

6 June 2017

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**This announcement contains inside information**

**EVR Holdings plc**  
("EVR" or the "Company")

**Accelerated Bookbuild to raise gross proceeds of approximately £5 million  
and  
Change of Nominated Adviser and Broker**

EVR Holdings (AIM: EVRH), one of the leading creators of virtual reality content, announces a proposed placing of new Ordinary Shares ("Placing Shares") at a price of 8 pence per share (the "Placing Price") with existing and new institutional and other investors, to raise gross proceeds of approximately £5m (the "Placing").

#### **Details of the Placing**

The Company intends to raise approximately £5 million (before expenses) pursuant to the Placing at the Placing Price of 8 pence per share.

The Placing Shares are being offered by way of an accelerated bookbuild ("Bookbuild") on the Company's behalf by the Company's sole bookrunner, Zeus Capital Limited ("Zeus Capital"). The Bookbuild will be launched immediately following this announcement. The books are expected to close no later than 5.30 p.m. (London time) on 6 June 2017. However, the timing of the closing of the Bookbuild, the final number and allocation of Placing Shares to be issued at the Placing Price are to be determined at the discretion of the Company and Zeus Capital. A further announcement will be made following closing of the Placing, confirming the final details of the fundraising.

The Placing Price represents a discount of approximately 4.5 per cent. to the closing price per share of 8.375 pence on 6 June 2017, being the latest practicable date before this announcement.

Assuming that the Company raises £5 million (before expenses) under the Placing, 62,500,000 Placing Shares will be issued at the Placing Price, which will represent approximately 6.12 per cent. of the Enlarged Share Capital of the Company. The Placing Shares will rank *pari passu* in all other respects with the Company's Existing Ordinary Shares. The Placing does not require any Shareholder approval.

The fundraising will enable MelodyVR to make further investments in its original content library as well as to extend the capacity of its live music capture and digital content creation capabilities both in the

UK and overseas, expanding upon existing resources and infrastructure, increasing global marketing efforts as well as research and development in areas such as post production and camera technology.

The Company also announces the appointment of Zeus Capital Limited as its Nominated Adviser and Broker with immediate effect.

Additional information on the Placing is included below.

*Prior to its publication, certain information contained within this announcement was deemed to constitute inside information for the purposes of Article 7 of EU Regulation 596/2014 ("MAR"). In addition, market soundings (as defined in MAR) were taken in respect of the Placing with the result that certain persons became aware of inside information (as defined in MAR), as permitted by MAR. This inside information is set out in this announcement and such information is now considered to be in the public domain. Accordingly, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to the Company and its securities.*

**For further information:**

**EVR Holdings plc**

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Anthony Matchett, Chief Executive Officer

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**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](http://www.evrholdings.com).

**Virtual Reality in 2017**

The virtual reality industry is growing at a significant rate following the launches of Oculus Rift, Playstation VR and HTC Vive. Goldman Sachs estimate that the market could be worth US\$80bn by 2025.

**Additional information on the Placing**

## **1. Background to and reasons for the Placing and use of proceeds**

MelodyVR was formed to capitalise on the expected wave of virtual reality (“VR”) hardware which has been released since 2015. MelodyVR recognised that a significant investment had been made in VR hardware, but that there would only be a limited amount of VR content available.

Since its readmission to AIM on 16 May 2016, the Company has continued building an end-to-end virtual reality content production and distribution business with the vision and consumer proposition to allow music fans to experience a recorded music event or concert via virtual reality. The Directors believe that MelodyVR's proposition will appeal to many music fans that are unable to attend a live event due to geographical or financial constraints, age restrictions or simply to an event being sold out.

The fundraising will enable MelodyVR to make further investments in its original content library as well as to extend the capacity of its live music capture and digital content creation capabilities both in the UK and overseas, expanding upon existing resources and infrastructure, increasing global marketing efforts as well as research and development in areas such as post production and camera technology.

## **2. Details of the Placing**

### **Structure**

The Directors have given careful consideration as to the structure of the proposed Placing and have concluded that the Placing is the most suitable option available to the Company at this time.

