



PRESS RELEASE

**Edge Group launches two new investment funds  
for entertainment industry  
and creates new football-backed inheritance tax product**

**January 2010:** Investment and advisory boutique Edge Group is launching two new entertainment-based investment products and broadening its interests in the sports business. The company's new product line-up includes:

- A new "F" share issue for its successful Edge Performance VCT which became one of the Top 10 cash returning VCT performers of all time when it returned capital to holders of its Ordinary shares earlier in June 2009;
- A new Enterprise Investment Scheme (EIS) under the Edge Performance banner, applying the established Edge Performance VCT investment strategy to offer the income tax, capital gains and inheritance tax advantages of an EIS;
- Edge's first investment into the football sector with an inheritance tax product which will effectively cash-flow Premier and Championship League player transfers.

Edge has already raised more than £50m in its previous fundraising campaigns, and has become the biggest specialist investor in the live music industry.

The new Edge products reinforce the company's claim to be leading a new wave of investment funds creating new options for entertainment industry entrepreneurs.

"There's a long history of city investors dabbling in entertainment," said Glick. "And they have invariably come unstuck. Edge is the first of a new breed of investment managers who really come out of the entertainment industry and understand how it works."

Over the past three years the Edge Performance VCT has invested in 200 concerts by the likes of Kanye West, Bon Jovi and Backstreet Boys. In June, the VCT revealed it had

turned the 60p per share original net cost of investment of its Ordinary shareholders into 85p in just three years, exceeding target by 66%. That made the Edge VCT Ordinary share class one of the Top 10 best-performing cash returning VCTs to date.

“Having proven our approach with the VCT, we decided to extend the Edge Performance formula to the EIS market, “ said Glick.

Edge Group has defined itself in part by the strength and industry knowledge of the team it has assembled. As well as Glick himself, one of the UK music industry’s most renowned legal and corporate finance executives, the Edge team includes former Sony Senior Vice President of Business Affairs, Alasdair George and former Ingenious Ventures director Sanjay Wadhvani, alongside industry veterans such as impresario Harvey Goldsmith, superstar DJ Pete Tong, former HMV and EMAP chairman Sir Robin Miller, Elton John and Lily Allen manager Frank Presland and Eric Clapton manager Michael Eaton.

For its first sports venture, Edge has linked with New Century Finance, which has successfully been involved in the financing of, or debt management in relation to, more than 50 player transfers since 2001.

The new Edge Inheritance Tax Service offers investors the opportunity to reduce their inheritance tax liability by investing in ESM Factoring, a business which will factor high value football transfers between Premier League and Championship football clubs. ESM Factoring will effectively buy from the selling club the right to receive the stage payments of the transfer fee and takes on the obligations of invoicing and collecting those payments. Such deals are made more attractive because under Premier League and Football League rules, if a club defaults on a transfer fee, the leagues may cover the debt by deducting it from the payments due to the club from TV and sponsorship deals, which run to many millions of pounds each year.

Said Glick, “Sport is a new sector for us to invest in, but we are doing the same as we have done in the music industry, coupling insider industry knowledge with tax-efficient investment vehicles to bring new working capital to the industry.”

Looking to the future, Glick said, “In the lead-up to London hosting the 2012 Olympics we believe there will be numerous opportunities for sport and sport’s entrepreneurs to benefit from our unique blend of investment and industry expertise.”

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