



Interim Results
For the six months ended 30 June 2018

18 September 2018

VREDUCATION
HOLDINGS

AGENDA

- Introduction to VR Education
 - Company overview
 - Strategy
- H1 update
 - VR/AR market
 - ENGAGE update
 - Financial Summaries
 - VR Experiences
 - Apollo 11
 - Titanic
- Current Trading & Outlook

PRESENTING TODAY

LEADING THE REVOLUTION IN EDUCATION

David Whelan

Chief Executive Officer

David is a tech entrepreneur and founder of VR Education. He is a former Editor in chief of Virtual Reality Reviewer and a multi-awarding winning VR director and producer with 10+ years web development background in app creation and programming large CRM systems. Former Irish rugby player and winner of the TimeWarner Award and nominated at the Venice Film Festival as best director for a BBC commissioned 1943:Berlin Blitz VR Experience.

Séamus Larrissey

Chief Financial Officer

Séamus has 12+ years' experience in finance. His previous roles a senior finance position at TSSG Group looking after 100+ staff and researchers and as an auditor for Ernst & Young.

H1 2018 HIGHLIGHTS

- Successful oversubscribed placing to raise £6 million
- Apollo 11 VR educational experience selected to be part of the launch collection for Oculus Go, Oculus' new all-in-one VR headset.
- Team strengthened with the appointment of key strategic hires including a new Chief Technology Officer.
- Loren Carpenter, one of the founders of Pixar Animation Studios, appointed as an adviser.

Post Period End Highlights

- Launch of Titanic VR on Oculus Store & Steam Store
- Delivery of BBC project Berlin Blitz (nominated for a Venice Film Award)
- Release of ENGAGE Alpha 0.5.3

WHAT WE DO

VR social learning & training platform
delivering live & recorded presentations/lectures



Standalone experiences being developed to showcase
platform assets and generate early revenue

OUR PLATFORM

SHORT PLATFORM OVERVIEW



Engage allows users to provide

- Remote distance learning
- Provide teacher & presenter presence
- Full communication both verbal & non verbal
- Fully immersive learning environments
- Interactive testing
- Interactive learning through simulated tasks
- Social / Group learning with proper peer support tools
- Collaboration tools *
- Live and recorded presentations & lectures
- Screen casting, 360 video streaming, media playback
- Recorded class activity playback *
- 4D effects

A FOCUSED STRATEGY

ESTABLISH ENGAGE AS A WORLD LEADING DIGITAL EDUCATION & CORPORATE TRAINING PLATFORM

OBJECTIVE

Provide students, educators and corporate trainers with an alternative to attending bricks and mortar institutes or expensive onsite simulated training

STRATEGY

- 1 Drive commercial adoption and revenue on ENGAGE VR social learning & training platform**
 - Partner with leading educational institutes and corporate trainers to help them provide content within the ENGAGE platform
 - Partner with VR/AR hardware manufacturers to package tailor-made solutions for corporate/simulated training such as safety/medical training
- 2 Provide complementary content attached to showcase experiences, produced and released on a yearly basis**

VR/AR MARKET UPDATE

GROWTH OF IMMERSIVE TECHNOLOGIES

Estimated worldwide unit shipments of augmented & virtual reality devices*



* incl. screenless viewers, standalone and tethered head-mounted displays;
forecast as of June 2018

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@StatistaCharts

Source: IDC

statista

[Capgemini](#) Research Institute

700 executives surveyed

46% of companies believe immersive technology will become in their organizations within the next 3 years.

82% of companies currently implementing AR/VR say the benefits are either meeting or exceeding their expectations.

A copy of the report can be downloaded [here](#)

NOTE: We will support all wearable immersive devices AR/VR and MR.

ENGAGE UPDATE

FIRST COMMERCIAL VERSION OF ENGAGE DUE FOR RELEASE IN Q4 2018

New features to include

- Payments system
- Scheduling & User management
- Web application / management system
- New Avatar System
- Desktop Streaming
- Oculus Go, Android, Vive Focus Support
- Google Docs, Dropbox and OneDrive Integration
- Quiz Creator & Test assessment system
- New network management and private server setup options

Successful recording of 10 lectures across multiple disciplines with Oxford University.

