

VR Education Holdings plc

(‘VR Education’, the ‘Company’ or the ‘Group’)

Final Results for the Period Ended 31 December 2017

VR Education Holdings plc (AIM: VRE; ESM: 6VR), a leading virtual reality ('VR') technology company focused on the education space, today announces, in accordance with regulatory requirements, the publication of the financial statements of the Company for the 80 day period from incorporation (13 October 2017) to 31 December 2017.

Shareholders should note that these financial statements refer to the Group's holding company, prior to both the acquisition of Immersive VR Education Limited ('IVRE') which occurred on 12 March 2018, and the admission of the Group to trading on AIM. Therefore, they do not give an indication of the current financial position or trading of VR Education Holdings plc.

The Company also announces the results of its key trading subsidiary IVRE for the year ended 31 December 2017.

Post period end highlights

- Acquisition of IVRE, a leading virtual reality ('VR') technology company focused on the education space in a common control share-for-share transaction on 12 March 2018.
- Successful Admission of VR Education Holdings plc to AIM on 12 March 2018 raising £6.0 million before expenses through an oversubscribed placing of 60,000,000 new ordinary shares at a placing price of 10 pence each.
- Part 2 of Titanic VR, one of the Group's VR showcase experiences, which places users on the world's most famous ship on the night of the sinking to allow them to experience the tragic events and also allows users to dive on the shipwreck as it looks today, will be ready in beta form by the end of June 2018. This product will be commercially available to the general public from August 2018.
- Titanic VR (Part 2) will be released on PC, Oculus Rift, HTC Vive, and Windows Mixed Reality first with a later PlayStation VR version becoming available some weeks later. Additional versions will be announced at a later date (Titanic VR (Part 1), has already been released and is commercially available as early access software).
- The Group's work with the BBC on a project titled 1943: Berlin Blitz - (BBC's most fearless World War II report brought to life in VR) will be released in Q3 2018. This VR showcase experience is an accurate retelling of the events which happened inside a Lancaster bomber during one of the most well documented missions of World War II using original cockpit audio recorded 75 years ago. It is expected to be released on the Oculus Rift, HTC Vive, Oculus Go, Google Daydream, Samsung Gear VR and Windows Mixed Reality platforms.

- The Group has made three key strategic hires including a new Chief Technology Officer and two experienced business developers who have already started to progress a number of enquiries that the Group has received since its IPO in March 2018.
- Completed the production of a series of VR lectures on ENGAGE with Oxford University, which can be used for marketing the Group’s capabilities going forward.

Commenting on the results, David Whelan, Chief Executive Officer of VR Education, said:

“The results of IVRE reflect the continuing development of the ENGAGE platform as well as the Group’s other VR experiences. The Board continues to be confident in the future development of VR Education and we look forward to updating the market further when we publish our Interim Results for the Group in the week commencing 17 September 2018.”

Copies of the report and accounts for each of Immersive VR Education Limited and VR Education Holdings Plc are being posted to shareholders today and will be available on the Company’s website, www.vreducationholdings.com.

Immersive VR Education Limited

STATEMENT OF COMPREHENSIVE INCOME for the Year Ended 31 December 2017

	2017	2016
	€	€
Continuing Operations		
Revenue	624,487	482,085
Cost of sales	(300,143)	(227,029)
Gross Profit	324,344	255,056
Administrative expenses	(1,079,798)	(362,306)
Other income	60,333	-
Operating Loss	(695,121)	(107,250)
Fair value gain arising on derivative financial liabilities	125,764	-
Finance costs	(54,342)	(10,742)
Loss before Income Tax	(623,699)	(117,992)
Income tax credit	-	-
Loss for the Year from Continuing Operations	(623,699)	(117,992)

STATEMENT OF FINANCIAL POSITION
At 31 December 2017

	2017	2016
	€	€
Non-Current Assets		
Property, plant & equipment	57,300	37,595
Intangible assets	435,791	65,277
	493,091	102,872
Current Assets		
Trade and other receivables	219,565	36,605
Cash and short term deposits	97,327	69,372
	316,892	105,977
Total Assets	809,983	208,849
Equity and Liabilities		
Equity Attributable to Shareholders		
Issued share capital	134	133
Share premium	136,966	124,967
Share options reserve	20,180	-
Other reserves	-	104,915
Retained earnings	(821,844)	(198,145)
Total Equity	(664,564)	31,870
Non-Current Liabilities		
Interest bearing loans and borrowings	907,180	142,856
Derivative financial liabilities	209,348	-
	1,116,528	142,856
Current Liabilities		
Trade and other payables	358,019	34,123
Total Liabilities	1,474,547	176,979
Total Equity and Liabilities	809,983	208,849

