

EVR Holdings plc
(‘EVR’ or the ‘Company’)

Interim Results

EVR Holdings (AIM: EVRH), a creator of virtual reality (‘VR’) content, is pleased to announce its Interim Results for the six months to 30 June 2016.

Highlights

- On 16 May 2016 EVR successfully listed on AIM following the acquisition of MelodyVR for a total consideration of £5.12 million. This transaction has been accounted for as a reverse acquisition per IFRS 3 in the Interim Financial Statements below.
- The Company’s subsidiary, MelodyVR, has since entered into a number of long-term partnerships, obtaining exclusive recording rights for the creation and distribution of virtual reality content across a total of 47 worldwide event properties and music venues.
- MelodyVR entered an exclusive licensing agreement with an international major record label which will see a number of VR experiences featured exclusively on the MelodyVR platform when launched later this year.

Commenting on the interim results, Anthony Matchett, Chief Executive Officer of EVR, said:

“The Board and I are delighted by the positive response to our successful admission to AIM and we are pleased to report that EVR and its subsidiary MelodyVR have made substantial operational progress since admission. MelodyVR has now entered into a number of long-term partnerships, obtaining exclusive recording rights for the creation and distribution of virtual reality content, across a total of 47 worldwide event properties and music venues. MelodyVR’s library of virtual reality music experiences continues to grow and now features performances from over 400 well known recording artists.

“Given the rapid growth of the VR hardware market and taking into account increasing consumer awareness towards virtual reality technology, it is the Board’s view that EVR is particularly well placed to exploit the current and forthcoming demand for original VR content and programming. The Board would like to thank our new and existing shareholders for their support and we look forward to capitalising on significant market opportunities over the coming months.”

- Ends -

For further information:

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Chairman's Statement

Admission to AIM

EVR was admitted to trading on AIM, a market operated by the London Stock Exchange, on 16 May 2016, following the general meeting of Armstrong Ventures plc on 13 May 2016, where shareholders approved the acquisition of MelodyVR Ltd and the change of the Company's name to EVR Holdings plc.

Results for the six months to 30 June 2016

EVR successfully listed on AIM on 16 May 2016 following the acquisition of MelodyVR for £5.12 million. Since Admission the Company has made significant progress and MelodyVR has now entered into 27 long-term exclusive partnerships covering recording rights at 47 event properties and music venues worldwide, an increase of 200% since admission.

On 24 May 2016, MelodyVR entered into an exclusive licensing agreement with a major international record label. The agreement relates to a number of VR experiences created by MelodyVR in March 2016. The content, which features a well-known label artist with a recent top three album release, will be available to fans for an exclusive 12 month period on the MelodyVR platform when launched later this year.

MelodyVR continues to make progress within the virtual reality music space and its library of VR music experiences continues to grow with performances featuring over 400 well known recording artists, an increase of 150 artists since admission in May 2016.

Outlook

A number of major global technology companies and electronics manufacturers have recently released or announced VR and augmented reality ('AR') devices including Microsoft, HTC, Sony, Facebook, Google, Intel, LG and Samsung. It is widely believed that VR/AR will be the fourth major technology shift after personal computing, the internet and smartphone/tablet. International Data Corporation ('IDC') estimates that VR/AR market revenues will reach US\$162 billion by 2020 with a VR/AR hardware compound annual growth rate of 183.3% between 2016 and 2020¹. EVR believes that it is well positioned to capitalise on the widespread adoption of VR/AR technology and continues to explore opportunities in virtual reality music entertainment via its subsidiary, MelodyVR.

¹ Worldwide Semi-annual Augmented and Virtual Reality Spending Guide, IDC, August 2016

The limited offering of original VR content currently available to consumers creates a unique opportunity for MelodyVR. With recorded performances from over 400 well known recording artists, the Board believes that it currently holds one of the largest libraries of VR music content worldwide. Market appetite for VR content and services continues to grow following a number of high-profile acquisitions and funding rounds, including a recent US \$80 million raise for NextVR, a creator of virtual reality content, valuing the company at US\$800 million. EVR continues to pursue the strategy as set out in the admission document dated 27 April 2016. The Board intends to launch MelodyVR's scalable cross-platform app/storefront in the coming months that will enable consumers to access both free and premium, on-demand content across a range of virtual reality devices.

Following this launch, the Board intends to begin live-streaming VR events, effectively eliminating capacity restrictions for any concert or venue and enabling an unlimited amount of music fans to attend a sold-out show virtually. As a result, consumers will be also be able to experience events that were otherwise inaccessible due to geographic, physical, age related or financial constraints.

