



Legal action by Environmental Automation Pty Ltd

7 June 2018

Urbanise.com Limited (**Urbanise** or **Company**) (ASX: UBN) today announces that it has been served an application for winding up on grounds of insolvency by its ex-Australian distributor, Environment Automation Pty Ltd ("EA"). **Importantly, Urbanise has already settled the claimed debt** to EA and has made an application to the Supreme Court of NSW to have the application set aside. The matter is expected to be heard within the next two business days.

Further particulars:

- On 10 April 2018 Urbanise was served with Form 509H (creditors statutory demand for payment of debt) which related to nine separate invoices totalling \$23,804.89.
- After reviewing the relevant invoices, on 13 April 2018 Urbanise paid eight out of the nine invoices totalling \$17,697.69
- The ninth invoice, for \$6,107.20 remained unpaid whilst Urbanise requested proof of delivery of the goods in question, as EA did not have a copy of a Purchase Order from UBN. The relevant invoice had been raised in February 2018 and related to stock that EA claimed they had provided on behalf of Urbanise to an end user. Urbanise requested the relevant paper trail and proof of invoice.
- On 27 May 2018 EA responded with some emails and documentation, none of which contained instruction from Urbanise to proceed with any work.
- On 30 April 2018, Urbanise responded to EA stating that the documentation supplied did not have a purchase order or instruction from Urbanise to proceed.
- On 5 June 2018 EA proceeded with an application for winding up on the basis that the abovementioned invoice remained un-paid.
- On 5 June 2018, given the action taken by EA, on a cost avoidance basis, Urbanise paid the outstanding debt in full, being the final invoice of \$6,107.20

Urbanise notes that EA has taken this action against Urbanise after its distribution agreement was terminated due to non-performance. As of the date hereof, EA has a debt to Urbanise of \$29,934.09. Urbanise considers the action taken by EA to be in bad faith.

At the end of May 2018, Urbanise had:

- (a) Current liabilities of \$3,944,578.09 (and no material non-current liabilities);
- (b) Current assets of \$7,959,608.88;
- (c) Cash at bank of \$3,662,402.21 (and has, at all material times, had cash at bank in that order); and



(d) Total net assets of \$29,965,879.10.

In short, Urbanise is obviously solvent, with the failure to apply to set aside ARA's statutory demand being the result of an oversight only (though, in any event, ARA's asserted claim has now been paid in full).

About Urbanise Urbanise is the creator of a cloud-based platform for delivering strata management, building services and managing property related financial transactions. Designed for strata managers, service providers and asset owners, the Urbanise Industry Cloud software-as-a-service platform is transforming the traditional engineering approach to building operations – improving customer service, removing operational costs and enabling new revenue streams.

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