placing of new Ordinary Shares (the "Placing") following the announcement released earlier this morning (the "Fundraising Announcement").

The definitions referenced in this announcement have the same meanings given to them in the Fundraising Announcement unless otherwise stated.

A total of 219,879,015 new Ordinary Shares of €0.001 each in the capital of the Company (the "Placing Shares") have been placed by Davy, finnCap and Shard at a price of 4 pence per Placing Share, raising gross proceeds of approximately £8.8 million or €9.9 million (before expenses). The Placing Shares represent approximately 75.7% of the Company's issued ordinary share capital immediately prior to the Placing.

The Placing is conditional on, *inter alia*, the passing of the Resolutions at the EGM of the Company to be held on 3 March 2023.

The Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid that have a record date of after the date of issue of the Placing Shares.

Applications will shortly be made to Euronext Dublin and to the London Stock Exchange for the Placing Shares to be admitted to trading on Euronext Growth and AIM respectively ("Admission"). It is expected that settlement of the Placing Shares will occur, Admission will become effective and that dealings will commence in the Placing Shares at or before 8.00 a.m. (London Time) on 6 March 2023. The Placing is conditional, among other things, upon Admission becoming effective and the placing agreement between the Company, Davy, finnCap and Shard (the "Placing Agreement") not being terminated in accordance with its terms.

Octopus Investment Limited is considered to be a related party of the Company for the purposes of the AIM Rules by virtue of its status as a substantial shareholder of the Company. Octopus Investment Limited has agreed to subscribe for 11,875,000 Placing Shares as part of the Placing.

The Directors, having consulted with finnCap, the Company's nominated adviser, consider that the terms of the participation in the Placing by Octopus Investment Limited is fair and reasonable insofar as the shareholders of the Company are concerned.

Davy, finnCap and Shard are acting as Joint Bookrunners in respect of the Placing.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement.

Commenting on the Placing, David Whelan, Chief Executive, said:

"I am absolutely delighted by the support shown by both new investors and existing shareholders in this successful oversubscribed Placing. I am very excited by the opportunities for ENGAGE XR and the funding from this Placing provides the Company with the balance sheet strength to really capitalise on our leading market position and deliver against the significant market opportunity before us"

For further information on the Announcement, please contact:

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The person responsible for arranging release of this Announcement on behalf of ENGAGE XR is Séamus Larrissy.

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This Announcement is for information purposes only and does not constitute an offer to buy, sell, issue, acquire or subscribe for, or the solicitation of an offer to buy, sell, issue, acquire or subscribe for shares in the capital of the Company in any Restricted Territory or to any person to whom it is unlawful to make such offer or solicitation. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. No public offer of the shares referred to in this Announcement is being made in Ireland, the United Kingdom, the United States, any Restricted Territory or elsewhere.

This Announcement has been issued by and is the sole responsibility of the Company. None of the Joint Bookrunners, nor any of their respective affiliates accept any responsibility whatsoever for the contents of the information contained in this Announcement or for any other statement made or purported to be made by or on behalf of the Joint Bookrunners or any of their respective affiliates in connection with the Company, the Placing Shares or the Placing. The Joint Bookrunners and each of their respective affiliates accordingly disclaim all and any liability, whether arising in tort, contract or otherwise in respect of any statements or other information contained in this Announcement and no representation or warranty, express or implied, is made by or on behalf of the Joint Bookrunners or any of their respective affiliates as to the accuracy, completeness or sufficiency of the information contained in this Announcement.

Subject to certain exemptions, the securities referred to herein may not be offered or sold in any Restricted Territory or for the account or benefit of any national resident or citizen of any Restricted Territory. The Placing Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("Securities Act"), or under the securities laws of, or with any securities regulatory authority of, any state or other jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in or into the United States absent registration under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. Any offering of the Placing Shares to be made (i) in the United States will be made only to a limited number of "qualified institutional buyers" ("QIBs") within the meaning of Rule 144A under the Securities Act ("Rule 144A") in accordance with Rule 144A or pursuant to an exemption from the registration requirements of the Securities Act in a transaction not involving any "public offering" and (ii) outside the United States in offshore transactions within the meaning of, and in reliance on, Regulation S under the Securities Act ("Regulation S").

Davy, which is regulated in Ireland by the Central Bank of Ireland is acting as a Joint Bookrunner for the Company and for no-one else in connection with the Placing referred to in this Announcement and is not, and will not be, responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement.

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The distribution of this Announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Joint Bookrunners that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Joint Bookrunners to inform themselves about, and to observe, such restrictions. The information in this Announcement may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution, reproduction, or disclosure of this information in whole or in part is unauthorised. Failure to comply with this directive may result in a

disclosure of the information in whole or in part to fraudulent purposes or to comply with the disclosure may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future events and the Company's future financial condition and performance. These statements, which sometimes use words such as "aim", "anticipate", "believe", "may", "will", "should", "intend", "plan", "assume", "estimate", "expect" (or the negative thereof) and words of similar meaning, reflect the Directors' current beliefs and expectations and involve known and unknown risks, uncertainties and assumptions, many of which are outside the Company's control and difficult to predict, that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Statements contained in this Announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this Announcement speaks only as of the date of this Announcement and is subject to change without notice and the Company does not assume any responsibility or obligation to, and does not intend to, update or revise publicly or review any of the information contained herein, whether as a result of new information, future events or otherwise, except to the extent required by the Euronext Growth Rules for Companies, the AIM Rules for Companies, the London Stock Exchange, Euronext Dublin, the Central Bank of Ireland or by applicable law or regulation. No statement in this Announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company.

The Placing has not been approved and will not be approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is unlawful.

The most recent Annual and Interim Reports and other information are available on the ENGAGE XR website at <https://engagevr.io/investors/>. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

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