

EVR Holdings plc

(‘EVR’ or the ‘Company’)

Placing to raise £3.4 million

Notice of General Meeting

The Board of EVR Holdings plc (AIM: EVRH), one of the leading creators of virtual reality content, announces that it has successfully raised £3.4 million (before expenses) through an oversubscribed placing of 200,000,005 New Ordinary Shares of 1 penny each to new and existing investors, at an Issue Price of 1.7 pence per share. Under the Placing, each Placee will also receive one Warrant for every six Placing Shares subscribed for as part of the Placing, exercisable at 1.85 pence per share.

Having recently announced a partnership agreement with the largest mobile communication provider in Germany, that will see a ‘lite’ version of the MelodyVR app showcased across 665 O² branded stores, the proceeds of this placing will be used to drive further corporate expansion, in particular in the United States of America (USA) where MelodyVR continues to explore opportunities with a number of strategic partners. Noting the increased awareness of virtual reality throughout the USA and a recent series of high profile VR related investments, MelodyVR will seek to increase its presence in Los Angeles and New York, where it will be able to service its relationships with major US record labels, artists and virtual reality hardware manufacturers more easily.

Prior to the launch of the MelodyVR cross-platform app later this year, the Company intends to make a series of key hires to strengthen further its licensing, development and marketing teams. The Company also intends to execute upon a number of worldwide marketing and PR initiatives in order to increase consumer awareness and anticipation. The fundraising will also enable MelodyVR to extend the capacity of its live music capture and digital content creation capabilities both in the UK and overseas, expanding upon existing infrastructure and increasing research & development in areas such as post production and camera technology.

The Placing, is conditional, amongst other things, on the passing of the Resolutions to be proposed at the General Meeting of the Company to be held on 10 October 2016, notice of which will be set out in the Circular to be posted to Shareholders and which will also be made available on the Company's website at www.evrholdings.com.

The New Ordinary Shares will rank *pari passu* with the Existing Ordinary Shares in all respects, including the right to receive all dividends or other distributions declared, made or paid by the Company by reference to record dates falling after their respective dates of allotment.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission of the New Ordinary Shares will become effective on 11 October 2016 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on 11 October 2016.

Steven Hancock and Sean Nicolson and Peter Read's pension trustee have subscribed for New Ordinary Shares. Such places are "related parties" of the Company as defined in the AIM Rules by virtue of being Directors of the Company. Accordingly, each of their participations in the Placing is treated as a "related party transaction" under the AIM Rules.

The Independent Directors (who are independent for the purposes of the related party transaction under the AIM Rules), having consulted with SPARK in its capacity as the Company's nominated adviser for the purpose of the AIM Rules, consider that the participation of each of Steven Hancock and Sean Nicolson and Peter Read's pension trustee in the Placing is fair and reasonable insofar as the shareholders of the Company are concerned. Steven Hancock, Sean Nicolson and Peter Read have not taken part in the Board's decision to proceed with the Placing.

Anthony Matchett, Chief Executive Officer of EVR Holdings, said: "We are pleased to announce an oversubscribed fundraise of £3.4 million which demonstrates the support and confidence of both new and existing institutional shareholders. The additional capital raised will enable EVR and MelodyVR, to accelerate our strategic expansion into new territories and to further increase the size of our virtual reality content library prior to the commercial launch of our VR music platform later this year."

- Ends -

The announcement contains information which, prior to its disclosure, was inside information for the purposes of the Market Abuse Regulation.

For further information:

EVR Holdings plc

Sean Nicolson, Chairman
Anthony Matchett, Chief Executive Officer

Tel: +44 (0) 20 7466 5000
www.evrholdings.com

SPARK Advisory Partners Limited (Nominated Adviser)

Neil Baldwin / Sean Wyndham-Quin

Tel: +44 (0) 203 368 3550
www.sparkadvisorypartners.com

Peterhouse Corporate Finance Limited (Broker)

Eran Zucker / Lucy Williams

Tel: +44 (0) 20 7469 0930
www.pcorpfin.com

Media enquiries:

Buchanan

Henry Harrison-Topham / Jamie Hooper

Tel: +44 (0) 20 7466 5000

Stephanie Watson / Catriona Flint

EVR@buchanan.uk.com

www.buchanan.uk.com

Notes to Editors:

