

Urb-it AB (publ)

Interim Report Q2
April – June 2022



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TABLE OF CONTENT

Q2 2022 SUMMARY	3
CEO'S OVERVIEW	4
ABOUT THE URB-IT GROUP	7
FINANCIAL INFORMATION	9
THE STOCK	10
CONSOLIDATED INCOME STATEMENT	11
CONSOLIDATED BALANCE SHEET	13
GROUP CASH FLOW STATEMENT	15
CONSOLIDATED GROUP CHANGES IN EQUITY	17
INCOME STATEMENT PARENT COMPANY	18
PARENT COMPANY BALANCE SHEET	19
PARENT COMPANY CASH FLOW STATEMENT	21
PARENT COMPANY CHANGES IN EQUITY	22
NOTES	23
THE BOARD	25
FINANCIAL CALENDER	26

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2022 SUMMARY

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Financial development during the period April – June 2022

- Net Sales for Urb-it AB (publ), amounted to KSEK 12 448 (KSEK 5 930) during the period.
- Operating loss was KSEK -35 588 (KSEK -17 837).
- Loss before tax totalled KSEK -35 062 (KSEK -18 112).
- Loss per share attributable to owners of the Parent Company amounted to SEK -0,15 (SEK -0,09).

Compared to previous year, the Net Sales grew by 110% and the volumes by 272%. The growth is attributable to the large clients Alibaba, Amazon and Yodel.

During the 2nd quarter 2022, Urb-it has focused on operational excellence. The efforts have led to substantial improvement in Urb-it's major market France which stands for ca. 70% of the Groups Net sales. France managed to reduce the direct delivery costs per delivery by 57% in June 2022 compared to January 2022 which led to a positive Gross margin after direct delivery costs in the 2nd quarter. On a Group level, the operating losses compared to 1st quarter 2022 were reduced by KSEK 8 158.

Urb-it continued to invest in infrastructure to enable future growth in all markets. At the end of the 2nd quarter, tangible assets have increased to KSEK 19 842, primarily e-cargo bikes.

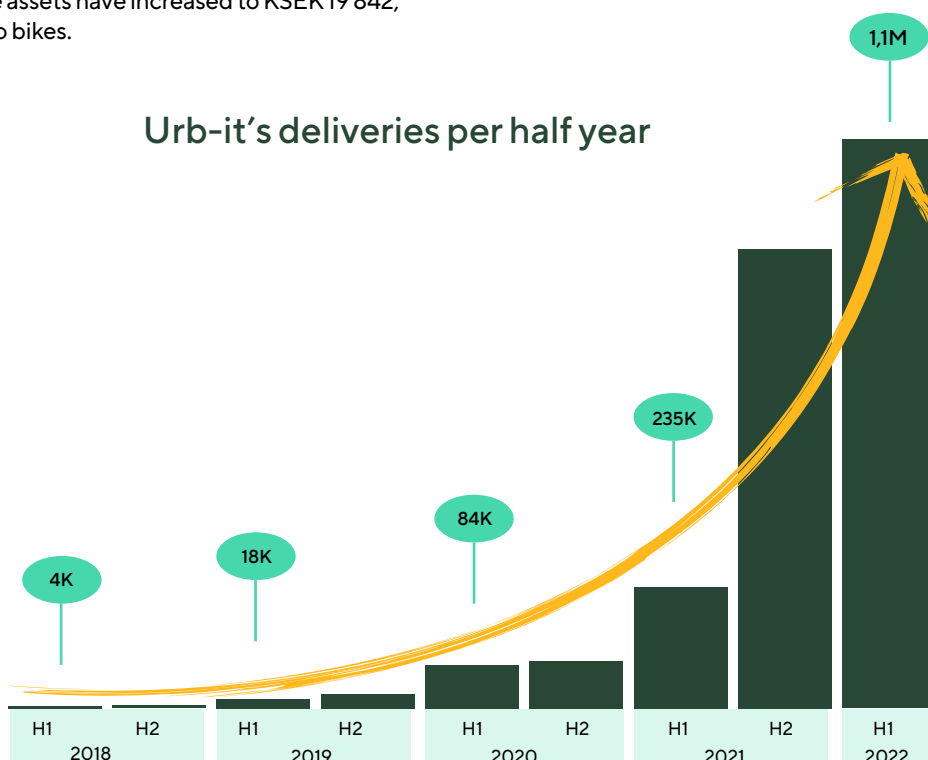
Significant events during the second quarter of 2022

- Urb-it continued UK expansion by launching in Liverpool.
- Urb-it delivery services integrated with leading commerce platform Linnworks
- Urb-it grows partnership with Yodel in Manchester.
- As sole representative from the industry, Urb-it participated in OECD meeting held in Leipzig.
- Urb-it expanded in Paris through new hubs, now covering all of central Paris.
- Urb-it partners with Cainiao Network to offer sustainable delivery option to parcel lockers in Paris.

