

[DATE] 2018

## **URA Holdings Plc**

**(“URA” or “the Company”)**

### **Update on Proposed Acquisition**

Further to the announcement on 21 June 2018, the Directors of the Company provide the following update on the proposed acquisition of Entertainment AI Limited (“EAI”).

#### **ABOUT EAI**

EAI is a business incorporated in the US to exploit the rapidly growing worldwide market for digital entertainment content that can be both personalized for consumers through the use of artificial intelligence and delivered directly to consumers on their internet-connected screens. ‘Direct to consumer’ delivery opens up more opportunities for both consumers and businesses to connect through purchases “in the moment” or “video micro-moments” as Google has conceptualized with respect to its YouTube business. 96% of consumers find video helpful in making on-line purchasing decisions. The limitation to date has been enabling consumers to purchase directly from the video with minimal transactions costs as opposed to purchasing from associated images a few clicks away. EAI addresses this limitation and aims to be a leader in the “Third Wave of TV”. The First Wave was network channels delivering broad programming to a ‘typical’ consumer. The Second Wave was cable channels where programming targeted particular, identified consumer groups that gathered around niche cable channels. The Third Wave is being driven by AI and has accelerated the personalisation of content by understanding the consumer directly. With the Third Wave has come a shift to mobile devices enabling programming to be delivered anytime, anywhere.

#### **TRANSACTION UPDATE**

As part of the reverse takeover process the Company made an advanced assurance application to HM Revenue & Customs (“HMRC”) for tax relief under the Enterprise Investment Scheme (“EIS”) and Venture Capital Trust (“VCT”) Scheme. The Company has now received notification from HMRC that EIS approval is granted and that VCT approval will be considered when investing VCT funds have been identified. This tax status will allow the Company to broaden its potential investor base and is a strong positive for the launch of EAI into the quoted space.

There have been a number of complexities in the transaction from a US perspective, which have now been resolved, and documentation is progressing well. The Directors believe that subject to financing, there are no material issues to preclude the transaction from completing.

The Company’s shares will remain suspended from trading on AIM until such time as it completes this transaction or another reverse takeover. In the event that the Company is unable to complete a reverse takeover under the AIM Rules (including seeking re-admission as an investing company as defined under the AIM Rules) on or before 20 December 2018, admission of the Company’s shares will be cancelled in accordance with Rule 41 of the AIM Rules. If trading in the Company’s shares is cancelled, it will need to re-apply for admission to AIM in order to complete the transaction as contemplated. The documentation for this is similar to the documentation for a reverse takeover and it is not anticipated that this would cause any material issues for the completion of the transaction.

Enquiries

**URA Holdings Plc**

Melissa Sturgess / Peter Redmond

+44 (0)206 920 3150

**Northland Capital Partners Limited**

Matthew Johnson / David Hignell

+44 (0)203 861 6625

**Peterhouse Capital Ltd**

Lucy Williams / Duncan Vasey

+44 (0)207 469 0930