MelodyVR

MelodyVR is a wholly owned subsidiary of EVR Holdings plc ('EVR'), a company that is listed on the AIM market of the London Stock Exchange under the ticker EVRH.L. EVR, a creator of virtual reality content, joined AIM on 16 May 2016 following a reverse takeover of Armstrong Ventures plc. Further information can be viewed at www.evrholdings.com

Virtual Reality in 2016

The virtual reality industry is growing at a significant rate and 2016 is on course to be the breakout year with launches of Oculus Rift, Playstation VR and HTC Vive. According to Deloitte the industry is expected to break the US\$1bn barrier for the first time this year and Goldman Sachs estimate that the market could be worth US\$80bn by 2025.

The following information has been extracted without material adjustment from the draft circular to be posted to EVR shareholders (the "Circular"). Copies of the Circular will be available at the offices of SPARK Advisory Partners, 5 St John's Lane, Farringdon, London EC1M 4BH.

**PLACING OF 200,000,005 NEW ORDINARY SHARES AT 1.7 PENCE PER SHARE TOGETHER WITH ONE
WARRANT FOR EVERY SIX NEW ORDINARY SHARES SUBSCRIBED FOR
SUBSCRIPTION FOR 5,232,805 NEW ORDINARY SHARES
and
NOTICE OF GENERAL MEETING**

Introduction

The Company is pleased to report that its placing agent, Intrinsic, has conditionally placed 200,000,005 New Ordinary Shares with new and existing investors at a Placing Price of 1.7 pence per share, thereby raising anticipated net proceeds for the Company of approximately £3,240,125. Under the Placing, each Placee will also receive one Warrant for every six Placing Shares subscribed for in the Placing, exercisable at 1.85 pence per share.

The purpose of this announcement is to explain the background to, and reasons for, the Placing, to set out why the Board considers the Placing to be in the best interests of its Shareholders as a whole and to seek Shareholders' approval for these proposals.

The Placing and Subscription

The Company is proposing a Placing of 200,000,005 New Ordinary Shares at the Issue Price of 1.7 pence per share. Under the Placing, each Placee will also receive one Warrant for every six Placing Shares subscribed for in the Placing and with each Warrant entitling the holder to subscribe for one Ordinary Share. Further details of the Warrants to be issued are set out below.

5,232,805 New Ordinary Shares are also conditionally being subscribed for by Intrinsic's sub-placing agent, Sports Resources Group Limited, at the Issue Price in connection with the Placing. The subscription for those Adviser Shares shall be funded from part of the commission it is entitled to from Intrinsic in respect of certain advisory services it has provided in connection with the Placing.

The New Ordinary Shares to be issued pursuant to the Placing and Subscription will represent approximately 22.22% of the Enlarged Share Capital.

The Placing will raise gross proceeds of £3,400,000 (approximately £3,240,125 net of expenses), which will enable the Company to accelerate our strategic expansion into new territories and to further increase the size of our virtual reality content library prior to the launch of our VR music platform later this year. Further details of the use of proceeds are set out below. As the issue of the New Ordinary Shares and Warrants will exhaust the Director's existing share authorities, the General Meeting is being called in order to seek Shareholders' approval to grant new share authorities to the Directors and thus enable the Placing to proceed to completion.

The Placing and Subscription are each therefore conditional upon:

- the Resolutions being passed at the General Meeting without amendment; and
- Admission of the New Ordinary Shares taking place on or before 31 October 2016 (or such later date as may be agreed by the Company and Intrinsic).

The New Ordinary Shares will rank *pari passu* with the Existing Ordinary Shares in all respects, including the right to receive all dividends or other distributions declared, made or paid by the Company by reference to record dates falling after their respective dates of allotment.

Application has been made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission of the New Ordinary Shares will become effective on 11 October 2016 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on 11 October 2016.

The Placees will be issued one Warrant for every six Placing Shares subscribed by them in the Placing. These Warrants shall entitle Placees to be able to subscribe for one new Ordinary Share for each Warrant held at an exercise price of 1.85 pence per share at any time up and until 16 October 2019. The Warrants will be freely transferable and issued in registered form, with the register of Warrants being kept by the Company or its appointed agent. Following Admission, warrant certificates representing the relevant number of Warrants to be issued to Placees, are expected to be despatched by post within 14 days of Admission, at the sole risk of Placees.

