

6 August 2024

**ENGAGE XR Holdings Plc**  
("ENGAGE XR" or the "Group")

**Pre-Close Trading Update and Notice of Results**

ENGAGE XR Holdings Plc, a leading immersive technology company, is pleased to provide an update on trading for the six months ending 30 June 2024. The Group expects to publish its interim results for the six months ending 30 June 2024 on Thursday 19 September 2024.

**Financial Highlights:**

- Group revenue has grown with H1 2024 revenue of c.€2.2 million, an increase of 5% (H1 2023: €2.1 million).
- In addition, the Group has c.€0.8m of contracted revenue that is due to be recognised in the second half of the year, along with a promising pipeline of opportunities for this period.
- ENGAGE revenue is the main driver of the increase with revenue in the period of c.€2.1 million, up 11% (H1 2023: €1.9m).
- ENGAGE revenue comprises 95% of H1 2024 total revenue (H1 2023: 91%)
- Gross margin in H1 2024 was 89%, down 4% (H1 2023: 93%). This is driven by one off hardware purchases for a key customer in early 2024 and not a permanent reduction in gross margin.
- EBITDA loss was €1.8m (H1 2023: loss of €2.2m), with Group administrative expenses being largely salary and associated costs.
- Loss before tax was €1.8m, in line with expectations, compared to a loss in H1 2023 of €2.2m.
- Cash balance at 30 June 2024 of €5.5m (31 December 2023: €7.9m).

**Operational Highlights**

- The period has seen a continuation of the trends seen in 2023 with Enterprise growth within Corporate Learning & Development seeing further progress.
- The Group signed a seven-figure contract with a large Middle East-based company in the corporate education, training, and development sector. Working in partnership with PWC Middle East, ENGAGE XR is developing a private MetaWorld for the company to deliver language learning programmes and professional ongoing development.
- The Group extended its relationship with Bank of America. Having previously signed a contract with the same bank in 2023 for employee onboarding via an event on the ENGAGE platform, the Group was delighted to enter into a further scope of work with the bank. This additional six-figure contract continues the work done on the ENGAGE platform by the bank to deliver employee onboarding, together with ongoing development of the platform being provided to the bank. [See Link](#)
- In the period, the Group also extended its existing relationship with a world leading private educational provider [InspiredED](#) signing a mid-six-figure contract for the delivery of education licenses to a small percentage of their 80k students globally. This represents a 10x growth in contracted revenue with this client on the ENGAGE platform as they seek to expand their immersive learning initiatives on a global basis.
- In March 2024, the Group announced the launch of the "School of AI" to a selection of the Group's educational clients. School of AI is a new offering that creates an immersive learning environment, in which students can speak to notable figures of history, powered by conversational and generative AI. A full roll out of School of AI is set to occur this September to boost its overall educational offering. [See Link](#)

**Post-period end Highlights:**

- As announced in May 2024, the group appointed Karthik Manimozhi as the Group's new non-Executive Chairman that became effective from 1 July 2024. Karthik Manimozhi is a distinguished global executive renowned for orchestrating three separate billion-dollar exits, securing over \$250M in capital, and scaling multi-billion-dollar SAAS software revenues. A proven rainmaker, he has demonstrated exceptional skill in scaling tech ventures, driving innovation, and fostering collaboration.

**David Whelan, CEO of ENGAGE XR, said:** "I am satisfied with the resilient performance of the business in the first half of the year. Despite a continued reduction in enterprise spending as remote events and immersive marketing continue to reduce post-lockdown, we have made good progress within the Corporate Learning & Development sectors within Enterprises. This is validated with the signature of deals with Bank of America. In addition there is also the work we are doing with our Middle Eastern enterprise client via PwC to develop a private MetaWorld to deliver language learning programmes and ongoing professional development. With the additional contracted revenue yet to be recognised and the strength of the pipeline, the Board remains confident in delivering against its expectations for the year.

Against a backdrop where our platform partners such as Meta and Lenovo continue to look to build out recurring revenues in the education, training and development sectors, I remain as confident as ever that ENGAGE is in a prime position to capitalise on this nascent but growing market."

*The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU No. 596/2014) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain*

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**About ENGAGE XR**

ENGAGE XR Holdings plc (AIM: EXR) is an extended reality (XR) technology company focused on becoming a leading global provider of virtual communications solutions through its new fully featured corporate metaverse, ENGAGE Link. A demonstration of ENGAGE Link is [here](#).

The Company also has a proprietary software platform, ENGAGE. ENGAGE provides users with a platform for creating, sharing, and delivering VR content for education, training, and online events through its three solutions: Virtual Campus, Virtual Office, and Virtual Events.

For further information, please visit: [www.engagexrholdings.com](http://www.engagexrholdings.com) (LinkedIn: @Engage XR Holdings plc Twitter: @engage\_xr)

**Forward-Looking Statements**

*Certain statements made in this announcement are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Group's current expectations, estimates, and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Group's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements.*

*The Group cautions security holders and prospective security holders not to place undue reliance on these forward-looking statements, which reflect the view of the Group only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Group will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances,*

*or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.*

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