



URB-IT AB (publ)
Year-End Report
January – December 2019



Bra Miljöval

Eco-labelled same day deliveries

2019 SUMMARY

Financial development during the period January - December 2019

- Net sales for Urb-it AB (publ), mentioned below as “the Company” or “Urb-it”, amounted to TSEK 4 429 (TSEK 1 221) during the period.
- Operating loss was TSEK -46 547 (TSEK -59 705).
- Loss before tax totalled TSEK -47 669 (TSEK -64 245).
- Loss per share attributable to owners of the Parent Company amounted to SEK -0,42 (SEK -0,68).

Financial development for the period October - December 2019

- Net sales for Urb-it AB (publ) totalled TSEK 1 614 (TSEK 499) for the period October -December 2019.
- During the period, the operating loss amounted to TSEK -13 009 (TSEK -12 686).
- Loss before tax was TSEK -14 582 (TSEK -14 892).
- Loss per share attributable to owners of the Parent Company amounted to SEK -0,13 (SEK -0,16).

Significant events during the fourth Quarter of 2019

- 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 two of the incentive program was successfully completed with 82,13 % of available Stock Options purchased by employees.

Significant events after the end of the Quarter

- 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.

Urb-it retrospect: 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 Omnichannel retail really started to align their business to 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 moniker 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. An overall 4.92 / 5.00 client satisfaction score and a 99% 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

ABOUT THE URB-IT GROUP

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.



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 98.5%
- On average, a global customer satisfaction of 4.90 out of 5.00
- On average, a global Urber satisfaction of 4.85 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.

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.

FINANCIAL INFORMATION

Net Sales and Earnings full year 2019

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, which is 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 decrease is mainly due to significantly lower costs in accordance with the Company's new strategy.

Net Sales and Earnings in the fourth quarter 2019

The company's net sales during the period October 1 - December 31, 2019 amounted to TSEK 1 615, which is an increase of TSEK 1 155 compared to the period October 1 - December 31, 2018 when net sales amounted to TSEK 499. During the period October 1 - December 31, 2019, the Company's operating loss amounted to TSEK -13 009 which corresponds to an increase of TSEK 323 compared to the period October 1 - December 31, 2018 when the operating profit amounted to TSEK -12 686.

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. During the fourth quarter, non-current assets accumulated to TSEK 27 513 compared with TSEK 39 430 at the same time last year.

Intercompany Transactions

In the Parent Company, a write-down during the year relating to receivables from Group companies was made with SEK 10 million (SEK 10 million during Q4).

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 and 8 in Paris and 5 in London. Previous year, the number of employees was 9 in Stockholm and 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 7.8 million.

Significant Risks & Uncertainties

Until the business generates a positive cash flow, it is the task of the Board of Directors and the management team to continuously examine the issue of the conditions for continued operation. The Board's assessment is that the required liquidity will be provided to the business through ongoing income, borrowing and increase in equity.

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.

The Stock

Summary

	2019	2018
Number of outstanding shares as of 31 December	132 603 282	93 854 453
<i>Outstanding shares as of 31 Dec after utilization of SO / convertibles</i>	<i>132 603 282</i>	<i>93 854 453</i>
Average number of Shares January-December	113 228 868	93 854 453
<i>Average number of Shares after utilization of SO / convertibles</i>	<i>113 228 868</i>	<i>93 854 453</i>
Average number of Shares October-December	113 228 868	93 854 453
<i>Average number of Shares after utilization of SO / convertibles</i>	<i>113 228 868</i>	<i>93 854 453</i>

Shareholders as of 31 December 2019	Shares	Capital %	Votes %
Lage Jonason ¹	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%
Other	6 046 404	8,65%	8,65%
Total	132 603 280	100,00%	100,00%

¹ Board member Lage Jonason privately owns 41 509 234 shares and 32 370 644 shares through his company Lage Jonason AB.