The total costs related to the Placing amount to approximately £159,845. SRG has acted as Intrinsic's sub-agent in connection with the Placing which it shall be entitled to be paid a fee from the total commission payable by the Company to Intrinsic for certain services it has provided in respect of the Placing. Intrinsic and SRG have agreed that they will use a total of £88,957 of such commission and fees which they are entitled to receive in order to subscribe for the Adviser Shares

at the Issue Price of 1.7 pence per share at the time of completion of the Placing. No warrants are being issued in connection with the subscription for Adviser Shares.

Related party transaction

Steven Hancock and I have each agreed to subscribe for 882,352 Placing Shares, respectively, pursuant to the Placing. Peter Read's QNUP pension trustee has also agreed to subscribe for 1,470,588 Placing Shares pursuant to the Placing. All such subscriptions have been made at the Issue Price and otherwise on the same terms as all other Placings.

Steven Hancock, Peter Read and I are "related parties" of the Company as defined in the AIM Rules by virtue of being Directors of the Company. Accordingly, each of such participations in the Placing is treated as a "related party transaction" under the AIM Rules.

The Independent Directors (who are independent for the purposes of the related party transaction under the AIM Rules), having consulted with SPARK in its capacity as the Company's nominated adviser for the purpose of the AIM Rules, consider that the participation of each of Steven Hancock, Peter Read's pension trustee and me in the Placing is fair and reasonable insofar as the shareholders of the Company are concerned. Steven Hancock, Peter Read and I have not taken part in the Board's decision to proceed with the Placing.

Use of Proceeds

Prior to the launch of the MelodyVR cross-platform app later this year, the Company intends to make a series of key hires to strengthen further its licensing, development and marketing teams. The Company also intends to execute upon a number of worldwide marketing and PR initiatives in order to increase consumer awareness and anticipation. The fundraising will also enable MelodyVR to extend the capacity of its live music capture and digital content creation capabilities both in the UK and overseas, expanding upon existing infrastructure and increasing research & development in areas such as post production and camera technology.

General Meeting

Set out at the end of the Circular is a notice convening the General Meeting of the Company to be held at Riverbank House, 2 Swan Lane, London, EC4R 3TT at 11.30 a.m. on 10 October 2016.

The Resolutions to be proposed at the General Meeting are as follows:

Resolution 1 seeks Shareholders' approval for the directors to be authorised to allot shares and grant rights to subscribe for or convert any securities into shares in the Company. Under the provisions of section 551 of the Companies Act 2006, the directors are not permitted to allot shares or grant such rights unless authorised to do so by the shareholders. The Directors consider it appropriate that they be granted authority to allot shares or grant rights in the capital of the Company up to a maximum nominal amount of £11,621,611.30, representing the New Ordinary Shares and the Warrants to be issued in connection with the Placing and Subscription and a general authority in respect of up to an additional 100% of the Enlarged Share Capital. This power will last until the conclusion of the next annual general meeting or, if earlier, 15 months after the date of the resolution, except in so far as commitments to allot shares have been entered into before that date. The directors have no present intention of exercising this authority other than in connection with the Placing and Subscription.

Resolution 2 supplements the Directors' authority to allot shares and grant rights in the Company proposed by resolution 1. Section 561 of the Companies Act 2006 requires a company proposing to allot equity securities (which includes selling shares held in treasury) to offer them first to existing shareholders in proportion to their existing shareholdings. Equity securities includes ordinary shares, but does not include shares issued under employee share schemes. If resolution 2 is passed, the requirement imposed by section 561 will not apply to allotments by the Directors in respect of the issue of the New Ordinary Shares and Warrants in connection with the Placing and Subscription and also in the following cases:

- in connection with a rights (or similar) issue, where strict application of the principle in section 561 could (for example) either result in fractional entitlements to shares arising or require the issue of shares where this would be impractical because of local, legal or regulatory requirements in any given overseas jurisdiction; and
- allotments of equity securities for cash on a non pre-emptive basis up to a total nominal value of £9,235,949.86 (representing 100% of the Enlarged Share Capital). This gives the Directors flexibility to take advantage of business opportunities as they arise.

This authority will expire at the conclusion of the next annual general meeting or, if earlier, 15 months after the date of the resolution, except in so far as commitments to allot shares have been entered into before that date.

The attention of Shareholders is also drawn to the voting intentions of the Independent Directors as set out in the paragraph entitled "Recommendation" below.