Significant events after the end of the second quarter

- Urb-it's sustainable last-mile delivery services now live in Madrid and Barcelona.
- Urb-it's sustainable delivery services available through market leading delivery management platform.
- Urb-it's sustainable last mile delivery services available to merchants on Shopify.

Urb-it's deliveries per half year



CEO'S OVERVIEW



Improved operational efficiency during the quarter, proof-pointing the scalability in Urb-it's model

We entered 2022 with a clear, focused strategy for growth. Following a record peak volume period in Q4 and investing in Q4 and Q1 to accelerate our market and city expansion to be well placed for growing with e-commerce clients, in Q2 we prioritised driving operational excellence and productivity across our operations.

This conscious decision to prioritise profitability over volume growth enabled us to strengthen our operational base, which resulted in decreased costs across our business.

Urb-it continued to execute in-line with our operational strategy, condensed into four strategic pillars:

1. Scale through partnerships – providing us with the volume to scale our operations in high-growth markets.
2. Superior customer experience – focus on service and innovation to meet increasing demands for both convenient and sustainable deliveries.
3. Infrastructure optimisation – setting us up for operational excellence.
4. Geographical expansion – creating the basis for successfully expanding in new cities and national markets.

Drop density is essential in solidifying the scalability

Optimising our operations is, and has been, a key strategic focus for Urb-it, and through this quarter we have delivered strong progress in consolidating our scalable growth platform.

By improving drop density through increasing the number of drops per hour and decreasing the route distance for our hyper local hubs, we are able to drive unit economic improvements and therefore stronger margins. The ultimate proof-point of this during the quarter was Urb-it achieving a positive gross margin on deliveries in France, our largest and most established market, which amounts to more than 70% of Urb-it's revenues.

Additionally, Urb-it's unit metrics in the French market significantly improved in the quarter. Direct delivery costs decreased by 57% per delivery relative to the beginning of Q1, and the costs for managing our network of hyper local hubs in France decreased by 41% per delivery relative to the beginning of Q1.



These are significant milestones on our path to profitability, which we are convinced will be reached by improving drop density and via technology, training and tribal knowledge, and increased route optimisation.

Importantly, we achieved this while also driving solid revenue and volume growth, with revenue up 110% and through almost four times increase in delivery volumes year-on-year. I am confident that our improved operational efficiency will position us for further growth in H2 as we are onboarding new clients and enter the peak season in Q4.

Continued geographical expansion paving the way for increased delivery volumes

We continued to expand our reach in our existing and new cities, reinforcing our position as the leading pan-European last mile delivery partner for e-commerce, through providing truly sustainable deliveries on our e-cargo bike fleet within major cities.

In the UK, we launched in Liverpool, extending our reach in the UK's largest cities. During the quarter, we expanded our hyper local hub network in Paris and now have full coverage across the city centre, reaching over 4 million citizens.

Post period end in early July, we opened our operations in Madrid and Barcelona – our third national market. With an immediate access to 3.5 million citizens, we look forward to growing our brand profile and engaging with stakeholders on the benefits of sustainable deliveries for its cities.

We are now operating in 13 of the major cities in Europe across three national markets and are continuously evaluating expansion into additional national markets where our business model can have the greatest impact. Specifically, in cities with high proportions of population density, e-commerce and environmental regulation in effect, we have identified potential opportunities in Germany, Italy and Portugal.

Expanding partnerships and entering the parcel locker segment

We continued to expand our partnerships in the quarter and we were pleased to strategically expand our sustainable delivery services offering to lockers with Cainiao Network, the logistics arm of the Alibaba Group. Parcel lockers is a fast growth segment in the delivery market - and is the most sustainable option in the 'out-of-home' delivery model.

This option improves efficiency in the last mile delivery process and reduces emissions and congestion in the transportation process - the benefits of which are amplified when being delivered to by e-cargo bikes, often in busy locations in city centres e.g. train stations.

In the quarter, we continued to further improve our customer app My Delivery, which offers market leading flexibility and choice for both our clients and end consumers to make changes to their deliveries, which ultimately drives overarching efficiency and productivity in deliveries. It is important we offer both a leading commercial and sustainable solution for our clients and their customers, which aligns to clients' brand experience.

I would like to thank my colleagues and our shareholders for their continued support. With a strengthened business model and well invested infrastructure, we are extremely well placed for client expansion and volume growth in the rest of 2022 and beyond.

Kevin Kviblad

Kevin Kviblad
CEO





ABOUT URB-IT GROUP | B CORP CERTIFIED

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Urb-it is a rapidly growing sustainable logistics platform with a vision to transform urban logistics, one delivery at a time. We deliver urban logistics services that create a positive impact on society and the environment. We partner with brands to deliver the last mile sustainably and efficiently in urban areas across Europe.

Our customer-centric last mile delivery services are conducted by our employed couriers on our 100% e-cargo bike fleet. This reduces emissions, congestion and noise pollution - creating healthier cities.

