

EDGE VCT STANDS STRONG AMID FINANCIAL TURMOIL

The Edge Performance VCT is targeting investors unsettled by turmoil in the equity markets, with the message that it offers a safe haven for funds withdrawn from more risky investments.

In the past 12 months, the FTSE All-Share Index has fallen by a third; in that same time, the return per C share has increased by almost 2.5%. The company believes this highlights very effectively how the Company is managing downside risk and that an investment in the Company provides a useful portfolio diversification tool for investors.

Edge founder David Glick says a number of factors speak in Edge's favour at a troubled time for the investment community:

Government-backed security. As a VCT, Edge Performance comes with the backing of significant tax incentives from the UK Government;

Experienced team. From legendary impresario Harvey Goldsmith, to Elton John manager Frank Presland, Eric Clapton manager Michael Eaton and media expert Sir Robin Miller, Edge has one of the strongest line-ups of executive talent in entertainment;

Focus on live events business. Live events have been the star performer of the entertainment business in recent years and look set to be among the most resilient in the face of recession. The 180,000 tickets for Oasis's tour this month, for instance, sold out within an hour.

Established track record. At the end of August 2008, the total return per share of the Edge Performance VCT Ordinary share fund stood at 91p, a return of more than 51% on the shareholder's net of tax cost of investment, exceeding by a significant margin the targeted return of 75p per share.

Edge investment manager Alasdair George says, "There is no doubt that the past few weeks have presented a significant challenge to investors. We believe that many investors will find the Edge Performance VCT very attractive in these circumstances. Our blended approach to investment in the relatively resilient entertainment market, underpinned by the tax advantages of a VCT, makes Edge and its shareholders potential beneficiaries of the downturn."



George: planning new share offer

Following the success of its first offers, George says that Edge will shortly convene a General Meeting of shareholders to seek approval for a new "E" share offer.

"The Edge Performance VCT's track record to date suggests that a new fund-raising round will be welcomed by the market," says George.

Edge helps Solange strike deal with Labelux

Edge has structured a deal which promises to transform West London jeweller and perfume house Solange Azagury-Partridge into a worldwide luxury goods brand.

Edge's legal team have put together the multi-million deal in which Vienna- and Milan-based luxury goods group Labelux - owner of Bally - have bought a majority stake in Solange Azagury-Partridge and are pledging to invest millions more in taking the brand around the world.

The sale comes just 13 years after the company's eponymous owner opened her store in London's Notting Hill.



Pete Tong joins Edge Group board

Superstar DJ and dance music entrepreneur Pete Tong is to join the Edge Group board as a non-executive director.

Tong will sit on the Edge Group board alongside David Glick, Richard Baskind and Nick Phillips, CEO of the leading children's television and merchandising company Entertainment Rights plc.

David Glick said, "We are delighted that Pete has agreed to join the Edge Group board. Pete has unrivalled contacts and experience across the dance music and branded entertainment business and his specialist skills add a significant resource to Edge."

Pete Tong is one of the world's premier dance music DJs, but he is also a broadcaster, producer, record executive and A&R man. His legendary Friday night show (Essential Selection) on BBC Radio 1 has been running for 17 years and he also presents two other weekly shows for the station. His compilation and mix albums have sold millions of copies throughout the world.

In August 2008, he formed William Morris Electronic, a joint venture with the William Morris Agency to focus on the electronic music market.

Pete Tong said, "David Glick has personally represented me for more than 10 years and I have watched his success in building Edge Group with some admiration. I look forward to being a part of the Edge story."

David Glick added, "Securing access to some of the best and most experienced executives in the entertainment industry has been key to Edge Group's success. Asking Pete to join us is a logical extension of that policy."

NEW JV BRINGS MONKEY TO EDGE

Edge Performance VCT is to back the spectacular opera, "Monkey – Journey to the West", created by the team behind the Gorillaz, Damon Albarn and Jamie Hewlett, together with renowned Chinese director Chen Shi-Zheng.