Recommendation

The Directors believe that the Placing and Subscription are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Independent Directors recommend that Shareholders vote in favour of the Resolutions, as they intend to do in respect of their own individual holdings amounting, in aggregate, to approximately 29.97% of the Existing Ordinary Shares.

Action to be taken

A Proxy Form for use at the General Meeting accompanies the Circular. The Proxy Form should be completed in accordance with the instructions thereon and returned to the Company's registrars, Neville Registrars Limited, at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, UK, as soon as possible, but in any event so as to be received by no later than 48 hours before the time of the General Meeting. The completion and return of a Proxy Form will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

Sean Nicolson

Chairman

20 September 2016

EXPECTED TIMETABLE

	2016
Posting of circular	20 September 2016
Latest time and date for receipt of Proxy Forms	11.30 am, 8 October 2016
General Meeting	11.30 am, 10 October 2016
Admission and dealings in New Ordinary Shares expected to commence	11 October 2016
Expected date for CREST stock accounts to be credited with the New Ordinary Shares in uncertificated form	11 October 2016
Dispatch of definitive certificates for New Ordinary Shares and Warrants	18 October 2016

The dates set out in the Expected Timetable of Principal Events above and mentioned throughout the Circular may be adjusted by the Company, in which event details of the new dates will be notified via a Regulatory Information Service.

DEFINITIONS

The following definitions apply throughout this announcement unless the context otherwise requires:

“Act”	the Companies Act 2006 (as amended)
“Admission”	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
“Adviser Shares”	the 5,232,805 New Ordinary Shares to be subscribed for by Intrinsic, SRG and/or persons specified by Intrinsic and/or SRG upon completion of the Placing
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies as published by the London Stock Exchange from time to time
“Circular”	the circular to Shareholders containing the Notice of General Meeting and setting out details of the Placing and Subscription and attaching the Proxy Form
“Company”	EVR Holdings plc
“CREST”	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any variation thereof
“Directors” or “Board”	the directors of the Company as at the date of this announcement

“Enlarged Share Capital”	the Ordinary Shares in issue immediately following Admission
“Euroclear”	Euroclear UK & Ireland Limited
“Existing Ordinary Shares”	the 718,362,177 existing Ordinary Shares in issue at the date of this announcement
“Existing Warrants”	the total of 110,241,358 warrants created by warrant instruments on 17 July 2015, 30 July 2015 and 26 April 2016 that give the holders thereof the right to subscribe for one Ordinary Share for each warrant held at various exercise prices
“General Meeting”	the general meeting of the Company to be held at 11.30 a.m. on 10 October 2016 and which is being convened pursuant to the Notice of General Meeting
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“Independent Directors”	Simon Cole and Anthony Matchett
“Intrinsic”	Intrinsic Capital LLP
“Issue Price”	1.7 pence per New Ordinary Share
“London Stock Exchange”	London Stock Exchange plc
“New Ordinary Shares”	the Placing Shares and the Adviser Shares
“Notice of General Meeting”	the notice convening the General Meeting set out at the back of the Circular
“Ordinary Shares”	ordinary shares of 1 penny each in the capital of the Company
“Placee”	a subscriber for Placing Shares and attached Warrants pursuant to the Placing
“Placing”	the conditional placing of the Placing Shares and Warrants, further details of which are set out in the Chairman’s letter contained in this announcement
“Placing Shares”	the 200,000,005 new Ordinary Shares to be issued to Placees pursuant to the Placing conditional, <i>inter alia</i> , upon the passing of the Resolutions
“Proxy Form”	the proxy form for use in connection with the General Meeting which accompanies the Circular
“Resolutions”	the resolutions to be proposed at the General Meeting and which are set out in the Notice of General Meeting
“SRG”	Sports Resource Group Limited

“Shareholders”	holders of Ordinary Shares
“Subscription”	the subscription by SRG for the Adviser Shares upon completion of the Placing, details of which are set out in the Chairman's letter contained in this announcement
“Warrants”	the warrants to be created and which are to be granted to Placees conditional, amongst other things, upon the passing of the Resolutions, on the basis of one warrant for every six Placing Shares subscribed for and with each warrant giving the holder thereof the right to subscribe for one Ordinary Share at 1.85p per share at any time on or before 16 October 2019

- Ends -