

SoftBank-backed metaverse creator Improbable lays off staff

A British-based creator of virtual worlds is laying off a chunk of its workforce as it strives to turn a profit within months.

Sky News has learnt that Improbable is preparing to make more than 10% of its 950-strong workforce redundant as it looks to cut losses in its defence-focused business ahead of a potential sale.

Improbable, which is backed by the giant Japanese technology investor SoftBank, was founded a decade ago and focused on creating metaverse platforms for use in video games and industries such as defence.

Many of its efforts to create commercially viable propositions have been abandoned, prompting it to refocus its efforts.



Image:

Herman Narula founded the company

It was unclear exactly how many redundancies would be made, although an insider denied that it would be “in the hundreds”.

Improbable’s defence division has a number of contracts with the Ministry of Defence, including in areas such as real-life simulation and training.

A spokeswoman for Improbable said on Friday: “The macroeconomic environment is forcing us to accelerate the path to profitability of our defence business, and we are currently in a collective consultation process with this business.”

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The Financial Times reported in October that Improbable was closing in on a new funding round to raise \$100m, led by Elrond, a blockchain technology company.

Improbable insisted on Friday that that funding remained on track, with the "lead investors fully on board" but that the "process [is] taking more time".

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Herman Narula, the company's founder, said this year that he expected it to be profitable in 2023.