In talks with numerous large corporates around ENGAGE

FINANCIAL SUMMARY: INCOME STATEMENT

€'000	H1 2018	H1 2017
Revenue	300	230
Gross Profit	204	120
EBITDA	(1,215)	(144)
Adjusted loss from continuing operations ¹	(4,131)	(155)

1. Adjusted loss from continuing operations includes:
 - a. A non-cash fair value loss arising on derivate financial liabilities of €2.6 million arising from the conversion of convertible debt and preference shares to ordinary equity in Immersive VR Education Limited (“IVRE”) prior to the acquisition of IVRE by the Group.
 - b. Extinguishment costs of €0.3 million comprising a non-cash element of €0.2 million arising from share warrants issued to debt and preference shareholders in IVRE on conversion and also €0.1 million cash contributions made by IVRE to debt and preference shareholders as part of the commercial agreements entered into on conversion.

FINANCIAL SUMMARY: BALANCE SHEET

€'000	H1 2018	H2 2017
Property, plant and equipment	68	-
Intangible assets – software in development	613	-
Trade and other receivables	128	19
Cash and short term deposits	4,933	6
Total assets	5,742	25
Trade and other payables	(244)	-
Redeemable shares	-	(25)
Issued share capital and share premium	(21,780)	-
Merger reserve	11,106	-
Share option reserve	(373)	-
Retained earnings	5,549	-
Total equity and liabilities	(5,742)	(25)

FINANCIAL SUMMARY: CASH FLOW

€'000	H1 2018	H2 2017
EBITDA	(4,131)	-
Less: Capitalised software development costs	(176)	-
Property, plant & equipment	(30)	-
Add: Proceeds from IPO	6,180	-
Exceptional items	2,925	-
Working capital movement	21	-
Other	138	6
Net cash inflows in period	4,927	6
Opening cash	6	-
Closing cash	4,933	6

APOLLO 11

HUGELY POPULAR VR EXPERIENCE ACROSS DIFFERENT PLATFORMS

- Multi-award winning experience based on the Apollo 11 landing
- Available on Oculus, Steam, Viveport and PlayStation Store
- >130k copies sold
- Revenue so far over €1.2 million
- Planned HD update release for Q4 2018



Apollo 11
VR EXPERIENCE



TITANIC

VIRTUAL EXPLORATION OF THE WORLDS MOST FAMOUS SHIPWRECK

- Interactive exploration game and historically accurate experience based on eye-witness testimony and substantial research
- Early access release late Q4 2017
- Full version released on PC on 16 August 2018
- Full version to be released on PlayStation network in USA and Europe shortly
- Early response to full release very positive



TITANIC VR

CURRENT TRADING & OUTLOOK

Successful launch in August 2018 of Titanic VR on PC, Oculus Rift, HTC Vive, and Windows Mixed Reality.

Successful completion of the “1943: Berlin Blitz” experience in collaboration with BBC

Nomination for best Linear Virtual Reality experience in the Venice Film Festival for “1943: Berlin Blitz”

Apollo 11 HD to be released in early Q4 2018

Release date for Titanic VR on PlayStation network to be announced shortly



APPENDIX

APPENDIX 1 – STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Six months ended 30 June 2018 €	Unaudited Six months ended 30 June 2017 €
Revenue	300,110	230,420
Cost of Sales	(95,749)	(110,527)
Gross Profit	204,361	119,893
Administrative Expenses	(1,400,165)	(354,138)
Other Income	-	102,447
Operating Loss	(1,195,804)	(131,798)
Fair value (loss) / gain arising on derivatives financial liabilities	(2,638,063)	-
Extinguishment Costs	(267,971)	-
Finance Costs	(29,086)	(24,574)
Loss before Income Tax	(4,130,924)	(156,372)
Income Tax Credit	-	1,101
Loss for the Year from continuing operations	(4,130,924)	(155,271)

