

Urb-it AB (publ)

Annual Report 2019



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ABBREVIATIONS

API = "Application programming interface"

BFNAR = The Swedish Accounting Standards Board's (BFN) general advice for accounting principles

B2B = "Business to Business" (market strategy for commercial transaction between companies)

B2C = "Business to Consumer" (market strategy for commercial transactions between companies and consumers)

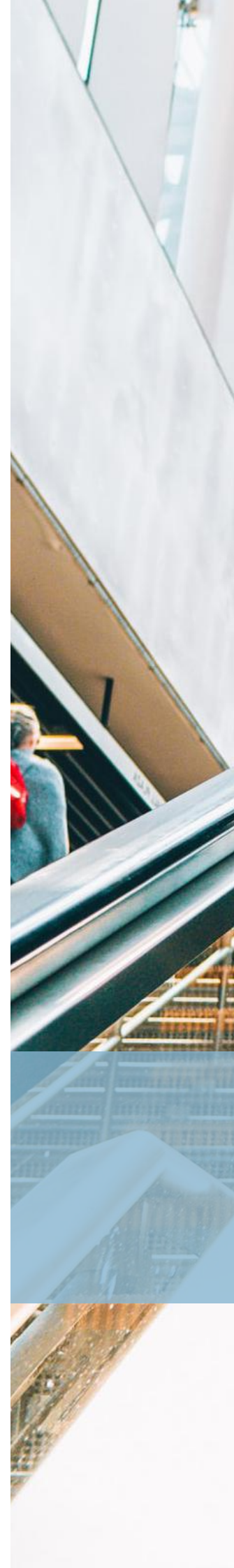




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INTRODUCTION AND SUMMARY OF YEAR 2019

Significant events during the business year

Q1

- Following the introduction of the Incentive Program, all employees chose to subscribe for warrants in the Company's 2019/2022 Program.
- The company initiated a collaboration with the e-retailer resvaskor.se to enable fast same-day deliveries to customers in Stockholm.
- The company's British subsidiary started a collaboration with the florist marketplace, Floom. The collaboration enables Floom to offer sustainable flower deliveries to its customers in London.

Q2

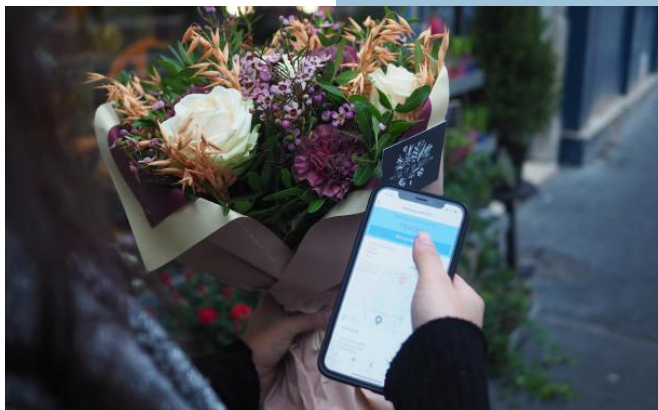
- The company expanded its Swedish operations to Gothenburg. An expansion that has helped strengthen the company's position in the market and deepen existing national partnerships.
- The company's French subsidiary began collaborations with, among others, Deliver.ee, Pierre Hermé and La Ruche Qui Dit Qui.
- The company's UK subsidiary initiated a collaboration with the delivery platform Bringg, a collaboration which means that Urb-it can provide sustainable same-day deliveries to Bringg's network of resellers in London.
- The company started a collaboration with The Body Shop to enable fast same-day deliveries to customers in Stockholm.
- Allin Hovsepian Abdo, left her position as CFO at Urb-it AB (publ) during the second quarter and Gustav Wikman replaced her as interim CFO.
- The company came in second place when prizes were distributed to companies making the greatest efforts for the environment at the e-commerce convention, Deliver.

Q3

- The Company expanded its French operations to Lyon. The expansion contributes to strengthening the company's position in the market and deepening existing national collaborations.
- The Company's technical platform was further developed to enable continued development of the Company's models and processes.
- The Company started a co-operation with British logistics platform, Lineten Limited. The collaboration contributes to a great growth of the Company's British subsidiary.

Q4

- During the fourth quarter of 2019, the Company initiated a commercial collaboration with Pret A Manger in London, via the aggregation platform, Lineten Managed Service.
- Collaborations with DHL eCommerce Solutions Sweden and DHL Express International in France were also initiated. The collaborations will enable deliveries from DHL service points directly to the end consumer in Sweden and will also facilitate DHL Last-mile deliveries from central logistic hubs to end-consumers in France.
- The Company also announced the start of a new collaboration with Intersport in Sweden in November 2019.
- An offset issue of shares was executed according to plan in November.
- Part 2 of the incentive program was successfully completed with 82,13 % of available Stock Options purchased by employees.



CEO'S OVERVIEW



“A Year of Clarity.”

2019 was a truly remarkable year in these times of change, illustrated best through a 16-year old environmental activist acknowledged as Time Person of the Year. Going eco, and contributing to a better tomorrow, had been on political agendas for a long time but last year, we saw a big change in attitude in the world of business. This difference in opinion manifested itself best at the World Economic Forum summit 2020 in Davos. The main theme of the conference was Stakeholders for a Cohesive and Sustainable World, and the topics included Society and the future of work, Tech for good and How to save the planet among others. This makes me, as the CEO of Urb-it, very proud of our company because this captures the essence of what we are and strive to be.

2019 was also the year when retailers with greater determination started to embrace omni channel as part of core business in the era of ever-growing E-commerce. The year when retail discovered their stores make for great urban distribution centres. The realization that local inventory closer to the end-consumer, instead of stockpiled products in

remote delivery hubs, is better for everyone. It provides low-cost and high-speed delivery with a reduced carbon footprint! I know Urb-it can be the ideal partner for retail, simplifying and growing their city deliveries in a sustainable way. Our cities don't have to pay the cost of digitalization.

With these macrotrends forming the future of business, in combination with all the great partnerships we have signed over the past year, Urb-it is without a doubt a scale-up, leaving the 'start-up' label behind. This change was manifested during the year by the vast change in the dialogue with potential partners. Moving from IF the Urb-it solution is needed to WHEN we can offer the service to our customers. The difference in attitude is enormous and larger players now approach us to discuss partnerships, and that is something that builds momentum for the future!

As always, we stay true to the vision of city deliveries with no added pollution or congestion, and in 2019 we received the Swedish “Bra Miljöval” Eco certification. The certification has strengthened our identity and improved our service attractiveness to clients and end-consumers.



We had a great year commercially, but aside from that I want to highlight:

- Purpose, passion, and determination – Thanks to our dedicated team and the Urber community, we have rapidly grown our business in all markets. The passion, pride, and engagement that our Urbers display and their willingness to contribute to our cause are impressive. They are truly the backbone of this company. Together, and with a mindset of relentless improvements, we have rapidly scaled the business. The result speaks for itself, with an overall 4.82 / 5.00 client satisfaction score and a 98 % delivery success rate.
- Collaboration with DHL – One of the most exciting things this past year is the partnerships with DHL in both France and Sweden. Partnering up with such a massive logistics company, who are considered experts in logistics, and having them validate our position as the preferred partner of last-yard delivery services is something that we are especially proud of.

I am hopeful for what the new year will be for Urb-it and we are well prepared. Customer experience will be even more important as the primary competitive advantage for businesses.

The delivery experience is taking an even more central part in the shopping experience, and that will be something businesses and the consumer will be willing to invest in; a sustainable and personalized delivery experience.

This growth cannot be realized without a purpose-built tech platform that allows us to scale. I'm confident we have the right people, and the right priorities to ensure that our platform will be the enabler. We're ready to transform urban logistics with a people-powered delivery service that fights for the health of our cities in London, Paris, Lyon, Stockholm, Gothenburg and several more to come. Exciting times ahead.

As always, I thank you for your support.

Kevin Kviblad
CEO

ADMINISTRATION REPORT



The Board of Directors and the CEO of Urb-it AB (publ), with organisation number 556959–9755, hereby present the annual report and consolidated accounts for 2019. Urb-it AB is the Parent Company of the Group, based in Stockholm.