Sean Nicolson

Chairman

5 September 2016

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR EVR HOLDINGS PLC
(Formerly Armstrong Ventures plc)
for the six months ended 30 June 2016

	Notes	Unaudited Six months to 30 June 2016 £	Unaudited Six months to 30 June 2015 £	Audited Year to 31 December 2015 £
Continuing operations		-	-	-
Administrative expenses		(1,154,973)	(36,466)	(186,558)
OPERATING LOSS		(1,154,973)	(36,466)	(186,558)
Finance income		867	-	-
Finance Charges		(7,848)	-	-
LOSS FOR THE PERIOD BEFORE TAXATION		(1,161,954)	(36,466)	(186,558)
Taxation		-	-	-
NET LOSS AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(1,161,954)	(36,466)	(186,558)
Loss per share Basic and Diluted	3	(0.007)p	(0.0075)p	(0.04)p

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR EVR HOLDINGS PLC

(Formerly Armstrong Ventures plc)

for the six months ended 30 June 2016 (unaudited)

	Share Capital £	Share Premium Reserve £	Merger Relief Reserve £	Retained Earnings £	Reverse Takeover Reserve £	Share Option Reserve £	Total £
Balance at 30 June 2015	100			(36,466)			(36,466)
Total comprehensive loss for the period				(150,112)			(150,112)
Issue of new shares	9,400	148,500					157,900
Balance at 31 December 2015	9,500	148,500	-	(186,558)			(28,558)
Shares issued in year	97						97
Warrants issued						239,111	239,111
Company's reserves/ (deficit) prior to reverse acquisition	2,925,753	4,523,392		(5,679,926)			1,769,219
Shares issued by the Company on acquisition	4,866,118		486,611				5,352,729
Reverse acquisition adjustment	(9,597)	(148,500)		5,679,926	(8,060,816)		(2,538,987)
Net loss for the period				(1,161,954)			(1,161,954)
Balance at 30 June 2016	7,791,871	4,523,392	486,611	(1,348,512)	(8,060,816)	239,111	3,631,657

CONSOLIDATED STATEMENT OF FINANCIAL POSITON FOR EVR HOLDINGS PLC

(Formerly Armstrong Ventures plc)

as at 30 June 2016

	Notes	Unaudited as at 30 June 2016 £	Unaudited as at 30 June 2015 £	Audited as at 31 December 2015 £
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment		139,713	12,865	39,894
Intangible assets	4	2,549,704	-	2,150
TOTAL NON-CURRENT ASSETS		2,689,417	12,865	42,044
CURRENT ASSETS				
Trade and other receivables		120,489	1,699	17,510
Cash and cash equivalents		1,069,073	-	13,115
TOTAL CURRENT ASSETS		1,189,562	1,699	30,625
TOTAL ASSETS		3,878,978	14,564	72,669
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables		(247,322)	(50,930)	(101,227)
TOTAL CURRENT LIABILITIES		(247,322)	(50,930)	(101,227)
TOTAL LIABILITIES		(247,322)	(50,930)	(101,227)
TOTAL NET ASSETS/ (LIABILITIES)		3,631,657	(36,366)	(28,558)
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				
Share capital	7	7,791,871	100	9,500
Share premium reserve		4,523,392	-	148,500
Retained earnings		(1,348,512)	(36,466)	(186,558)
Share Option Reserve		239,311	-	-
Merger Relief Reserve		486,611	-	-
Reverse takeover reserve		(8,060,816)	-	-
TOTAL EQUITY		3,631,657	(36,366)	(28,558)

CONSOLIDATED CASH FLOW STATEMENT FOR EVR HOLDINGS PLC

(Formerly Armstrong Ventures plc)

for the six months ended 30 June 2016

	Unaudited Six months to 30 June 2016 £	Unaudited Six months to 30 June 2015 £	Audited Year to 31 December 2015 £
Loss from continuing operations	(1,161,954)	(36,466)	(186,558)
Adjustments for:			
Amortisation of intangible assets	125	-	-
Depreciation of fixed assets	17,283	-	7,413
Share based payment expense	239,111	-	-
Increase/(decrease) in trade and other receivables	573,399	(1,699)	(17,510)
Increase in trade and other payables	13,600	50,930	23,949
Net cash (used)/generated in operating activities	(318,436)	12,765	(172,706)
Investing activities			
Purchase of property, plant and equipment	(117,101)	(12,865)	(47,307)
Purchase of intangible assets	(2,475)	-	(2,150)
Acquisition of subsidiary	1,401,915	-	-
Net cash generated from/(used in) investing activities	1,282,339	(12,865)	(49,457)
Financing activities			
Proceeds from issue of ordinary share capital	92,055	100	158,000
Loans from directors	-	-	77,278
Net cash generated from financing activities	92,055	100	235,278
Increase in cash and cash equivalents	1,055,958	-	13,115
Cash and cash equivalents brought forward	13,115	-	-
Cash and cash equivalents carried forward	1,069,073	-	13,115

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR EVR HOLDINGS PLC
(Formerly Armstrong Ventures plc)
for the six months ended 30 June 2016

1. Basis of preparation of interim financial information

The consolidated interim financial statements have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards as endorsed by the European Union ('IFRS') and expected to be effective at the year end of 31 December 2016.