CONSOLIDATED INCOME STATEMENT

Amounts in SEK	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Operating income, stock changes etc.				
Net sales	1 614 535	499 195	4 428 671	1 220 935
Capitalized work for own account	757 200	1 388 999	2 924 964	7 334 975
Other operating income	423	52	13 498	244 545
Sum operating income, stock changes etc.	2 372 158	1 888 246	7 367 133	8 800 455
Operating expenses				
Other external expenses	-6 007 291	-5 908 800	-20 016 674	-28 530 873
Personnel costs	-5 486 167	-5 407 835	-18 728 391	-25 416 540
Depreciation and impairment of tangible and intangible non-current assets	-3 827 861	-3 850 630	-15 108 998	-14 444 691
Other operating expenses	-60 287	592 804	-60 287	-113 056
Sum operating expenses	-15 381 606	-14 574 461	-53 914 350	-68 505 160
Operating loss	-13 009 448	-12 686 215	-46 547 217	-59 704 705
Financial items				
Other interest income and similar items	323 565	-147 290	4 188 404	2 289 135
Interest costs and similar items	-1 896 434	-2 058 862	-5 309 902	-6 829 562
Sum financial items	-1 572 869	-2 206 152	-1 121 498	-4 540 427
Loss after financial items	-14 582 317	-14 892 367	-47 668 715	-64 245 132
Loss before tax	-14 582 317	-14 892 367	-47 668 715	-64 245 132
Tax	0	0	0	0
Net loss	-14 582 317	-14 892 367	-47 668 715	-64 245 132
Loss of the Parent Company's shareholders	-14 582 317	-14 892 367	-47 668 715	-64 245 132
Loss per share before utilization	-0,13	-0,16	-0,42	-0,68
Loss per share after utilization	-0,13	-0,16	-0,42	-0,68

CONSOLIDATED BALANCE SHEET

Amounts in SEK	31-dec 2019	31-dec 2018
ASSETS		
Non-current assets		
<i>Intangible non-current assets</i>		
Capitalized development and other similar expenses	26 365 435	38 556 468
Intellectual property rights, brands and other intangible assets	489 381	366 181
	26 854 816	38 922 649
<i>Tangible non-current assets</i>		
Property, plant, and equipment	122 775	169 653
Other tangible non-current assets	0	0
	122 775	169 653
<i>Financial non-current assets</i>		
Other long-term receivables	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
Deferred expenses and accrued income	650 094	539 199
	3 739 217	2 162 284
<i>Cash and cash equivalents</i>		
Cash	930 094	1 312 801
Sum current assets	4 669 311	3 475 085
SUM ASSETS	32 182 809	42 904 747

CONSOLIDATED BALANCE SHEET (CONTINUATION)

Amounts in SEK	31-dec 2019	31-dec 2018
EQUITY AND LIABILITIES		
EQUITY		
Stockholders' equity	16 257 723	11 506 953
Ongoing new share issue	0	0
Other contributed capital	339 980 117	310 381 900
Other equity incl. net loss	-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
Provisions		
Deferred tax liability	0	0
Sum provisions	0	0
Long-term liabilities		
Other long-term liabilities	7 909 031	5 154 628
Sum long-term liabilities	7 909 031	5 154 628
Short-term liabilities		
Debt to credit institutions	0	0
Advances from customers	20 711	0
Tax Debt	254 317	0
Trade payables	4 248 212	4 375 324
Other short-term liabilities	12 588 140	17 069 720
Accrued expenses and deferred income	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