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2017

Attributable to Equity Shareholders

	Share Capital	Share Premium	Share Option Reserve	Other Reserves	Retained Earnings	Total
	€	€	€	€	€	€
Balance at 1 January 2016	129	64,971	-	-	(80,153)	(15,053)
Loss for the year	-	-	-	-	(117,992)	(117,992)
New shares issued	4	59,996	-	-	-	60,000
Convertible debt – equity component	-	-	-	104,915	-	104,915
Balance at 31 December 2016	133	124,967	-	104,915	(198,145)	31,870

Attributable to Equity Shareholders

	Share Capital	Share Premium	Share Option Reserve	Other Reserves	Retained Earnings	Total
	€	€	€	€	€	€
Balance at 1 January 2017	133	124,967	-	104,915	(198,145)	31,870
Loss for the year	-	-	-	-	(623,699)	(623,699)
New shares issued	1	11,999	-	-	-	12,000
Transfer to derivative liabilities	-	-	-	(104,915)	-	(104,915)
Share option expense	-	-	20,180	-	-	20,180
Balance at 31 December 2017	134	136,966	20,180	-	(821,844)	(664,564)

STATEMENT OF CASH FLOWS
for the Year Ended 31 December 2017

	2017	2016
	€	€
Continuing Operations		
Loss before income tax	(623,699)	(117,992)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation	36,621	9,978
Fair value gain arising on derivative financial liabilities	(125,764)	-
Finance Costs	54,342	10,742
Share Option Expense	20,180	-
Movement in trade & other receivables	(182,960)	(19,384)
Movement in trade & other payables	326,339	(26,740)
	(494,941)	(143,396)
Bank interest & other charges paid	(264)	(526)
Net Cash used in Operating Activities	(495,205)	(143,922)
Cash Flows from Investing Activities		
Purchases of property, plant & equipment	(56,326)	(41,655)
Payments to develop intangible assets	(370,514)	(65,277)
Net Cash used in Investing Activities	(426,840)	(106,932)
Cash Flows from Financing Activities		
Proceeds from issuance of ordinary shares	12,000	60,000
Proceeds from issuance of preference shares	250,000	-
Proceeds from issuance of convertible loans	688,000	240,000
Net Cash Generated from Financing Activities	950,000	300,000
Net Increase in Cash and Cash Equivalents	27,955	49,146
Cash and cash equivalents at beginning of year	69,372	20,226
Cash and Cash Equivalents at End of Year	97,327	69,372

VR Education Holdings Plc

STATEMENT OF COMPREHENSIVE INCOME for the Period Ended 31 December 2017

	2017 €
Revenue	-
Administrative Expenses	-
Operating Result	-
Finance Income/(Expense)	-
Result before Taxation	-
Income Tax	-
Total Comprehensive Profit/(Loss) for the Period	-
Income tax credit	-
Loss for the Year from Continuing Operations	-
Earnings per share: Basic and diluted (€)	-

STATEMENT OF FINANCIAL POSITION At 31 December 2017

	2017 €
ASSETS	
Current Assets	
Trade and other receivables	18,750
Cash and short term deposits	6,250
Total Assets	25,000
EQUITY AND LIABILITIES	
Capital and Reserves	
Issued share capital	-
Total Equity	-
Current Liabilities	
Redeemable shares	25,000
Total Liabilities	25,000
Total Equity and Liabilities	25,000

STATEMENT OF CHANGES IN EQUITY
for the Period Ended 31 December 2017

Attributable to Equity Shareholders

	Share Capital	Retained Earnings	Total
	€	€	€
At incorporation on 13 October 2017	-	-	-
Total comprehensive income for the period	-	-	-
Share capital issued net of issue costs	-	-	-
Balance at 31 December 2017	-	-	-

STATEMENT OF CASH FLOWS
for the Period Ended 31 December 2017

	2017
	€
Cash Flows from Operating Activities	-
Cash Flows from Investing Activities	-
Cash Flows from Financing Activities	
Proceeds from issuance of redeemable shares	6,250
Net increase in Cash and Cash Equivalents	6,250
Cash and cash equivalents at the beginning of period	-
Cash and Cash Equivalents at End of Period	6,250

Full notes to this statement are contained in the Company's Annual Report and Accounts which will be published in due course. A copy of this announcement may be found on the Company's website today.

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Notes to Editors

VR Education, together with its wholly owned subsidiary, is an early stage VR software and technology group based in Waterford, Ireland, dedicated to transforming the delivery methods of education and corporate training by utilising VR technologies to deliver fully immersive virtual learning experiences. The Group's core focus is the development and commercialisation of its online virtual social learning and presentation platform called ENGAGE, which provides a platform for creating, sharing and delivering proprietary and third-party VR content for educational and corporate training purposes.

In addition to the ongoing development of the ENGAGE platform, the Group has also built two downloadable showcase VR experiences, being the award-winning Apollo 11 VR experience and an early access version of the Group's Titanic VR experience.

On 12 March 2018, VR Education listed on the AIM market of the London Stock Exchange and on the Enterprise Securities Market, a market regulated by Euronext Dublin.

For further information, please visit www.vreducationholdings.com.