The Placing is expected to raise approximately £4.7 million funds (net of expenses) for the Company. Assuming this amount is raised pursuant to the Bookbuild then it is anticipated that 62,500,000 Placing Shares will be issued at the Placing Price of 8 pence per share.

### **Principal terms of the Placing**

In accordance with the terms of the Placing Agreement, Zeus Capital has been appointed, as agent for the Company, to use its reasonable endeavours to procure institutional and other investors to subscribe for the Placing Shares at the Placing Price in order to raise approximately £5 million.

The Placing is not being underwritten.

Under the Placing Agreement, the Company has agreed to pay to Zeus Capital a corporate finance fee together with a commission based on the aggregate value of the Placing Shares placed at the Placing Price and the costs and expenses of the Placing together with any applicable VAT.

### **Conditionality**

The Placing is conditional, *inter alia*, upon the following:

- Admission occurring by no later than 8.00 a.m. on 13 June 2017 (or such later times and/or dates as may be agreed between the Company and Zeus Capital, being no later than 8.00 a.m. on 20 June 2017);
- the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and
- Zeus Capital having received legally binding commitments from placees to subscribe for all of the Placing Shares.

If the conditions set out above are not satisfied or, where capable of waiver, waived the Placing will lapse and the Placing Shares will not be issued and all monies received from investors in respect of the Placing Shares will be returned to them (at the investors' risk and without interest) as soon as possible thereafter.

### **Application for Admission**

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. Admission of the Placing Shares is expected to take place, and dealings on AIM are expected to commence, at 8.00 a.m. on 13 June 2017 (or such later time and/or dates as may be agreed between the Company and Zeus Capital).

The Placing Shares will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

### **3. Current trading and outlook**

The Company announced on 22 December 2016, that it had signed a global framework agreement with Warner Music Group (“WMG”) and granted warrants to WMG to subscribe for up to 43,239,926 Ordinary Shares at 4.25 pence per share. On the same day, the Company also announced the launch of the beta version of the MelodyVR app.

In addition, the Company announced on 20 March 2017 that it had signed a global framework agreement with Universal Music Group (“UMG”) and granted warrants to UMG to subscribe for up to 43,239,926 Ordinary Shares at 12.375p per share.

The Company continues to follow an aggressive global expansion strategy, focusing heavily on original content creation, content licensing, product development and in as areas of interest such as content analytics, augmented reality and interactive advertising.

Feedback from beta testing of MelodyVR’s application, which commenced in December 2016, has proven to be extremely positive and has provided numerous insights into consumer behaviour, leading to several refinements to the platform’s user experience.

In order to further increase worldwide production capabilities and in-line with the Company's 2017 growth strategy, the Company intends to open a series of satellite offices throughout Europe, North America and Asia. The offices, opening initially in Los Angeles and New York, will enable the Company to better serve its partners, such as record labels, hardware manufacturers and artists. Following a series of key hires in areas such as marketing, licensing and engineering, the Company now intends to grow its global presence, attracting world-class talent from both the music and technology industries, at both management and director level.

As the VR market matures, MelodyVR will launch its free-of-charge application across the leading VR hardware and devices. The Board believes that the MelodyVR platform, featuring both live and recorded performances from world-renowned artists and musicians, will cater to the growing consumer demand for VR entertainment content and, in turn, generate significant revenues for the group post-launch.

To date, MelodyVR has created thousands of hours of interactive VR experiences featuring over 526 international recording artists and currently has 72 exclusive partnerships with event and festival brands for VR content creation and distribution, for terms commonly of 5 years (but also up to 25 years).

MelodyVR will pursue its goal of launching what the Board believes will be the leading destination for music in VR and the world’s next major music platform.

The Directors believe that the factors set out above all contribute to an extremely positive outlook for the Company and they remain confident in the Company’s future performance and growth.

### **4. Effect of the Placing**

Upon completion of the Placing, the Placing Shares will represent approximately 6.12 per cent. of the Enlarged Share Capital.

### **5. The Placing Agreement**

Pursuant to the terms of the Placing Agreement, Zeus Capital has agreed to use its reasonable endeavours, as agent for the Company, to procure subscribers for the Placing Shares at the Placing Price.