The accounting policies are unchanged from the financial statements for the year ended 31 December 2015.

The interim financial statements are unaudited and do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2015, prepared in accordance with IFRS, have been filed with the Registrar of Companies. The Auditors' Report on these accounts was unqualified, did not include any matters to which the Auditors drew attention by way of emphasis without qualifying their report and did not contain any statements under section 498 of the Companies Act 2006.

The consolidated interim financial statements are for the 6 months to 30 June 2016. During the period EVR Holdings plc (formerly Armstrong Ventures plc) completed the acquisition of MelodyVR Ltd. The directors determined that the transaction was akin to a reverse acquisition as per IFRS 3, Business Combinations. However, in order to fall under the category of a Business Combination under IFRS 3, the purchase needs to be of a business. The directors have determined that EVR Holdings plc constitutes an investment business and therefore the transaction falls under the scope of IFRS 3.

Consequently, it is appropriate to apply the guidance in paragraphs B19–B27 of IFRS 3 for reverse acquisitions. Application of the reverse acquisitions guidance results in the non-listed operating entity being identified as the accounting acquirer, and the listed investment business being identified as the accounting acquiree. Therefore for accounting purposes MelodyVR Ltd should account as if it purchased EVR Holdings plc. Any difference between the fair value of the assets acquired and the fair value of the shares issued should be recognised as goodwill, in accordance with IFRS 3.

Therefore the results contained herein treat MelodyVR Ltd as the acquiring company and the historical comparatives are the comparatives of MelodyVR Ltd, rather than of EVR Holdings plc.

Going Concern

The directors have prepared detailed cash flow forecasts and are of the opinion that it is appropriate to prepare these financial statements on a going concern basis. In making this assessment management has considered:

- a) The current working capital position and operational requirements
- b) The sensitivities associated with projected expenditure
- c) The timing and magnitude of planned capital expenditure
- d) The strategic exploitation of the company's significant resources
- e) The timing of securing licensing approvals and launch of the Group's service

The conclusion of this assessment and having regard to the existing working capital position the Directors are of the opinion that the Group will have adequate resources to enable it to undertake its planned activities for the next twelve months.

2. Accounting Policies

Financial assets

The Company's financial assets comprise intangible and tangible fixed assets, trade and other receivables and cash and cash equivalents.

Intangible fixed assets

Intangible fixed assets are stated at fair value less amortisation. The amortisation is recognised in the statement of comprehensive income over the asset's estimated economic life.

Goodwill

Goodwill represents the excess cost of a business combination over the interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Cost comprises the fair value of assets given, liabilities assumed and equity instruments issued.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the statement of comprehensive income.

Any gains on acquisition are recognised in the statement of comprehensive income on the date of acquisition.

Impairment tests on goodwill are undertaken annually at 31 December as it is not amortised.

Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation. Depreciation is calculated to write down the cost of all tangible fixed assets by equal monthly instalments over their estimated useful lives at the following rates:

Audiovisual production - 3 years

Computer Equipment - 3 years

Office Equipment - 4 years

Research and development costs

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- It is technically feasible to develop the product for it to be available for use or sold;
- adequate technical, financial and other resources are available to complete the development;
- there is an intention to complete and sell or use the product;
- sale of the product will generate future economic benefits; and
- expenditure on the project can be measured reliably.

Capitalised development costs are amortised over their useful economic life. The amortisation expense is included within the administrative expenses line in the statement of comprehensive income.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the statement of comprehensive income as incurred.