About the business

Urb-it is a platform company that offers flexible, personal and sustainable “same-day deliveries” for retailers, partners and customers in large cities. The

Company was founded in Stockholm in 2014 and launched early the following year. During the turn of the year 2015/2016, operations started in Paris and in the fall of 2016 the business was launched in London as well. In July 2017, Urb-it was listed on Nasdaq First North.

The deliveries are performed by licensed Urbers through a crowd-sourced model that enables a flexible form of employment on the Urbers’ terms.



When a delivery is booked, our Urbers are notified and the order claimed, after which the Urber picks up the goods directly from the retailer's physical store or delivery point and delivers to the customer - when and where the customer wants, even within an hour.

The Company's partners integrate directly with Urb-it's platform through a product suite where Urb-it's services are offered (i) as an e-commerce delivery alternative, (ii) in the physical store or (iii) as part of the existing sales flow, for example "Click & Collect", where customers order their goods on the web, after which Urb-it handles the collection from the physical store or other delivery point.

Urb-it owns neither inventory nor transport fleet. Through a unique product suite, thorough recruitment and solid service training, and as a result of Urbers being only allowed to walk, cycle or ride by public transport, the Company's platform aims instead to offer a service that not only exceeds consumer expectations, and thus strengthens the partners' competitiveness and offering, but also contributes to a city that is greener, happier, less busy and less polluted.

Group structure

The Company is the Parent Company in a Group composed by the wholly owned subsidiaries, Urb-it Paris SAS, org.nr. 350 261 152, based in Paris and Urb-it London Ltd, org.nr. 09999823, based in London.

Net sales and financial position

The company's net sales during the period January 1 - December 31, 2019 amounted to TSEK 4 429, which corresponds to an increase of TSEK 3 208 compared to the period January 1 - December 31, 2018 when net sales amounted to TSEK 1 221. The increase is due to continued increased market establishment and more integrated retailers. During the period January 1 - December 31, 2019, the Company's operating loss amounted to TSEK -46 547, a decrease of TSEK 13 157 compared with the period January 1 - December 31, 2018 when the operating loss amounted to TSEK -59 705. The improvement is mainly due to significantly lower costs in accordance with the Company's new strategy. The net loss per share amounted -0,42 SEK (-1,15 SEK) during the period January 1 - December 31.

Proposed distribution of earnings

Unrestricted equity according to balance sheet:

Share premium reserve according to balance sheet	315 672 237
Accumulated loss	-269 552 016
Net loss	-42 116 203
SEK	4 004 018

The Board of Directors proposes that the accumulated profit be handled so that 4 004 018 is carried forward to the next financial year.

Liquidity & Financing

Cash and cash equivalents amounted to TSEK 930 as of December 31, compared with SEK 1 313 thousand for the same period last year. The Group's current liabilities amounted to TSEK 19 618. At the same time last year, current liabilities amounted to TSEK 24 626. Equity amounted to TSEK 4 656 on the reporting day, compared with TSEK 13 124 for the same period in 2018. This is mainly explained by the fact that Urb-it was largely financed through a new share issue during the period, in which the majority of previous loans were converted to equity in November 2019, while the Company made further losses during the year. Non-current assets accumulated to TSEK 27 513 compared with TSEK 39 430 at the same time last year.

Intercompany

The parent company has made a write-down of 10 MSEK (26,5 MSEK for 2018) regarding receivables on group companies.

Financing & Going Concern

Until the Company shows a profit, the business remains dependent on the addition of liquid funds. Such funds will be provided through continued borrowing by the Company's principal shareholder, or third party, or by the issue of new shares or convertible debentures.

Lage Jonason, in connection with the release of this report, has increased his loan limit to SEK 12 Million.

Personnel & Organization

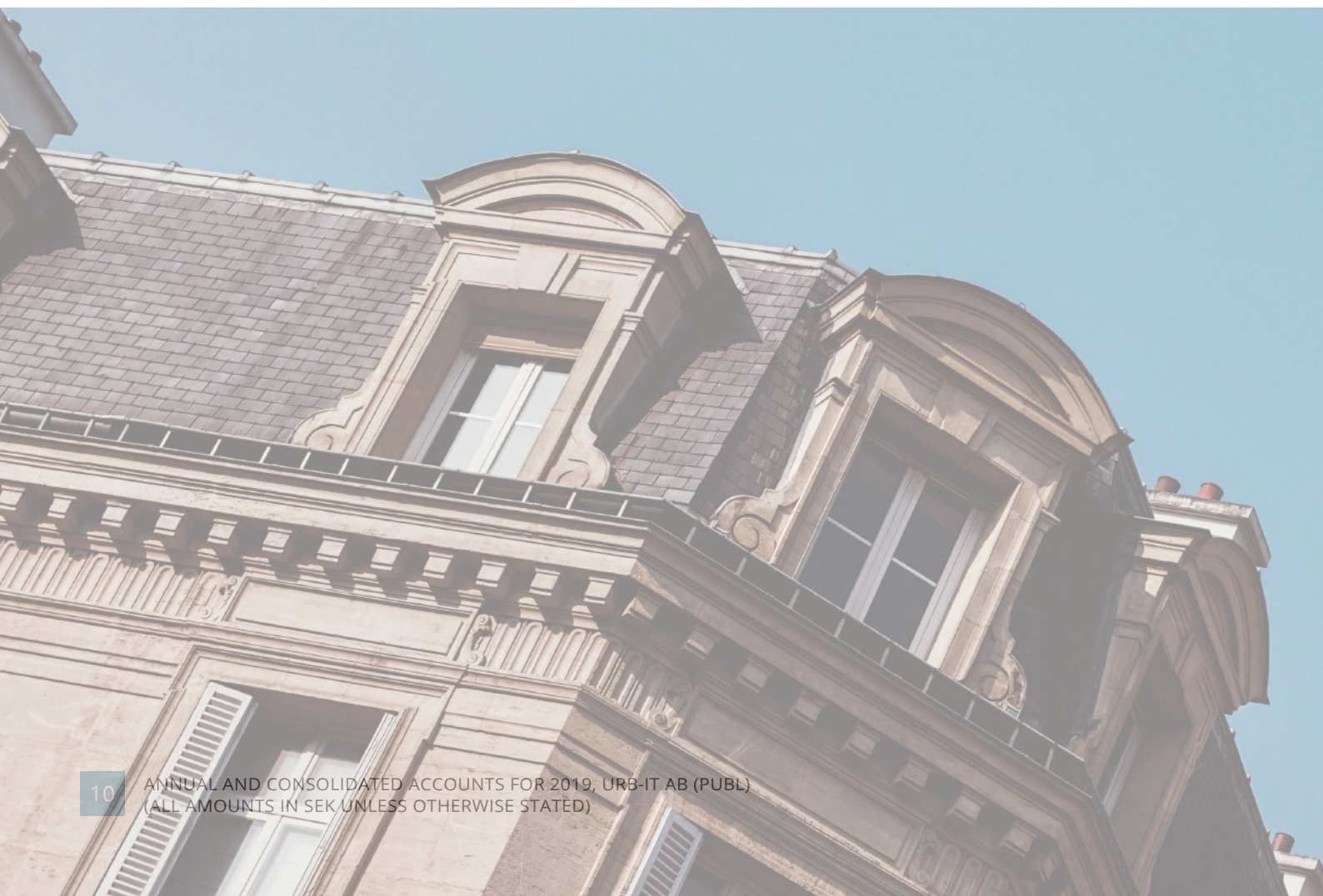
As of December 31, 2019, the Urb-it Group had a total of 25 full-time employees, 12 of whom worked in Sweden, 8 in Paris and 5 in London. (No employees in Gothenburg or Lyon.) Previous year, the number of employees was 9 in Stockholm, 5 in Paris and 3 in London.

Related Party Transactions

During the fourth quarter of the year, the Company utilized parts of the loan commitment from Lage Jonason, which resulted in a total borrowing of approximately SEK 7,9 Million.

Significant events after the closing date

- The incentive programme for the Company's employees, launched in December 2018, resulted in 82,13% of Stock Options being purchased during the second round of the programme (optionsprogram 2020-2023) which was completed in January 2020.



- Urb-it now covers all DHL Service Points within our operating zone.
- Urb-it reached an all-time high for the number of deliveries on a single day during Valentine's Day 2020, increased by 252% comparing to the same day last year on our focus markets, London and Paris.
- The Board of Directors proposes no dividend for 2019.

