

## Improbable Metaverse Vision Delivers a Strong 2023 Company Sentiment on 2024 Is Positive Venture Arm Delivers First Exit Selling MPG to Keywords Studios for £76.5m

### Highlights

- 2023 has been a year of significant innovation and transformation for the metaverse start-up, ending the year with the first exit of its Venture Arm with the sale of MPG, its games services subsidiary, announced today.
- The company has successfully strengthened its financial profile, clarified its positioning and core activities, launched dozens of events with thousands of users using its new metaverse products and established itself as a driving force in shaping the future of the Metaverse.
- While the company sees exciting developments for the Metaverse, its web3 and Generative AI components, it also envisages 2024 to be another year of challenging economic climate that will require the start-up ecosystem to work hand in hand and enhance partnerships and cooperation, sharing knowledge and experience.
- Improbable will focus on increasing in the range of 10x the number of its public experimental metaverse events with the objective of finding repeatable formats that captivate audiences, generate revenue, and pave the way for a full year of activity building innovative and independent metaverse ventures.
- The company will host in Q1 2024 a presentation of its portfolio and pipeline of ventures, notably in Sports, Web3 & Internet Culture, and Music.

"2023 has been a transformative year for Improbable," **said Herman Narula, Founder and CEO of Improbable.** "We have solidified our financial profile, clarified our positioning and core activities, and established ourselves as a leader in the metaverse. We are committed to continuing to innovate and shape the future of this exciting space, growing services for the Metaverse and delivering on our Venture dealbook."

### Key 2023 milestones

#### Vision and thought leadership

- New positioning unveiled in September: [Venture into New Worlds](#) clarified activities.
  - [Metaverse technology development](#)
  - [Metaverse and metaversal experience development and operation](#)



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- [Metaverse venture building](#), supported by an experimentation arm, Improbable Labs.
- The company in May also launched [The Metaverse Society](#), a think tank bringing together visionaries, academics and industry leaders to delve into the social and economic implications of the metaverse.

## Metaverse technology

Continuing to push the boundaries of metaverse crowd rendering and audio, interoperability and AI exploration, hitting the milestone of over 20Bn metaverse operations a second in public production events.

- Officially launched [the M<sup>2</sup> network](#) and unveiled the [MML Stack](#) to empower a creator community to create metaversal objects.
- Early access to Origin, a foundational component allowing organisations to create metaverse experiences, was released in December.

## Metaverse development

From quick, efficient, cost-effective, exploratory one-shot experiments to ambitious, highly polished events for partners.

- [A new partnership with Major League Baseball](#) to develop their Virtual Ballpark with three [successful events and games](#) run during the year.
- The development of an 'events machine', producing 30 events in 2023 with the ambition of developing 10x more experiments in 2024, showcasing agility, creativity, and the true potential of the metaverse.
- In partnership with web3 partners, development of [live videogame/gameshow mash-ups](#) in a matter of weeks. Victory League reimaged football fan experiences with intimate events featuring football stars and a watch party for [Game4Ukraine](#).

## Venture building

Divestment of non-core activities and initiation of new metaverse ventures

- [Sale of the Defence](#) business to Noia Capital in September.
- Sale of MPG, a game services business, to Keywords Studios for £76.5 million. The company has 360 people spread across 34 countries. Key clients include: Activision Blizzard, Bethesda, Zenimax, Epic, and 2K. Acquired by Improbable in 2019, MPG grew its workforce 6x over the period on a sustainable and profitable business model. Improbable acquired MPG back in 2019 for £30 million.
- Improbable will host in Q1 2024 a presentation of its portfolio and pipeline of ventures, notably in Sports, Web3 & Internet Culture, and Music.

**Herman Narula said:** "We are delighted to see MPG embark on its next chapter with Keywords, who we've always seen as a like-minded business partner. Nurturing and fostering ventures across Sports, Web3, fashion is at the heart of our philosophy and allows us to

realize lasting value. We are confident that MPG will continue to grow within the Keywords environment, while this first success allows us to continue to deliver on our Venture Dealbook in 2024.”

## **2024 Outlook - predictions about the metaverse, AI and the start-up economy**

The metaverse and web3 are not yesterday’s news, and will continue to evolve and shape the future of technology and society:

- Gaming companies will continue to integrate new experiences and brand activations, blurring the lines between physical and digital worlds. Web3 games will also gain traction in their portfolio.
- The launch of headsets like Apple's Vision Pro and the positive reception of Meta Quest 3 will further fuel the growth of VR, XR, and spatial computing. These technologies will unlock new possibilities for immersive experiences, collaboration, and education.
- A new era of maturity and stability is taking hold for the web3 ecosystem. Lessons learned from the first generation of web3 projects are guiding the development of more robust and sustainable solutions, based on strong infrastructure projects, a renewed focus on user experience, developer tooling, and governance.
- Asia is already a hotbed of innovation in web3, and we expect this region to play a pivotal role in shaping the future of this space. Online communities, Digital Asset economies, and groundbreaking digital events will all flourish in this dynamic environment.

The GenAI disruption will turn from demos to products and industry adoption:

- The 2024 election cycles will undoubtedly be marred by AI-generated disinformation, and online safety will remain top of mind for platforms across the board to actively combat malicious tactics.
- GenAI (general artificial intelligence) is poised to become an indispensable tool for businesses across all industries. Its ability to analyze data, optimize processes, and generate creative solutions will revolutionize the way we work.
- GenAI will also empower content creators to develop even more captivating virtual worlds, bringing our imaginations to life in ways never before possible.
- Finally, AI will demonstrate it carries as many solutions as it does challenges, particularly in the areas of digital copyrights, moderation and online safety.

Overall market sentiment in 2024:

- Access to capital will continue to be more selective.
- Consolidation and streamlining are inevitable in the gaming and web3/crypto sectors. This consolidation will lead to a stronger, more resilient, and more cohesive startup ecosystem, poised to drive innovation and shape the future of these industries.



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**Herman Narula said:** "The metaverse is poised for growth in 2024, fueled by the convergence of gaming, VR/XR, and web3 technologies. Headsets like Apple's Vision Pro and the success of Meta Quest 3 will further ignite demand for immersive metaverse experiences. Gaming companies will integrate metaversal elements into their offerings, creating new brand activation opportunities. Consolidation in the gaming and web3 sectors will lead to a stronger, more innovative, and more resilient startup ecosystem, with companies pooling resources and expertise to develop groundbreaking metaverse applications. We stand ready to accelerate our partners' journey to innovative metaverse ventures."

**Peter Lipka, co-founder and COO, added:** "AI is revolutionizing the way businesses operate. We've embraced experimentation in 2023, paving the way for AI-generated 3D interactive objects in 2024. This advancement holds immense potential for innovation at Improbable, powering the next phase of order-of-magnitude improvement in content efficiency and event throughput in 2024."

#### Media contacts

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**Improbable** is a British start-up that has been at the forefront of building virtual worlds for over a decade. We believe that the metaverse is an opportunity for communities, companies and brands to have a positive social and economic impact in the real world. Today, we are initiating new technologies, models and partnerships to venture further into new worlds.