GROUP CASH FLOW STATEMENT

Amounts in SEK	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
<i>Operating activities</i>				
Operating loss	-13 009 448	-12 686 215	-46 547 217	-59 704 705
Adjustment for non-cash items	3 827 846	3 850 630	15 108 983	14 444 691
Interest received	323 565	-147 290	4 188 404	2 289 135
Interest paid	-1 896 434	-2 058 862	-5 309 902	-6 829 562
Cash flow from operating activities before changes in working capital	-10 754 471	-11 041 737	-32 559 732	-49 800 441
Changes in trade receivables	-510 891	254 990	-1 632 189	301 214
Change in other operating receivables	-377 507	326 791	102 589	2 178 863
Change in trade payables	-2 102 555	-59 810	451 833	-11 535 018
Change in other operating payables	2 187 390	-484 648	-7 153 672	12 795 279
Cash flow from operating activities	-11 558 034	-11 004 414	-40 791 171	-46 060 103
<i>Investing activities</i>				
Investment in intangible non-current assets	-757 200	-1 389 000	-2 924 964	-7 338 175
Investment in tangible non-current assets	-67 641	9 670	-62 670	88 091
Investment in financial non-current assets	-44 695	1 990	-195 541	1 602 131
Divestiture/amortization of other financial non-current assets	0	0	0	0
Cash flow from investing activities	-869 536	-1 377 340	-3 183 175	-5 647 953
<i>Financing activities</i>				
New share issue	41 500 000	13 823 229	41 500 000	73 392 126
Loan cleared in share issue	-41 500 000	-13 823 229	-41 500 000	-38 063 229
Stock options	0	0	401 755	0
Costs related to new share issue	-469 810	0	-469 811	-7 069 023
Borrowings	10 154 871	11 362 750	44 654 403	22 418 754
Change in interest-bearing liabilities	0	0	-1 000 000	0
Cash flow from financing activities	9 685 061	11 362 750	43 586 347	50 678 628
Cash flow for the period	-2 742 509	-1 019 004	-387 999	-1 029 428
Cash and Cash equivalents at beginning of period	3 682 178	2 329 787	1 312 801	2 246 874
Cash and cash equivalents at end of period	930 094	1 312 801	930 094	1 312 801

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 capitalised 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

INCOME STATEMENT PARENT COMPANY

Amounts in SEK	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Operating income, stock changes etc.				
Net sales	280 224	47 346	700 855	228 135
Capitalized work for own account	757 200	1 388 999	2 924 964	7 334 975
Other operating income	423	1	13 498	213 042
Sum operating income, stock changes etc.	1 037 847	1 436 346	3 639 317	7 776 152
Operating expenses				
Other external expenses	-3 305 266	-4 252 989	-11 970 277	-20 089 331
Personnel costs	-3 401 738	-3 260 051	-11 452 752	-13 034 656
Depreciation and impairment of tangible and intangible non-current assets	-3 799 118	-3 719 738	-14 992 797	-14 180 827
Other operating expenses	-60 287	600 072	-60 287	-4 135
Sum operating expenses	-10 566 409	-10 632 706	-38 476 113	-47 308 949
Operating loss	-9 528 562	-9 196 360	-34 836 796	-39 532 797
Financial items				
Write down intercompany loans	-10 000 000	-25 000 000	-10 000 000	-26 400 000
Other interest income and similar items	1 299 787	646 493	8 030 495	5 114 756
Interest costs and similar items	-1 896 434	-2 058 862	-5 309 902	-6 829 562
Sum financial items	-10 596 647	-26 412 369	-7 279 407	-28 114 806
Income/loss after financial items	-20 125 209	-35 608 729	-42 116 203	-67 647 603
Income before tax	-20 125 209	-35 608 729	-42 116 203	-67 647 603
Tax	0	0	0	0
Net income/loss	-20 125 209	-35 608 729	-42 116 203	-67 647 603
Income of the Parent Company's shareholders	-20 125 209	-35 608 729	-42 116 203	-67 647 603

BALANCE SHEET PARENT COMPANY

Amounts in SEK	31-dec 2019	31-dec 2018
ASSETS		
Subscribed but unpaid share capital	0	0
Non-current assets		
<i>Intangible non-current assets</i>		
Capitalized development and other similar expenses	26 365 435	38 556 468
Intellectual property rights, brands and other intangible assets	489 381	366 181
	<hr/> 26 854 816	<hr/> 38 922 649
<i>Financial non-current assets</i>		
Participations in Group Companies	4 741 603	108 185
Receivables from Group Companies	35 290 440	31 217 531
Other long-term receivables	336 646	184 492
	<hr/> 40 368 689	<hr/> 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	473 510	489 062
	<hr/> 1 514 459	<hr/> 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