The extent of COVID-19 and its impact on Urb-it's operations are difficult to determine. Urb-it uses public transportation to carry out deliveries, therefore further restrictions on people's mobility through regulation of the subway will have a negative impact on the business.

Urb-it has its core business in London, Paris and Stockholm, all three of which have been hit particularly hard by the pandemic. The widespread quarantine in these cities increases the need for certain types of deliveries to private individuals but reduces the demand for corporate deliveries.

The delivery of food and pharmaceuticals by Urb-it falls within the services regarded as socially critical by the authorities in both London and Paris.

Urb-it considers all our deliveries as socially critical in these times. Our deliveries help people with physical and social challenges brought about by the crisis, while also helping companies to carry on with their business.

Three-Year Summary

A summarized overview of the Company's financial development. Definitions of key figures are given in note 1.

Group		31/12/2019	31/12/2018	31/12/2017
Net sales	tkr	4 429	1 221	955
Loss after financial items	tkr	-47 669	-64 892	-119 132
Total assets	tkr	32 183	42 905	54 903
Number of employees	st	25	17	49
Equity ratio	%	14	31	22
Parent Company				
Net sales	tkr	701	228	399
Loss after financial items	tkr	-42 116	-67 648	-90 674
Total assets	tkr	69 302	73 056	84 992
Number of employees	st	12	9	26
Equity ratio	%	64	62	55

Organization

With a sustainable growth model and increased market demand for Urb-it's services, the Urb-it team has grown from 17 to 25 full time employees during 2019.

Urb-it has invested in strengthening sales-, operations- and tech- teams with experienced professionals which ensures having the right conditions for continuous success.



2019 IN BRIEF

Commercially, 2019 has been a record year for Urb-it, where the business has grown exponentially. Valentine's Day 2019 was, at the time, an all-time high, proving the true scalability of our service and helping validate Urb-it's visions.

In parallel with the continued increasing number of deliveries, an improved contribution per delivery and a reduction of the Company's costs, the following can be emphasized:

- A proportion of successful deliveries on the first attempt of 98 %
- On average, a global customer satisfaction of 4.82 out of 5.00
- On average, a global Urber satisfaction of 4.93 out of 5.00

To summarize, the number of deliveries increased on monthly basis during 2019 and the operational model was proven to be working. The challenge for 2020 is to continue to penetrate the market and increase the number of deliveries for the Company to achieve its goals in 2020.

MARKET OVERVIEW

Parcel deliveries increase dramatically in Europe, driven primarily by an increased share of e-commerce. The annual growth of parcels in Europe is estimated to be between 17 and 28% and the total volume landed on 9.3 billion packages in 2018.

The attitude to, as well as the expectation of home delivery has changed in recent years. In the Swedish E-commerce barometer 2019, a majority (51%) of Swedes indicated that they prefer to have their parcels delivered directly to their homes. Expectations of a home delivery are a convenient, flexible and most importantly, extremely fast service.

Same day deliveries have gone from a vision of the future to a fully feasible alternative in major cities. This has been made possible by companies that use their stores as distribution hubs and are now much closer to their customers. H&M and ZARA are good examples of large retailers that have invested significant resources in this transformation.

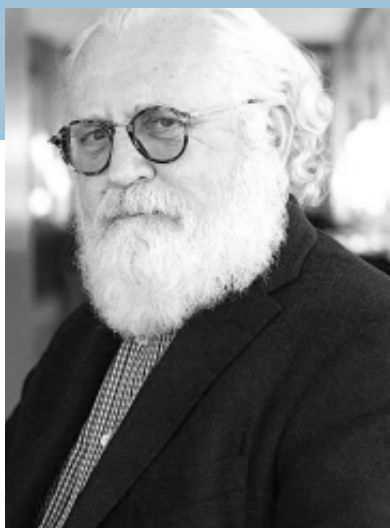
In this market situation with an increased need for flexible, fast urban deliveries, Urb-it stands strong. We have a clear and attractive value proposition that matches the needs of our customers. Urb-it offers a service where the customer experience and flexibility differentiate us from other delivery services. Urb-it offers tailor-made integrations to our customers that best help them scale their business.

Customer experience is seen by most companies as one of the most important competitive advantages, and delivery as a natural part of the customer experience. For these companies, Urb-it's service is particularly attractive as they can offer their customers a flexible, reliable and environmentally friendly delivery of their goods through Urb-it.

Urb-it continues to develop its business to continue to be the preferred partner for urban logistics. In this work, Urb-it has identified four priority development areas.

Urb-it is implementing improvements of operational work, development of the technical platform, establishing the Urb-it brand on the market, and optimizing the commercial work by sales teams.

BOARD OF DIRECTORS



LAGE JONASON

Born 1951. Chairman of the Board since 2018

• Other current appointments: Chairman of the Board of INSPI AB. Board member of CULOT AB, QQM Fund Management AB, INVISIO Communications AB, Lage Jonason AB, AktieBolaget G C Lapidem and AktieBolaget I.V. Numen Adest. CEO of Lage Jonason AB.

• Earlier appointments in the Company:

CEO of Urb-it AB (publ).

• Shareholding in the Company:

Lage Jonason holds 73,879,878 shares in the Company, both through companies and privately.



ANDREA ROSENGREN

Born 1980. Board Member since 2017

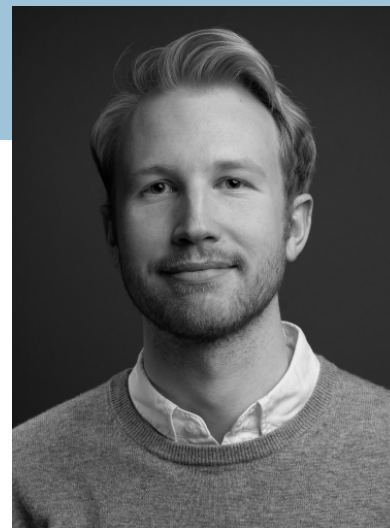
• Other current appointments: Board member of And I AB. Global User Experience Manager at H&M Group.

• Earlier appointments in the Company:

None.

• Shareholding in the Company:

Andrea Rosengren holds no shares in the Company.



FREDRIK WARSTEDT

Born 1989. Board Member since 2017

• Other current appointments: Head of Business Development at SF Studios. Board member of Mats Warstedt AB and Stockholm Showrunners Holding AB.

• Earlier appointments in the Company:

CEO of Urb-it AB (publ).

• Shareholding in the Company:

Fredrik Warstedt holds no share in the Company.



ANNA WIKNER

Born 1984. Board Member since 2017

• **Other current appointments:**

Category Coordinator at MatHem i Sverige AB.
Alternate Board member of Bitboom8 AB.

• **Earlier appointments in the Company:**

None.

• **Shareholding in the Company:**

Anna Wikner holds 11,333 shares privately in the Company.



STEFAN SÄNNELL

Born 1969. Board Member since 2018

• **Other current appointments:**

Chief Revenue Officer of Storm Commerce.
Advisor and Consultant at own company Spinout.

• **Earlier appointments in the Company:**

None.

• **Shareholding in the Company:**

Stefan Sännell holds 20,000 shares through Spinout AB.



JOHAN ENGLUND

Born 1974. Board Member since 2018

• **Other current appointments:**

Partner at Curamando AB.
Board member of Mäklarringen AB.
Co-founder of Lekmer AB.

• **Earlier appointments in the Company:**

None.

• **Shareholding in the Company:**

Johan Englund holds 24,796 shares privately in the Company.

LEADERSHIP TEAM



KEVIN KVIBLAD

Born 1976. Chief Executive Officer (CEO) since 2018

• Other current appointments:

None

• Earlier appointments in the Company:

Chief Product Officer, Urb-it AB (publ)

• Shareholding in the Company:

Kevin Kviblad holds 107 500 shares in the Company and 1,000,000 stock options.



HANNES SKUGGHALL

Born 1992. Chief Product Officer (CPO) since 2018

• Other current appointments:

None

• Earlier appointments in the Company:

Produktägare, Urb-it AB (publ)

• Shareholding in the Company:

Hannes Skugghall holds 7 000 shares in the Company and 410,000 stock options.



ANDERS JÖNSSON

Born 1982. Chief Technical Officer (CTO) since 2018

• Other current appointments:

Chairman of the Board of a private pre-school.

Founder and owner of 28symbols.

• Earlier appointments in the Company:

Agile Coach & Lead Developer, Urb-it AB (publ)

• Shareholding in the Company:

Anders Jönsson holds no shares nor stock options in the Company.