Edge will be participating in Monkey's forthcoming run at London's O2 Arena, after investing £1m in a new live promotion company, Saravid Promotions, created by noted music industry entrepreneur Daniel Lycett.

Monkey has already garnered substantial critical acclaim following sold-out runs in Manchester, Paris and at the Royal Opera House in London.

The BBC made extensive use of music and visuals based on the show for its coverage of the Beijing Olympics.

Saravid Promotions is the third investment from the VCT's C share pool, following the £1m investment in MK Ultrasound Limited earlier this year and the additional £1m follow-on investment in MK Ultrasound.

Saravid founder Daniel Lycett's 20 year career in the music industry began with stints at Radio 1 and PWL Records, where he worked with artists such as Kylie Minogue, Jason Donovan and 2 Unlimited. In 1995, he joined the newly opened London office of German independent

label edel Records, where he became the youngest Managing Director of a UK record label, achieving a string of successes.

Since 2004, Lycett has operated as a consultant, working with, among others, 60's superstar Donovan and US hip hop legends Wu Tang Clan.

Edge Investment Management chairman Gordon Power said, "We are delighted to have been able to partner with Daniel and Monkey is a fantastic project with which to begin our relationship."

With Lycett's experience of dance music and hip hop, these genres will be a natural focus, although the company will also look for opportunities in diverse areas, including stage shows.

Edge People: Richard Baskind



Richard Baskind is one of the UK's top music lawyers and founded Edge Group with David Glick.

"I'm a career music lawyer," he says. "I relish the challenge of working with artists, executives and companies to help them make business sense of their creative ideas."

Over the past months, Baskind has steered Edge Legal through one of its busiest periods.

"From much of the media coverage, you might assume that the music industry is on its last legs," he says. "But the changing structure of the business, and the adoption of new ways of doing business present all kinds of commercial and legal challenges that we are helping people deal with."

Among Edge Legal's recent projects have been creating the contractual framework for long-time Edge client Sarah Brightman's forthcoming worldwide tour. "It is a massive undertaking," says Baskind. At the other end of the scale Edge has been working with Australian dance artists Sneaky Sound System as they plot a New Year assault on the UK charts.

"Sneaky are massive in Australia," says Baskind, "but are virtually unheard-of in the UK. And that's the kind of challenge I relish. Working with new and developing artists is one of the most rewarding parts of this job."

Edge Brokers Sale of Big Life Assets

Edge Group's corporate finance arm, Edge Media, has brokered the sale of Big Life Music to Universal Music Publishing.

The deal was designed to allow Big Life to build a war chest to invest in new young songwriters, and gave Universal access to 2,000 copyrights, including past and future works by the multi-platinum-selling Snow Patrol including the hit singles Chasing Cars, Run, and You're All I Have.

It gives Big Life the investment capital to pursue its strengths in developing new artists.

Edge Group founder David Glick said, "We are delighted to have been able to assist Big Life in achieving its objectives with this sale. There's much talk about the impact of the credit crunch on music, but there will always be a market for copyrights. If you know how to make a deal, there is always a strong demand for quality."

Big Life founder Jazz Summers said, "David Glick is the best in the business at this kind of thing."

Edge EIS Funds Invest in New Companies

The two Edge Live Protected EIS funds have now invested £1m in each of four new companies.

Among Edge's partners in the EIS investments are successful music publisher and manager Steven Howard and manager and entrepreneur David Dorrell.

"Access to the best executive talent remains key to the Edge formula," says Edge's David Glick.

Edge Investment Management is currently in the advanced stages of brokering events licensing arrangements for each of these four companies with established live promoters.

EDGE IN BRIEF Edge has licensed the rights to Nick Cave's second novel, The Death of Bunny Munro, to Edinburgh publisher Canongate. **Also on the book front, Edge founder David Glick's first book, an irreverent ecological book 50 Ways to F*** the Planet has just been published by Harper Collins.** Good luck to Edge PA Ismay Bourke who has just left to embark on the University of Westminster's highly-respected course in Music Management.

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