BALANCE SHEET PARENT COMPANY (CONTINUATION)

Amounts in SEK	31-dec 2019	31-dec 2018
Equity and liabilities		
Equity		
<i>Restricted equity</i>		
Stockholders' equity	16 257 723	11 506 953
Ongoing new share issue	0	0
Restricted equity regarding capitalised development costs	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
Provisions		
Deferred tax liability	0	0
Sum provisions	0	0
Long-term liabilities		
Other liabilities	7 909 031	5 154 628
Sum long-term liabilities	7 909 031	5 154 628
Short-term liabilities		
Debt to credit institutions	0	0
Advances from customers	20 711	0
Convertible debt instruments	254 317	0
Trade payables	2 452 256	3 643 655
Other short-term liabilities	11 704 843	15 944 424
Accrued expenses and deferred income	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 CASH FLOW STATEMENT

Amounts in SEK	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
<i>Operating activities</i>				
Operating loss	-9 528 562	-9 196 360	-34 836 796	-39 532 797
Adjustment for non-cash items	3 799 118	3 719 738	14 992 797	14 180 827
Interest received	1 299 787	646 493	8 030 495	5 114 756
Interest paid	-1 896 434	-2 058 862	-5 309 902	-6 829 562
Cash flow from operating activities before changes in working capital	-6 326 091	-6 888 991	-17 123 406	-27 066 776
Changes in trade receivables	-119 732	11 181	-247 521	46 226
Change in other operating receivables	88 987	286 795	149 671	560 808
Change in trade payables	-3 197 855	997 924	-337 082	-10 022 278
Change in other operating payables	1 890 721	-1 494 047	-4 887 558	15 056 014
Cash flow from operating activities	-7 663 970	-7 087 138	-22 445 896	-21 426 006
<i>Investing activities</i>				
Investment in intangible non-current assets	-757 200	-1 389 000	-2 924 964	-7 338 175
Investment in Group Companies	-4 633 418	0	-4 633 418	0
Investment in financial non-current assets	934 500	-2 947 731	-14 225 063	-21 100 069
Cash flow from investing activities	-4 456 118	-4 336 731	-21 783 445	-28 438 244
<i>Financing activities</i>				
New share issue	41 500 000	13 823 229	41 500 000	73 392 126
Loan cleared in share issue	-41 500 000	-13 823 229	-41 500 000	-38 063 229
Stock options	0	0	401 755	0
Issue costs	-469 810	0	-469 810	-7 069 023
Borrowings	10 154 871	11 362 750	44 654 403	22 418 754
Change in interest-bearing liabilities	0	0	-1 000 000	0
Cash flow from financing activities	9 685 061	11 362 750	43 586 348	50 678 628
Cash flow for the period	-2 435 027	-61 119	-642 993	814 378
Cash and Cash equivalents at beginning of period	2 998 980	1 268 065	1 206 946	392 568
Cash and cash equivalents at end of period	563 953	1 206 946	563 953	1 206 946

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

NOTES

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. 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.

This report has not been subject to an audit or review by the auditors.

The Board of Directors and the CEO ensure that the interim report provides a true and fair view of the Group's and the Parent Company's operations, position and earnings.

Stockholm 27 February 2020

Lage Jonason
Chairman of the Board

Andrea Rosengren
Board Member

Fredrik Warstedt
Board Member

Anna Wikner
Board Member

Stefan Sännell
Board Member

Johan Englund
Board Member

Kevin Kviblad
CEO

FINANCIAL CALENDER

- Annual Report 2019 16 April 2020
- Q1 Report 2020 7 May 2020
- Annual General Meeting 2020 16 April 2020
- Q2 Report 2020 21 August 2020
- Q3 Report 2020 20 November 2020
- Year-End Report 2020 27 February 2021
- Annual General Meeting 2021 16 April 2021

CERTIFIED ADVISOR

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IR-CONTACT

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