JOHNNY SÄLLBERG

Born 1985. Chief Sales Officer (CSO) since 2018

• Other current appointments:

None

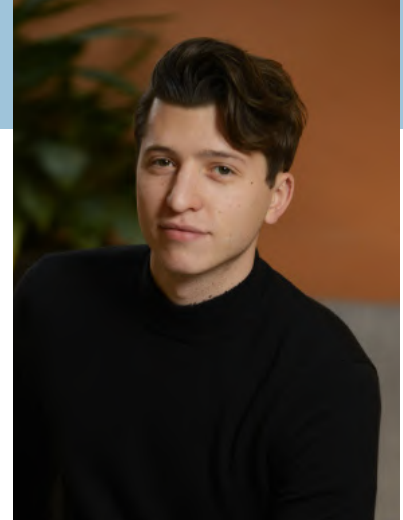
• Earlier appointments in the Company:

Managing Director for Sweden at Urb-it AB

(publ)

• Shareholding in the Company:

Johnny Sällberg holds 22,500 shares in the Company and 410,000 stock options.



GAËTAN LEMERCIER

Born 1991. Chief Operations Officer (COO) since 2018

• Other current appointments:

None

• Earlier appointments in the Company: Head of

Operations, Urb-it Paris SAS

• Shareholding in the Company:

Gaëtan Lemerrier holds 10,000 shares in the Company and 410,000 stock options.



THE STOCK

Summary

	2019	2018
Number of outstanding shares as of 31	132 603 282	93 854 453
<i>Outstanding shares as of 31 Dec after utilization of SO / convertibles</i>	<i>134 516 401</i>	<i>80 951 242</i>
Average number of Shares January-December	113 228 868	55 898 138
<i>Average number of Shares after utilization of SO / convertibles</i>	<i>115 141 987</i>	<i>49 184 135</i>

Shareholders as of 31 December 2019	Shares	Capital %	Votes %
Lage Jonason ²	73 879 878	55,71 %	55,71 %
Astrid Jonason	19 518 364	14,72 %	14,72 %
Erik Mitteregger förvaltning AB	8 768 227	6,61 %	6,61 %
Swedbank Robur Fonder AB	6 666 668	5,03 %	5,03 %
Gerald Engström	5 899 784	4,45 %	4,45 %
CommerzBank AG (Bearing Point)	2 674 588	2,02 %	2,02 %
Zenith Venture Capital AB	1 035 979	0,78 %	0,78 %
Ålands Ömsesidiga Förs.bolag	1 000 000	0,75 %	0,75 %
Palmstierna Invest AB	908 840	0,69 %	0,69 %
Varsity Capital Group AB	778 977	0,59 %	0,59 %
<i>Other Shareholders</i>	<i>11 471 977</i>	<i>8,65 %</i>	<i>8,65 %</i>
Total	132 603 282	100,00%	100,00%

CONSOLIDATED INCOME STATEMENT

Amounts in SEK	Note	Jan-Dec 2019	Jan-Dec 2018
Operating income, stock changes etc.			
Net sales	3	4 428 671	1 220 935
Capitalized work for own account		2 924 964	7 334 975
Other operating income		13 498	244 545
Sum operating income, stock changes etc.		7 367 133	8 800 455
Operating expenses			
Other external expenses	4, 16	-20 016 674	-28 530 873
Personnel costs	5	-18 728 391	-25 416 540
Depreciation and impairment of tangible and intangible non-current assets		-15 108 998	-14 444 691
Other operating expenses		-60 287	-113 056
Sum operating expenses		-53 914 350	-68 505 160
Operating income/loss		-46 547 217	-59 704 705
Financial items			
Other interest income and similiar items	6	4 188 404	2 289 135
Interest costs and similar items	7	-5 309 902	-6 829 562
Sum financial items		-1 121 498	-4 540 427
Income/loss after financial items		-47 668 715	-64 245 132
Income before tax		-47 668 715	-64 245 132
Tax		0	0
Net income/loss		-47 668 715	-64 245 132
Income of the Parent Company's shareholders		-47 668 715	-64 245 132
Income per share before utilization		-0,42	-1,15
Income per share after utilization		-0,42	-1,15



CONSOLIDATED BALANCE SHEET

Amounts in SEK	Note	31-dec 2019	31-dec 2018
ASSETS			
Non-current assets			
<i>Intangible non-current assets</i>			
Capitalized expenditure and other similar expenses	8	26 365 435	38 556 468
Intellectual property rights, brands and other intangible assets	9	489 381	366 181
		26 854 816	38 922 649
<i>Tangible non-current assets</i>			
Property, plant, and equipment	10	122 775	169 653
		122 775	169 653
<i>Financial non-current assets</i>			
Other long-term receivables	11	535 907	337 360
		535 907	337 360
Sum non-current assets		27 513 498	39 429 662
Current assets			
<i>Short-term receivables</i>			
Trade receivables		1 854 972	216 966
Other short-term receivables		1 234 151	1 406 119
Deferrred expenses and accrued income	12	650 094	539 199
		3 739 217	2 162 284
<i>Cash and cash equivalentents</i>			
Cash		930 094	1 312 801
Sum current assets		4 669 311	3 475 085
SUM ASSETS		32 182 809	42 904 747

Amounts in SEK	Note	31-dec 2019	31-dec 2018
EQUITY AND LIABILITIES			
EQUITY			
Stockholders' equity		16 257 723	11 506 953
Other contributed capital		339 980 117	310 381 900
Other equity incl. net income		-351 582 058	-308 765 234
Equity attributable to Parent Company's shareholders		4 655 782	13 123 619
SUM EQUITY		4 655 782	13 123 619
Other long-term liabilities	13	7 909 031	5 154 628
Sum long-term liabilities		7 909 031	5 154 628
Short-term liabilities			
Advances from customers		20 711	0
Tax Debt		254 317	0
Trade payables		4 248 212	4 375 324
Other short-term liabilities	14	12 588 140	17 069 720
Accrued expenses and deferred income	21	2 506 616	3 181 456
Sum short-term liabilities		19 617 996	24 626 500
SUM EQUITY AND LIABILITIES		32 182 809	42 904 747

CONSOLIDATED GROUP CHANGES IN EQUITY

Amounts in SEK	Shareholder equity	Other contributed capital	Retained earnings	Total equity
Opening balance 2018-12-31	11 506 953	310 381 900	-308 765 234	13 123 619
New share issue	4 750 770	36 749 230		41 500 000
Costs related to new share issue		-469 811		-469 811
Exchange rate difference when converting foreign operations			-2 231 066	-2 231 066
Restricted equity regarding capitalised development costs		2 924 965	-2 924 965	
Depreciation capitalized development costs		-9 606 168	9 606 168	
Stock Options			401 755	401 755
Net income for the year			-47 668 715	-47 668 715
Closing balance 2019-12-31	16 257 723	339 980 116	-351 582 057	4 655 782



GROUP CASH FLOW STATEMENT

Amounts in SEK	Note	Jan-Dec 2019	Jan-Dec 2018
<i>Operating activities</i>			
Operating loss		-46 547 217	-59 704 705
Adjustment for non-cash items	15	15 108 983	14 444 691
Interest received		4 188 404	2 289 135
Interest paid		-5 309 902	-6 829 562
Cash flow from operating activities before changes in working capital		-32 559 732	-49 800 441
Changes in trade receivables		-1 632 189	301 214
Change in other operating receivables		102 589	2 178 863
Change in trade payables		451 833	-11 535 018
Change in other operating payables		-7 153 672	12 795 279
Cash flow from operating activities		-40 791 171	-46 060 103
<i>Investing activities</i>			
Investment in intangible non-current assets	8, 9	-2 924 964	-7 338 175
Investment in tangible non-current assets	10	-62 670	88 091
Investment in financial non-current assets		-195 541	1 602 131
Cash flow from investing activities		-3 183 175	-5 647 953
<i>Financing activities</i>			
New share issue		41 500 000	73 392 126
Loan cleared in share issue		-41 500 000	-38 063 229
Stock options		401 755	0
Issue costs		-469 811	-7 069 023
New Loans		44 654 403	22 418 754
Change in interest-bearing liabilities		-1 000 000	0
Cash flow from financing activities		43 586 347	50 678 628
Cash flow for the period		-387 999	-1 029 428
Cash and Cash equivalents at beginning of period		1 312 801	2 246 874
Cash and cash equivalents at end of period		930 094	1 312 801
Exchange rate differences in cash and cash equivalents		5 292	95 355