APPENDIX 2 – STATEMENT OF FINANCIAL POSITION

	Unaudited as at 30 June 2018 €	Audited as at 31 December 2017 €
Non-Current Assets		
Property, Plant & Equipment	68,116	-
Intangible Assets	612,421	-
	<u>680,537</u>	-
Current Assets		
Trade and other receivables	128,108	18,750
Cash and short term deposit	4,932,981	6,250
	<u>5,061,089</u>	<u>25,000</u>
Total Assets	<u>5,741,626</u>	<u>25,000</u>
Equity and Liabilities		
Equity Attributable to Shareholders		
Issued share capital	193,136	-
Share premium	21,587,539	-
Merger reserve	(11,106,364)	-
Share options reserve	372,604	-
Retained earnings	(5,548,980)	-
Total Equity	<u>5,497,935</u>	-
Current Liabilities		
Trade and other payables	243,691	-
Redeemable Shares	-	25,000
Total Liabilities	<u>243,691</u>	<u>25,000</u>
Total Equity and Liabilities	<u>5,741,626</u>	<u>25,000</u>

APPENDIX 3 – STATEMENT OF CASH FLOWS

	Unaudited Six months ended 30 June 2018 €	Audited Eighty day period ended 31 December 2017 €
Cash Flows from Operating Activities		
Loss before income tax	(4,130,924)	-
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation	36,621	-
Fair value loss arising on derivative financial liabilities	2,638,063	-
Finance Costs	29,086	-
Non-cash element of advisor warrants	112,381	-
Non-cash element of investor warrants	174,651	-
Share Option Expense	14,902	-
Movement in redeemable shares	25,000	-
Movement in Trade & Other Receivables	110,207	(18,750)
Movement in Trade & Other Payables	(114,328)	18,750
	<u>(1,104,341)</u>	-
Bank interest & other charges paid	(29,086)	-
Net cash used in operating activities	<u>(1,133,427)</u>	-
Cash Flows from Investing Activities		
Purchases of property, plant & equipment	(30,059)	-
Payments to develop Intangible Assets	(176,630)	-
Cash acquired on acquisition of subsidiary	86,801	-
Net cash used in investing activities	<u>(119,888)</u>	-
Cash Flows from Financing Activities		
Proceeds from issuance of ordinary shares	6,180,046	-
Proceeds from issuance of redeemable shares	-	6,250
Net cash generated from financing activities	<u>6,180,046</u>	<u>6,250</u>
Net increase in cash and cash equivalents	4,926,731	6,250
Cash and cash equivalents at beginning of period	6,250	-
Cash and cash equivalents at the end of period	<u><u>4,932,981</u></u>	<u><u>6,250</u></u>

APPENDIX 4 – A TEAM TO DELIVER

BOARD OF DIRECTORS

David Whelan

Chief Executive Officer

David is a tech entrepreneur and founder of VR Education. He is a former Editor in chief of Virtual Reality Reviewer and a multi-awarding winning VR director and producer with 10+ years web development background in app creation and programming large CRM systems. Former Irish rugby player and winner of the TimeWarner Award and nominated at the Venice Film Festival as best director for a VR BBC Berlin Blitz.

Séamus Larrissey

Chief Financial Officer

Séamus has 12+ years' experience in finance. His previous roles a senior finance position at TSSG Group looking after 100+ staff and researchers and as an auditor for Ernst & Young.

Richard Cooper

Non – Executive Chairman

Richard has over 25 years experience as an FD, in both publicly traded and privately owned companies in a variety of service industries including gaming, insurance, and financial services. Significant operations and M&A skills. Highly commercial and with extensive contacts in the City and the Gaming sector. LSE Official list, AIM and TSX technical experience.

Sandra Whelan

Chief Operating Officer

Sandra is a former Editor at Virtual Reality Reviewer. She has considerable experience including many years in corporate accounts management at E-Drive Group Telematics. Sandra was in charge of large corporate contracts.

Tony Hanway

Non – Executive Director

Current C.E.O of Virgin Media Ireland. Tony is a results driven CEO with 20 years experience in the ICT and media sectors. Strong commercial acumen with proven track record in Sales, Retail, E-commerce, Contact Centres, Business Transformation and M&A.

Michael Boyce

Non – Executive Director

With over 20 years of sales experience in the UK education sector, his knowledge and expertise of both strategic and pedagogical approach of ICT into Education is outstanding.

VREDUCATION

HOLDINGS

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