3. Loss per share

Loss attributable to equity holders of the Company:	Unaudited 30 June 2016 £	Unaudited 30 June 2015 £	Audited Year to 31 December 2015 £
Continuing and total operations	(1,161,954)	(36,466)	(186,558)
	No. of shares	No. of shares	No. of shares
Weighted average number of ordinary shares in issue for basic and fully diluted earnings	17,499,172,158	486,611,833	486,611,833
	Pence per Share	Pence per share	Pence per share
Loss per share	(0.007)p	(0.0075)p	(0.04)p
Basic and diluted:	(0.007)p	(0.0075)p	(0.04)p

4. Intangible assets

Cost	Goodwill	Other	Total
As at 30 June 2015	-	-	-
Additions	-	2,150	2,150
As at 31 December 2015	-	2,150	2,150
Additions	2,545,203	2,476	2,547,554
As at 30 June 2016	2,545,203	4,626	2,549,704
Amortisation			
As at 30 June 2015	-	-	-
As at 31 December 2015	-	-	-
As at 30 June 2016	-	125	-
Net Book Value			
As at 30 June 2015	-	-	-
As at 31 December 2015	-	2,150	2,150
As at 30 June 2016	2,545,203	4,501	2,549,704

The fair value assessment is still being carried out to split goodwill between its intangibles and goodwill

5. Dividends

The directors do not propose to declare a dividend (June 2015: Nil, December 2015: Nil).

6. Share options and Directors Warrants

Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

On 31 July 2015 the Company issued 461,509,020 warrants for 0.01p ordinary shares to both Sean Nicolson and Peter Read as part of their remuneration terms. These warrants have an expiry date of 31 July 2020 and following the consolidation of the Company's ordinary shares

on 13 May 2016 the warrants were consolidated into 4,615,090 warrants each exercisable at 1.2p.

On 16 May 2016 the company issued 11,537,725 warrants to both Anthony Matchett and Steven Hancock, with a further 4,615,090 issued to each of Simon Cole, Sean Nicolson and Peter Read. These warrants have an expiry date of 16 May 2019 and are exercisable at 1.1p. The fair value of these warrants was determined using the Black-Scholes option pricing model and was 0.004p per option.

The significant inputs to the model in respect of the warrants granted were as follows:

	2016
Grant date share price	1.1p
Exercise share price	1.1p
No. of share warrants	59,777,856
Risk free rate	0.5%
Expected volatility	50%
Expected option life	3 years
Calculated fair value per share	0.4p

The total share-based payment expense recognised in the income statement for the period ended 30 June 2016 in respect of share warrants granted was £239,111.

Option holder	Warrants in parent at 31-Dec 2015	Warrants in parent converted 1 for every 100 In year	Warrants issued in the year	Warrants at 30-Jun 2016	Exercise price	Expiry date
Simon Cole			4,615,090	4,615,090	1.1p	17.05.2019
Anthony Matchett			11,537,725	11,537,725	1.1p	17.05.2019
Steven Hancock			11,537,725	11,537,725	1.1p	17.05.2019
Sean Nicolson			4,615,090	4,615,090	1.1p	17.05.2019
Peter Read			4,615,090	4,615,090	1.1p	17.05.2019
Sean Nicolson	461,509,020	(456,893,930)		4,615,090	1.2p	31.07.2020
Peter Read	461,509,020	(456,893,930)		4,615,090	1.2p	31.07.2020
Sean Nicolson	41,666,666	(41,250,000)		416,666*	1.4p	31.07.2020
Peter Read	41,666,666	(41,250,000)		416,666	1.4p	31.07.2020
	1,006,351,372	(996,287,858)	36,920,720	46,984,232		

* Sean Nicolson's interests in the warrants includes 208,333 warrants legally and beneficially owned by Mr Nicolson's wife.

The total number of options and warrants outstanding at 30 June 2016 was 110,241,358.

7. Share Capital

	30 June 2016 (unaudited)	30 June 2015 (unaudited)	31 December 2015 (audited)	30 June 2016 (unaudited)	30 June 2015 (unaudited)	31 December 2015 (audited)
	Number	Number	Number	£	£	£
Issued, called up and fully paid:						
Ordinary shares of £1 each (Melody VR Ltd)		100	9,500		100	9,500
Ordinary shares of 1 pence each	718,362,177			7,183,621		
Deferred shares of 0.24p each	150,520,616			361,249		
Deferred shares of 0.95p each	26,000,000			247,000		
Total	894,882,793	100	9,500	7,791,871	100	9500

The deferred shares do not confer upon the holders right to any dividends or the right to attend or vote at general meetings of the Company.

On 16 May 2016 the company issued 486,611,833 ordinary shares at a price of 1.1p per share in consideration for the acquisition of 100% of the MelodyVR Ltd share capital. The consideration for the acquisition of MelodyVR Ltd was the issue of 486,611,833 ordinary 1p shares in EVR Holdings plc in exchange for the entire share capital in issue in MelodyVR Ltd.

8. Further copies of this document are available both at the registered office of the Company. The statement will also be available to download on the Company's website: <http://evrholdings.com>