INCOME STATEMENT PARENT COMPANY

Amounts in SEK	Note	Jan-Dec 2019	Jan-Dec 2018
Operating income, stock changes etc.	3		
Net sales		700 855	228 135
Capitalized work for own account		2 924 964	7 334 975
Other operating income		13 498	213 042
Sum operating income, stock changes etc.		3 639 317	7 776 152
Operating expenses			
Other external expenses	4, 16	-11 970 277	-20 089 331
Personnel costs	5	-11 452 752	-13 034 656
Depreciation and impairment of tangible and intangible non-current assets		-14 992 797	-14 180 827
Other operating expenses		-60 287	-4 135
Sum operating expenses		-38 476 113	-47 308 949
Operating Loss		-34 836 796	-39 532 797
Financial items			
Write down intercompany loans		-10 000 000	-26 400 000
Other interest income and similiar items	6	8 030 495	5 114 756
Interest costs and similar items	7	-5 309 902	-6 829 562
Sum financial items		-7 279 407	-28 114 806
Loss after financial items		-42 116 203	-67 647 603
Loss before tax		-42 116 203	-67 647 603
Tax		0	0
Net loss		-42 116 203	-67 647 603
Loss of the Parent Company's shareholders		-42 116 203	-67 647 603

BALANCE SHEET PARENT COMPANY

Amounts in SEK	Note	31-dec 2019	31-dec 2018
ASSETS			
Non-current assets			
<i>Intangible non-current assets</i>			
Capitalized expenditure and other similar expenses	8	26 365 435	38 556 468
Intellectual property rights, brands and other intangible assets	9	489 381	366 181
		26 854 816	38 922 649
<i>Financial non-current assets</i>			
Participations in Group Companies	17	4 741 603	108 185
Receivables from Group Companies	18	35 290 440	31 217 531
Other long-term receivables	11	336 646	184 492
		40 368 689	31 510 208
Sum non-current assets		67 223 505	70 432 857
Current assets			
<i>Short term receivables</i>			
Trade receivables		292 389	44 868
Receivables from Group Companies		98 251	98 251
Other short-term receivables		650 309	784 428
Deferred expenses and accrued income	12	473 510	489 062
		1 514 459	1 416 609
<i>Cash and cash equivalent</i>			
Cash		563 953	1 206 946
Sum current assets		2 078 412	2 623 555
SUM ASSETS		69 301 917	73 056 412

Amounts in SEK	Note	31-dec 2019	31-dec 2018
Equity and liabilities			
Equity			
<i>Restricted equity</i>	19		
Stockholders' equity	20	16 257 723	11 506 953
Development fund		24 307 880	30 989 083
		40 565 603	42 496 036
<i>Unrestricted equity</i>			
Share premium reserve		315 672 237	279 392 817
Retained earnings		-269 552 016	-208 987 371
Net loss		-42 116 203	-67 647 603
		4 004 018	2 757 842
Sum equity		44 569 621	45 253 878
Long-term liabilities			
Other liabilities	13	7 909 031	5 154 628
Sum long-term liabilities		7 909 031	5 154 628
Short-term liabilities			
Advances from customers		20 711	0
Convertible debt instruments		254 317	0
Trade payables		2 452 256	3 643 655
Other short-term liabilities	14	11 704 843	15 944 424
Accrued expenses and deferred income	21	2 391 138	3 059 826
Sum short-term liabilities		16 823 265	22 647 905
SUM EQUITY AND LIABILITIES		69 301 917	73 056 411

PARENT COMPANY CHANGES IN EQUITY

Amounts in SEK	Shareholder equity	Other contributed capital	Acc. exchange rate differences	Retained earnings	Total equity
Opening balance 2018-12-31	11 506 953	30 989 083	279 647 591	-276 889 748	45 253 879
New share issue	4 750 770		36 749 230		41 500 000
Costs related to new share issue			-469 810		-469 810
Development fund		2 924 965		-2 924 965	
Amortization of development fund fees		-9 606 168		9 606 168	
Adjustment			-254 774	254 774	
Stock Options				401 755	401 755
Net income for the year				-42 116 203	-42 116 203
Closing balance 2019-12-31	16 257 723	24 307 880	315 672 237	-311 668 219	44 569 621

PARENT COMPANY CASH FLOW STATEMENT

Amounts in SEK	Note	Jan-Dec 2019	Jan-Dec 2018
<i>Operating activities</i>			
Operating loss		-34 836 796	-39 532 797
Adjustment for non-cash items	15	14 992 797	14 180 827
Interest received		8 030 495	5 114 756
Interest paid		-5 309 902	-6 829 562
Cash flow from operating activities before changes in working capital		-17 123 406	-27 066 776
Changes in trade receivables		-247 521	46 226
Change in other operating receivables		149 671	560 808
Change in trade payables		-337 082	-10 022 278
Change in other operating payables		-4 887 558	15 056 014
Cash flow from operating activities		-22 445 896	-21 426 006
<i>Investing activities</i>			
Investment in intangible non-current assets	8, 9	-2 924 964	-7 338 175
Investment in Group Companies	17	-4 633 418	0
Investment in financial non-current assets		-14 225 063	-21 100 069
Cash flow from investing activities		-21 783 445	-28 438 244
<i>Financing activities</i>			
New share issue		41 500 000	73 392 126
Loan cleared in share issue		-41 500 000	-38 063 229
Stock options		401 755	0
Issue costs		-469 810	-7 069 023
Borrowings		44 654 403	22 418 754
Change in interest-bearing liabilities		-1 000 000	0
Cash flow from financing activities		43 586 348	50 678 628
Cash flow for the period		-642 993	814 378
Cash and Cash equivalents at beginning of period		1 206 946	392 568
Cash and cash equivalents at end of period		563 953	1 206 946

NOTES, COMMON FOR THE PARENT COMPANY AND GROUP

NOT 1: ACCOUNTING AND VALUATION PRINCIPLES

Urb-it AB's annual report and consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNAR 2012: 1 (K3).

The accounting principles are unchanged compared to previous reports.

Consolidated Accounts

Urb-it AB prepares consolidated accounts. Information on Group Companies can be found in note 15. The subsidiaries are included in the consolidated financial statements from the date the controlling influence is transferred to the group. They are excluded from the consolidated financial statements from the date on which the controlling influence ceases.

The consolidated financial statements have been prepared in accordance with the acquisition method. The acquisition date is the time when the controlling influence is obtained. Identifiable assets and liabilities are initially valued at fair value at the time of acquisition. The minority's share of the net assets acquired is measured at fair value. Goodwill is the difference between the identifiable net assets acquired at the time of acquisition and the acquisition value, including the value of the minority interest, and is initially valued at the acquisition value. All transactions between group companies are eliminated in their entirety.

Subsidiaries in other countries prepare their annual accounts in foreign currency. Translation of the items in these companies' balance sheets and income statements is made at the closing day rate and spot rate, respectively, for the day and business event respectively. The translation differences that arise are reported in the Group's equity.

Foreign currencies

Monetary assets and liabilities in foreign currencies are converted at the exchange rate on the closing date. Foreign currency transactions are translated at the exchange rate at the transaction date.

Revenue recognition

Service assignments

For service assignments on current account, the income attributable to a completed service assignment is reported as revenue as work is performed and materials are delivered or consumed.

Income taxes

Current taxes are valued based on the tax rates and tax rules that apply on the closing day. Deferred taxes are valued based on the tax rates and tax rules that were decided before the closing day.

Deferred tax liability relating to temporary differences relating to investments in subsidiaries is not reported in the consolidated financial statements as the parent company can in all cases control the timing of the reversal of the temporary differences and it is not considered probable that a reversal will occur in the foreseeable future.

Deferred tax claims relating to unused tax losses or other future tax deductions are reported to the extent that it is probable that the deduction can be deducted against surplus in future taxation.

Receivables and liabilities are only reported net when there is a legal right to set off.

Current tax, as well as a change in deferred tax, is reported in the income statement unless the tax is attributable to an event or transaction that is reported directly in equity. Tax effects of items reported directly in equity are reported in equity.

