

# Evercel

NEW YORK, March 28, 2018 (GLOBE NEWSWIRE) -- Evercel, Inc. ("Evercel") (OTC:EVRC) announced today that it has invested approximately \$8m in SharpSpring (NASDAQ: SHSP) in the form of a Convertible Note. Today's investment builds on a previous investment of 519,000 public shares of SharpSpring that Evercel acquired in November 2017 for approximately \$2m and which represents a 6.1% stake in the SharpSpring.

SharpSpring, a Gainesville Florida-based company, is a rapidly growing, highly-rated global provider of affordable marketing automation delivered via a cloud-based Software-as-a Service (SaaS) platform. Thousands of businesses around the world rely on SharpSpring to generate leads, improve conversions to sales, and drive higher returns on marketing investments. Known for its innovation, open architecture and free customer support, SharpSpring offers flexible monthly contracts at a fraction of the price of competitors making it an easy choice for growing businesses and digital marketing agencies. SharpSpring has been growing core revenue at a rate of more than 40% annually since inception and is run by the entrepreneur who founded the business six years ago. The funds received by SharpSpring from Evercel's investment will enable SharpSpring to accelerate customer acquisition and revenue growth through increased sales and marketing spend.

The five year note will entitle the holder to an annual 5% PIK interest payment, and is convertible into shares of common stock of SharpSpring at a price of \$7.50 per share. SharpSpring can force conversion at 175% of the conversion price (approximately \$13.13), and can extend the maturity of the note for up to 18 months, but at an annual PIK interest rate of 10%. SharpSpring may redeem the note at maturity for cash or for common stock issued at a 20% discount to the then-market price. Unpaid PIK interest will fully accelerate in a forced conversion or a change of control. The note will be subordinated to a limited amount of SharpSpring senior debt.

Evercel's investment is being made through a newly formed affiliated entity, SHSP Holdings LLC, which will be managed by another Evercel affiliate, Corona Park Investment Partners. As part of the transaction, Evercel will nominate a representative of Corona Park to join the SharpSpring Board of Directors. Evercel plans to host a conference call on Monday, April 2 at 4:30pm EST to discuss the investment further. Call in information will be posted on Evercel's website, at [www.evercel.com](http://www.evercel.com).

## **Cautionary Statement Regarding Forward Looking Information, Reporting Policy**

Statements in this announcement that are not historical facts are "forward-looking statements" that may involve material risks and uncertainties. Evercel wishes to caution readers not to place undue reliance on such forward-looking statements. All such statements speak only as of the date made.

Evercel does not report its financial and other information publicly with the SEC. Evercel chooses to voluntarily report information periodically at the discretion of management. However, management may change Evercel's reporting policy at its discretion without notice. The information provided in this announcement, and any other information provided by Evercel as to its operations, financial condition, prospects or any other matter does not purport to be complete as it does not contain risk factors, qualifications or further explanations that investors could deem relevant.