The Placing Agreement is conditional upon, among other things, the conditions set out above and none of the warranties or undertakings given to Zeus Capital prior to Admission being or becoming untrue, inaccurate or misleading in any material respect.

The Placing Agreement contains customary warranties given by the Company in favour of Zeus Capital in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Zeus Capital (and their affiliates) in relation to certain liabilities which they may incur in respect of the Placing.

Zeus Capital has the right to terminate the Placing Agreement in certain circumstances prior to Admission. In particular, in the event of a material breach of the warranties or a material adverse change or if the Placing Agreement does not become unconditional.

## **EXPECTED TIMETBALE OF PRINCIPAL EVENTS**

Announcement of the Placing	6 June 2017
Announcement of completion of Placing	7 June 2017
Admission of the Placing Shares to trading on AIM	8.00 a.m. on 13 June 2017

## **Forward-looking statements**

This announcement contains statements about EVR that are or may be deemed to be "forward-looking statements".

All statements, other than statements of historical facts, included in this announcement may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", "would", "could", "continue" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of EVR.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, MAR, the Prospectus Rules and/or the FSMA), EVR does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to EVR or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this announcement are based on information available to the Directors of EVR at the date of this announcement, unless some other time is specified in relation to them, and the posting or receipt of this announcement shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

## DEFINITIONS

In this announcement, capitalised terms shall (unless the context requires otherwise) have the following meanings:

<b>Admission</b>	admission of the Placing Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules;
<b>AIM</b>	the AIM market operated by the London Stock Exchange;
<b>AIM Rules</b>	the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers (as the context may require);
<b>AIM Rules for Companies</b>	the rules of AIM as set out in the publication entitled 'AIM Rules for Companies' published by the London Stock Exchange from time to time;
<b>AIM Rules for Nominated Advisers</b>	the rules of AIM as set out in the publication entitled 'AIM Rules for Nominated Advisers' published by the London Stock Exchange from time to time;
<b>Board or Directors</b>	the board of directors of the Company for the time being;
<b>Company or EVR</b>	EVR Holdings plc, a company incorporated in England and Wales with registered number 5628362 and having its registered office at 3rd Floor, Camden Wharf, 28 Jamestown Road, London, NW1 7BY;
<b>Enlarged Share Capital</b>	the issued share capital of the Company immediately following Admission;
<b>EU</b>	the European Union;
<b>Existing Ordinary Shares</b>	the 959,125,846 Ordinary Shares in issue as at the date of this announcement;
<b>FCA</b>	the Financial Conduct Authority;
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended;
<b>Group</b>	the Company and its subsidiary undertakings at the date of this document;
<b>MAR</b>	the Market Abuse Regulation, being EU Regulation 596/2014
<b>MelodyVR</b>	MelodyVR Ltd, a company incorporated in England and Wales with registered number 9555357 and having its registered office at 3rd Floor, Camden Wharf, 28 Jamestown Road, London, NW1 7BY;

<b>London Stock Exchange</b>	London Stock Exchange plc;
<b>Ordinary Shares</b>	ordinary shares of 1p each in the capital of the Company;
<b>Placees</b>	the persons who have agreed to subscribe for the Placing Shares;
<b>Placing</b>	the placing of the Placing Shares with the Placees pursuant to the Placing Agreement;
<b>Placing Agreement</b>	the conditional agreement dated 6 June 2017 between the Company and Zeus Capital Limited relating to the Placing;
<b>Placing Price</b>	8 pence per Placing Share;
<b>Placing Shares</b>	up to 62,500,000 new Ordinary Shares to be issued by the Company under the Placing;
<b>Prospectus Rules</b>	the Prospectus Rules published by the FCA;
<b>Shareholders</b>	holders of Existing Ordinary Shares;
<b>UK or United Kingdom</b>	the United Kingdom of England, Scotland, Wales and Northern Ireland;
<b>Zeus Capital</b>	Zeus Capital Limited, a company incorporated in England and Wales with registered company number 4417845; and
<b>£ or sterling</b>	pounds sterling, the legal currency of the United Kingdom.