Intangible assets

Intangible fixed assets are reported at acquisition value less accumulated depreciation and impairment losses. The activation model is applied to internally generated intangible assets. As of fiscal year, 2016, the corresponding amount is capitalized for development work from free equity to a development expenditure fund, which constitutes restricted equity. When capitalized amounts are amortized, the corresponding amount is transferred from the development expenditure fund to unrestricted equity. As of fiscal year, 2016, the item Activated work for own account also includes all expenses that have been expensed during the fiscal year on self-produced fixed assets. The comparative year has been recalculated in accordance with this principle from having previously been capitalized directly in the balance sheet as intangible assets.

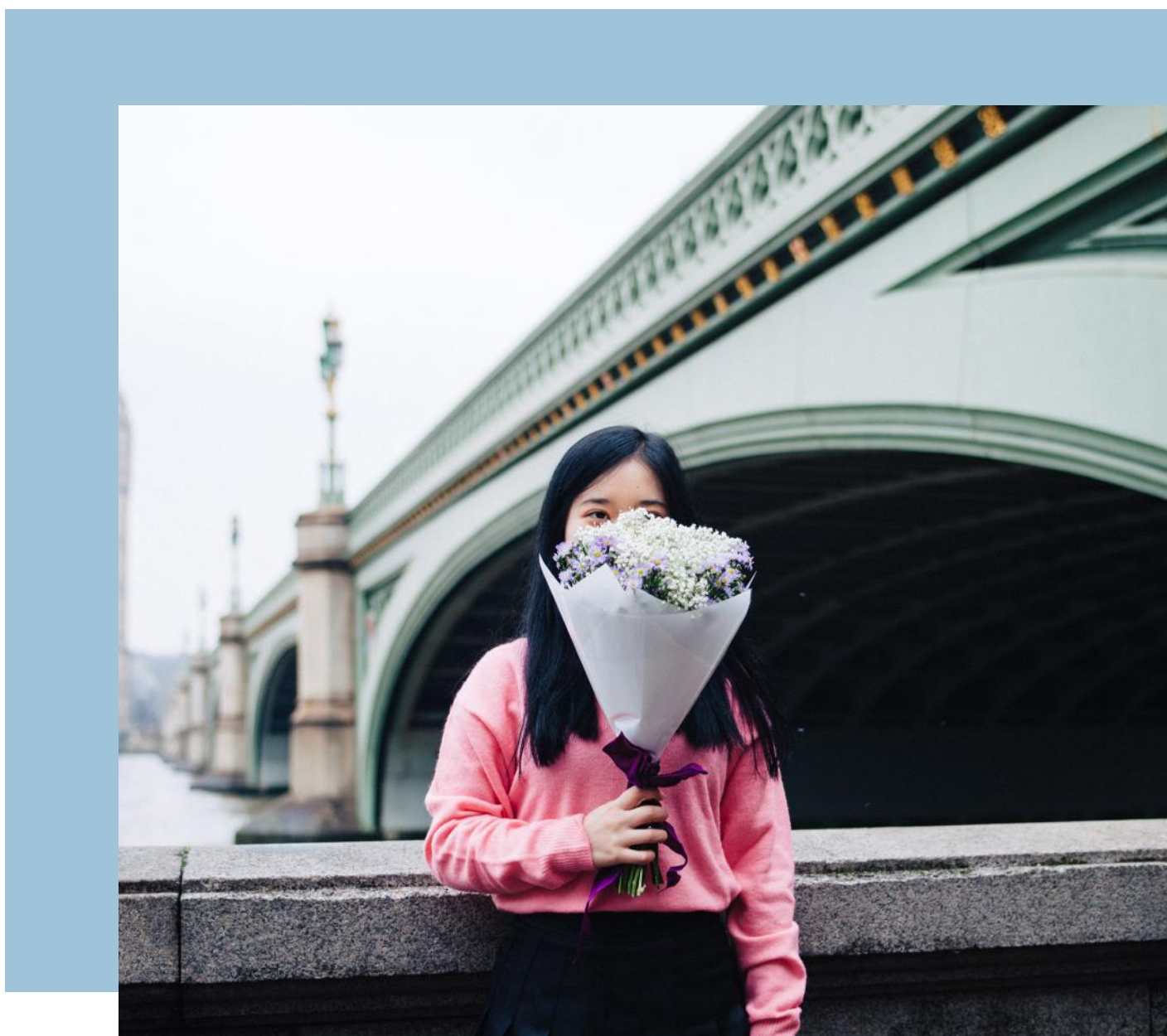
Depreciation is made according to the linear depreciation method over the estimated useful life. The depreciation period for internally accumulated intangible assets is five years.

Tangible assets

Tangible fixed assets are reported at acquisition value less depreciation. The acquisition value includes expenses that can be directly attributed to the acquisition of the asset.

When a component of a fixed asset is replaced, any remaining part of the old component is eliminated, and the new component's acquisition value is activated.

Additional expenses relating to assets that are not divided into components are added to the acquisition value if they are expected to provide future financial benefits to the company, to the extent that the asset's performance increases in relation to the asset's value at the time of acquisition.



Expenses for ongoing repair and maintenance are reported as expenses.

Capital gain or loss on disposal of a fixed asset is reported as Other operating income and Other operating cost, respectively.

Tangible fixed assets are systematically depreciated over the asset's estimated useful life. When determining the depreciable amount of the assets, the residual value of the asset is taken into account where applicable. Linear depreciation method is used for other types of tangible assets.

The following depreciation periods are applied:

Fixtures, tools and installations 3–5 years

Impairment of non-financial assets

When there is an indication that an asset value has decreased, an impairment test is performed. If the asset has a recoverable value that is lower than the carrying amount, it is written down to the recoverable amount. When assessing impairment, assets are grouped at the lowest levels where there are separate identifiable cash flows (cash-generating units). For assets, other than goodwill, previously written down, a review is made on each closing date of whether reversal should be made.

Leasing agreements

Leasing agreements where the economic benefits and risks attributable to the leasing object remain essentially with the lessor are classified as operating leases. Payments, including an initial increased rent, under these agreements are reported as expenses on a linear basis over the lease term.

Financial instruments

Urb-it AB (publ) applies K3 Chapter 11, ie financial instruments are valued based on the acquisition value. Financial instruments reported in the balance sheet include accounts receivable and other receivables, accounts payable, and loan liabilities. The instruments are reported in the balance sheet when Urb-it AB (publ) becomes a party to the instrument's contractual terms.

Financial assets are removed from the balance

sheet when the right to receive cash flows from the instrument has expired or been transferred and the Group has transferred virtually all risks and rewards associated with ownership.

Financial liabilities are removed from the balance sheet when the liabilities have been settled or otherwise terminated.

Accounts receivable and other receivables

Receivables are reported as current assets with the exception of items with a due date more than 12 months after the closing date, which are classified as non-current assets. Receivables are reported at the amount expected to be paid after deducting individually assessed unsecured claims. Receivables that are interest-free or that run at interest that deviate from the market interest rate and have a maturity exceeding 12 months are reported at a discounted present value and the change in time value is reported as interest income in the income statement.

Loan liabilities and trade payables

Loan liabilities and trade payables are initially reported at acquisition value less transaction costs. If the reported amount differs from the amount to be repaid at the due date, the difference is accrued as interest cost over the term of the loan using the instrument's effective interest rate. In this way, at the time of maturity, the amount reported and the amount to be repaid correspond.

Offset of financial receivable and financial debt

A financial asset and a financial liability are set off and reported with a net amount in the balance sheet only when there is a legal set-off right and when a settlement with a net amount is intended to be made or when a simultaneous sale of the asset and settlement of the debt is intended.



Impairment testing of financial fixed assets

At each closing date, Urb-it AB (publ) assesses whether there is any indication of a need for impairment in any of the financial fixed assets. Write-downs occur if the impairment is deemed to be permanent. Impairment is reported in the income statement item Profit from other securities and receivables that are fixed assets.

The need for impairment is tested individually for shares and participations and other individual financial fixed assets that are material. Examples of indications of impairment are negative financial circumstances or adverse changes in industry conditions in companies whose shares Urb-it AB (publ) invested in. Impairment of assets valued at amortized

cost is calculated as the difference between the asset's reported value and the present value of the management's best estimate of future cash flows discounted with the asset's original effective interest rate. For assets with variable interest rates, the current interest rate on the balance sheet date is used as the discount rate. When assessing the need for impairment of the securities portfolio with interest rate instruments, an effective interest rate for the portfolio used in discounting. If write-down of shares takes place, the write-down amount is determined as the difference between the carrying amount and the higher of fair value less selling costs and the present value of future cash flows (which is based on the management's best estimate).



Employee compensation

Short-term compensation

Short-term benefits in the Group consist of salaries, social security contributions, paid holidays, paid sick leave, health care and bonuses. Short-term benefits are reported as an expense and a liability when there is a legal or informal obligation to pay a compensation.

Cash flow analysis

The cash flow statement is prepared according to indirect method. The reported cash flow only covers transactions that have resulted in payments or disbursements.

Cash and cash equivalent consist of cash and bank balances with banks and other credit institutions, as well as short-term liquid investments that are listed on a marketplace and have a shorter maturity than three months from the date of acquisition. Changes in restricted funds are reported in investing activities.

Parent Company's accounting and valuation principle's

The same accounting and valuation principles are applied in the parent company as in the Group, except in the cases stated below.

Equity

Equity is divided into restricted and unrestricted capital, in accordance with the division of the Annual Accounts Act (ÅRL).

Untaxed reserves

Untaxed reserves are reported in the gross amount in the balance sheet, including the deferred tax liability attributable to the reserves.

Year-end appropriations

Changes in untaxed reserves are reported as appropriations in the income statement.

Group contributions are reported as year-end appropriations. However, group contributions made to a subsidiary are reported as an increase in the carrying amount of the share.

Year-end appropriations

Shares and participations in subsidiaries are reported at acquisition cost less any write-downs. The acquisition value includes the purchase price paid for the shares and acquisition costs. Any capital contributions and group contributions are added to the acquisition value when they arise. Dividends from subsidiaries are reported as revenue.

Cash and cash equivalent

The Parent Company has funds in the Group account at the Group's finance company. These are classified as receivables in the balance sheet and as cash and cash equivalents in the cash flow statement.

Key ratio definitions

Debt/equity ratio

Equity and untaxed reserves (less deferred tax) in relation to total assets.

NOTE 2: TAX

Tax deficits

As the company is at a start-up stage, deferred tax assets are not reported as assets in the balance sheet with the support of The Swedish Accounting Standards Board (BFNAR 2012: 1 29.29).

NOTE 3: DISTRIBUTION OF REVENUE

	2019	Group 2018	Parent Company 2019	Parent Company 2018
Net sales include income from:				
Sweden / France / UK	4 471 989	1 365 431	700 855	228 135
Group adjustments	-43 318	-144 496		
Total	4 428 671	1 220 935	700 855	228 135

NOTE 4: OPERATING LEASES

	Group		Parent Company	
	2019	2018	2019	2018
Future minimum lease fees, to be paid regarding non-terminable leasing agreements:	2 511 409	1 082 006	1 031 611	763 750
Expire within one year:	2 511 409	1 082 006	1 031 611	763 750
	2 423 997	1 612 189	946 612	1 137 199
Leasing fees expensed during the period:				

In the consolidated accounts, operating leases are essentially leased real estate / premises.

NOTE 5: SALARIES, OTHER REMUNERATION AND SOCIAL COSTS

Average number of employees

	Group		Parent Company	
	2019	2018	2019	2018
Female	10	11	5	5
Male	14	14	8	8
Total	24	25	13	13

NOTE 5: SALARIES, OTHER REMUNERATION AND SOCIAL COSTS (CONTINUATION)

Board members and senior executives

	2019	Group		Parent Company	
		2018	2019	2018	
Number of Board members on closing date					
Female	2	2	2	2	
Male	4	4	4	4	
Total	6	6	6	6	
		Group		Parent Company	
		2018	2019	2018	2019
Number of senior executives on closing date					
Female	0	2	0	2	
Male	5	5	5	4	
Total	5	7	5	6	

Salaries, allowances, social security contributions and pension costs

Salaries, allowances, social security contributions and pension costs	Group		Parent Company	
	2019	2018	2019	2018
Salaries and remuneration to the Board of Directors and the CEO	1 523 200	1 067 679	1 523 200	1 067 679
Salaries and remuneration to other employees	11 785 435	16 757 961	6 366 019	7 749 866
	13 308 635	17 825 640	7 889 219	8 817 545
Social contributions according to law and agreement	4 246 456	5 292 923	2 612 631	3 040 857
Pension costs for the Board of Directors and the CEO	300 000	252 480	300 000	252 480
Pension costs for other employees	606 390	1 910 150	589 243	706 597
Total	18 461 480	25 281 193	11 335 893	12 817 479

Board of directors and management (2019)¹

Name	Title	From	To	Base salary	Benefits	Pension cost	Total
Lage Jonason	Chairman of the Board	01/01/2019	31/12/2019	75 000	0	0	75 000
Anna Wikner	Board member	01/01/2019	31/12/2019	75 000	0	0	75 000
Andrea Rosengren	Board member	01/01/2019	31/12/2019	75 000	0	0	75 000
Fredrik Warstedt	Board member	01/01/2019	31/12/2019	75 000	0	0	75 000
Stefan Sännell	Board member	01/01/2019	31/12/2019	75 000	0	0	75 000
Johan Englund	Board member	01/01/2019	31/12/2019	75 000	0	0	75 000
Kevin Kviblad	CEO	01/01/2019	31/12/2019	1 223 200	0	300 000	1 523 200
Other management	Management team	01/01/2019	31/12/2019	4 067 049	0	287 808	4 354 857
Summa				5 740 249	0	587 808	6 328 057

1) Board fees for the year as approved by the Annual General Meeting (AGM) amounted to SEK 450 thousand (not yet paid).

Board of directors and management (2018)²

Name	Title	From	To	Base salary	Benefits	Pension cost	Total
Lage Jonason	Chairman/Board member	01/01/2018	31/12/2018	100 000	0	0	100 000
Anna Wikner	Chairwoman/Board member	01/01/2018	31/12/2018	100 000	0	0	100 000
Andrea Rosengren	Board member	01/01/2018	31/12/2018	100 000	0	0	100 000
Fredrik Warstedt	Board member	01/01/2018	31/12/2018	100 000	0	0	100 000
Stefan Sännell	Board member	11/12/2018	31/12/2018	0	0	0	0
Johan Englund	Board member	11/12/2018	31/12/2018	0	0	0	0
Kevin Kviblad	CEO	14/02/2018	31/12/2018	1 050 879	0	252 480	1 303 359
Other management	Management team	01/03/2018	31/12/2018	4 601 171	0	575 884	5 177 055
Summa				6 052 050	0	828 364	6 880 414

2) Board fees for the year as approved by the Annual General Meeting (AGM) amounted to SEK 400 thousand (not yet paid).

3) Lage Jonason was chairman of the Board from June 14th 2018

4) Anna Wikner was chairwoman of the Board until June 13th 2018

NOTE 6: OTHER INTEREST INCOME AND SIMILAR ITEMS

	Group		Parent Company	
	2019	2018	2019	2018
Interest income	4 188 404	2 289 135	4 188 642	4 094 023
Exchange profit			3 841 853	1 020 734
Totalt	4 188 404	2 289 135	8 030 495	5 114 756
Of which regarding group companies	-	-	3 841 849	2 823 641

NOTE 7: INTEREST COSTS AND SIMILAR ITEMS

	Group		Parent Company	
	2019	2018	2019	2018
Other interest costs and similar items	-3 187 100	-6 829 562	-3 187 100	-6 829 562
Exchange loss	-2 122 802	-	-2 122 802	-
Totalt	-5 309 902	-6 829 562	-5 309 902	-6 829 562

NOTE 8: CAPITALIZED EXPENDITURE

	Group		Parent Company	
	2019	2018	2019	2018
Opening acquisition values	102 536 245	95 198 070	102 536 245	95 198 070
Capitalized expenditure for the year	2 924 964	7 338 175	2 924 964	7 338 975
Reclassifications	-123 200	-	-123 200	-
Closing accumulated acquisition values	105 338 009	102 536 245	105 338 009	102 536 245
Opening depreciations	-42 540 338	-28 239 511	-42 540 338	-28 239 511
Depreciation for the year	-14 992 797	-14 180 827	-14 992 797	-14 180 827
Reclassifications	-	-	-	-
Closing accumulated depreciation	-57 413 135	-42 420 338	-57 413 135	-42 420 338
Opening write-downs	-21 559 439	-21 559 439	-21 559 439	-21 559 439
Write downs for the year	-	-	-	-
Closing residual book value	26 365 435	38 556 468	26 365 435	38 556 468

NOTE 9: INTELLECTUAL PROPERTY RIGHTS, BRANDS AND OTHER INTANGIBLE ASSETS

	Group		Parent Company	
	2019	2018	2019	2018
Opening acquisition value	366 181	366 181	366 181	366 181
Capitalized expenditures for the year, purchases	123 200	-	123 200	-
Reclassifications	-	-	-	-
Closing accumulated acquisition value	489 381	366 181	489 381	366 181
Reclassifications	-	-	-	-
Closing residual book value	489 381	366 181	489 381	366 181

NOTE 10: PROPERTY, PLANT, AND EQUIPMENT

	Group	
	2019	2018
Opening acquisition value	593 651	656 723
Purchase/disposals	69 323	-63 072
Closing accumulated acquisition value	662 974	593 651
Opening depreciations	-423 998	-160 134
Depreciation for the year	-116 201	-263 864
Closing accumulated depreciation	-540 199	-423 998
Closing residual book value	122 775	169 653

NOTE 11: OTHER LONG-TERM RECEIVABLES

	Group		Parent Company	
	2019	2018	2019	2018
Opening acquisition value	337 360	1 886 358	184 492	844 492
Additional receivables	198 547	-	152 154	-
Outstanding receivables	-	-1 548 998	-	-660 000
Closing accumulated depreciation	535 907	337 360	336 646	184 492
Closing residual book value	535 907	337 360	336 646	184 492

NOTE 12: DEFERRED EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Prepaid rents	289 536	413 553	134 192	413 553
Accrued income	-	-	-	75 509
Other items	360 558	125 646	339 318	-
Total	650 094	539 199	473 510	489 062

NOTE 13: LONG-TERM LIABILITIES

	Group		Parent Company	
	2019	2018	2019	2018
Loan from shareholders	7 779 160	5 100 000	7 779 160	5 100 000
Interest on loans from shareholders	129 871	54 628	129 871	54 628
Total	7 909 031	5 154 628	7 909 031	5 154 628

NOTE 14: SHORT-TERM LIABILITIES

	Group		Parent Company	
	2019	2018	2019	2018
Loan from shareholders	-	-	-	-
Bridge loan	11 250 000	15 000 000	11 250 000	15 000 000
Other	1 338 140	2 069 720	454 843	944 424
Total	12 588 140	17 069 720	11 704 843	15 944 424

NOTE 15: ADJUSTMENT FOR NON-CASH ITEMS

	Group		Parent Company	
	2019	2018	2019	2018
Depreciation/write-downs	15 108 983	14 444 691	14 992 797	14 180 827
Exchange rate differences	-	-	-	-
Total adjustments	15 108 983	14 444 691	14 992 797	14 180 827

NOTE 16: COMPENSATION TO THE AUDITORS

	Group 2019	Parent Company 2019
PwC		
Audit assignment	317 747	187 500
Auditory operation beyond the auditory assignment	0	0
Other services	30 000	30 000
Other auditors		
Audit assignment	53 090	-
Other services	32 276	-
Total	433 113	217 500

NOTE 17: SHARES IN GROUP COMPANIES

	2019	2018
Opening acquisition values	108 185	108 185
Purchase of shares	-	-
Closing accumulated acquisition value	108 185	108 185
Shareholder contributions	4 633 418	0
Closing book value	4 741 603	108 185

Parent Company	Share of capital %	Voting rights %	Number of shares	Book value 19-12-31	Book value 18-12-31
Urb-it London Ltd	100	100	5 000	4 694 433	61 015
Urb-it Paris SAS	100	100	50	47 170	47 170
Summa				4 741 603	108 185

Group	Org nr	Registered office	Share of capital
Urb-it London Ltd	09999823	London	100
Urb-it Paris SAS	350 261 152	Paris	100

NOTE 18: RECEIVABLES FROM GROUP COMPANIES

	2019-12-31	2018-12-31
Opening acquisition value	31 217 531	35 857 462
- Additional receivables	14 072 909	21 760 069
- Write-down of receivables	-10 000 000	-26 400 000
Book value	35 290 440	31 217 531

NOTE 19: PROPOSED ALLOCATION OF PROFITS

	2019	2018
The following profit is available to the Annual General Meeting:		
Share premium reserve	315 672 237	279 392 817
Retained earnings	-269 552 016	-208 987 371
Net loss	-42 116 203	-67 647 603
	4 004 018	2 757 842
The Board proposes that the accumulated profit be handled so that the following amount be carried forward to the next financial year:		
	4 004 018	2 757 842

NOTE 20: STOCKHOLDERS' EQUITY

The stockholders' equity consists of 132,603,282 shares with a quota value of SEK 0,122604.

As per year-end 31 December 2019, the company had an outstanding option program.

Program	Number of expedited Stock Options	Exercise price	Date of exercise	Price
2019/2022	1 913 119	1,25	Mars 2022	0,21
Total/average	1 913 119			0,21

Urb-it's stock options program is aimed at employees and was approved by the shareholders at the Extraordinary General Meeting held on December 11, 2018. The employee stock option program is designed to provide long-term incentive for all employees to deliver long-term shareholder value.

The market value of the options was granted at the time of allocation and the market value was determined by independent external advisers. Each stock option entitles a purchase of one share.

NOTE 21: ACCRUED EXPENSED AND DEFERRED INCOME

	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Accrued salaries	-	403 694	-	403 694
Accrued payed leave	744 123	1 186 885	744 123	912 771
Accrued social contributions	233 803	869 392	233 803	286 793
Other items	1 528 690	1 668 507	1 413 212	1 456 568
Total	2 506 616	4 128 478	2 391 138	3 059 826

NOTE 22: PROVIDED SECURITIES AND PUBLIC OBLIGATIONS

	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
For other commitments				
Mortgage bank account	50 000	50 000	50 000	50 000
Total securities	50 000	50 000	50 000	50 000

The income statement and balance sheet will be submitted to the AGM on May 7, 2020 for determination..

Stockholm 15 April 2020

Lage Jonason

Chairman of the Board

Anna Wikner

Board Member

Andrea Rosengren

Board Member

Fredrik Warstedt

Board Member

Stefan Sånell

Board Member

Johan Englund

Board Member

Kevin Kviblad

CEO

Our audit report was submitted on 16th April 2020

Öhrlings PricewaterhouseCoopers AB

Niklas Renström

Authorized Public Accountant

Revisionsberättelse

Till bolagsstämman i Urb-it AB (publ), org.nr 556959-9755

Rapport om årsredovisningen och koncernredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen och koncernredovisningen för Urb-it AB (publ) för år 2019.

Enligt vår uppfattning har årsredovisningen och koncernredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av moderbolagets och koncernens finansiella ställning per den 31 december 2019 och av dessas finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens och koncernredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för moderbolaget och koncernen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till moderbolaget och koncernen enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen och koncernredovisningen upprättas och att de ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning och koncernredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen och koncernredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets och koncernens förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen och koncernredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisions sed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen och koncernredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen och koncernredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen och koncernredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Urb-it AB (publ) för år 2019 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman behandlar förlusten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisions sed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till moderbolaget och koncernen enligt god revisors sed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets och koncernens verksamhetsart, omfattning och risker ställer på storleken av moderbolagets och koncernens egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets och koncernens ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Anmärkning

Utan att det påverkar våra uttalanden vill vi anmärka på att avdragen skatt och sociala avgifter och mervärdesskatt vid flera tillfällen inte betalats i rätt tid.

Stockholm den 16 april 2020

Öhrlings PricewaterhouseCoopers AB

Nicklas Renström

Auktoriserad revisor



FINANSIELL KALENDER

- | | |
|--------------------------------|------------------|
| • Q1-rapport 2020 | 24 april 2020 |
| • Årsstämma 2020 | 7 maj 2020 |
| • Q2-rapport 2020 | 21 augusti 2020 |
| • Q3-rapport 2020 | 20 november 2020 |
| • Bokslutskommuniké helår 2020 | 27 februari 2021 |
| • Årsstämma 2021 | 16 april 2021 |

CERTIFIED ADVISOR

Mangold Fondkommission AB
Engelbrektsplan 2
Box 55691
102 15 Stockholm