We are a B Corp certified business, meaning we meet and have committed to the highest verified standards

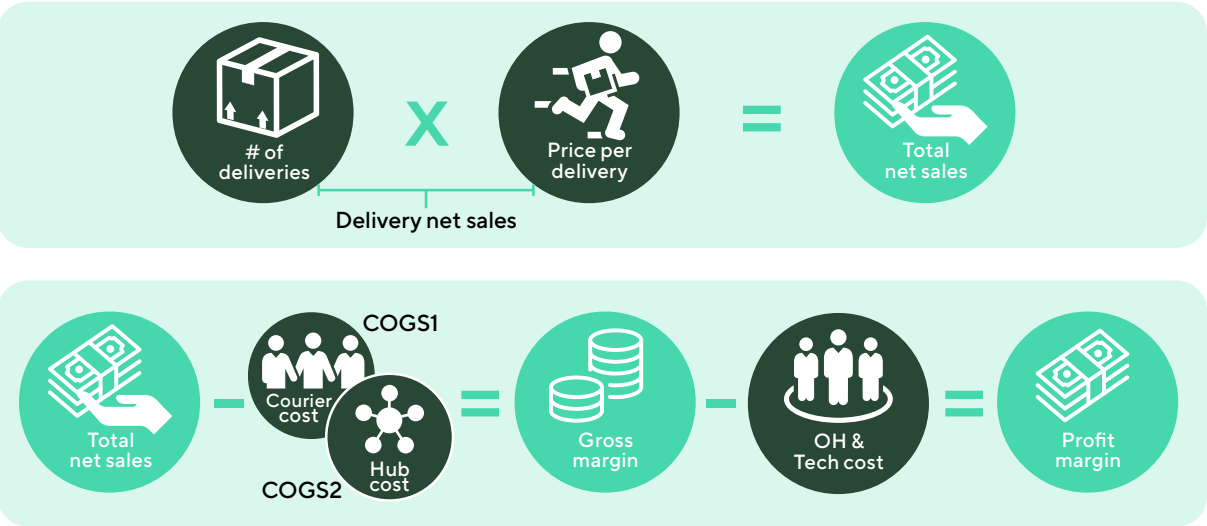
of social and environmental performance. We are currently operating in urban areas in Europe's largest e-commerce markets - France, the UK and Spain. Our ambition is to expand into other major e-commerce markets across Europe in the coming years.

In 2022, Urb-it won Best Supply Chain Solution Award at The Retail Supply Chain & Logistics Expo.

Founded in 2014, Urb-it is a Swedish entrepreneurial company headquartered in Stockholm and listed on Nasdaq First North Growth Market. Find out more at urb-it.com.



Economies of scale and highly predictable



FINANCIAL INFORMATION

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Net Sales and Earnings Quarter 2 2022

The company's net sales during the period April 1 - June 30, 2022 amounted to KSEK 12 448, which corresponds to an increase of KSEK 6 518 compared to the period April 1 - June 30, 2021 when net sales amounted to KSEK 5 930. During the period April 1 - June 30, 2022, the Company's operating loss amounted to KSEK -35 588, which is an increase of KSEK -17 751 compared with the period April 1 - June 30, 2021 when the operating loss amounted to KSEK -17 837.

During the 2nd quarter 2022, Urb-it has focused on operational excellence. The efforts have led to substantial improvement in Urb-it's major market France which stands for ca. 70% of the Groups Net sales. France managed to reduce the direct delivery costs per delivery by 57% in June 2022 compared to January 2022 which led to a positive Gross margin after direct delivery costs in the 2nd quarter. In addition, the costs for managing our network of hyper local hubs in France decreased by 41% per delivery relative to the beginning of 1st quarter 2022.

On a Group level, the operating losses compared to 1st quarter 2022 was reduced by KSEK 8 158.

Liquidity & Financing

Cash and cash equivalents amounted to KSEK 17 175 as of June 30, compared with KSEK 24 814 for the same period last year. The Group's current liabilities amounted to KSEK 19 257. At the same time last year, current liabilities amounted to KSEK 21 128. Equity amounted to KSEK 55 863 on the reporting day, compared with KSEK 28 844 for the same period in 2021. At the end of the second quarter, non-current assets amounted to KSEK 38 282 compared with KSEK 21 771 at the same time last year, driven by the investments of e-cargo bikes.

Urb-it continued to invest in infrastructure to enable future growth in all markets. At the end of the 2nd quarter, tangible assets have increased to KSEK 19 842, primarily e-cargo bikes.

Personnel & Organization

As of June 30, 2022, the Urb-it Group had a total of 245 full-time employees, 9 of whom worked in Sweden, 118 in France, 115 in the UK and 3 in Spain. Previous year, the number of employees was 7 in Sweden and 57 in France and 12 in the UK.

The increase compared to previous year is primarily due to phasing out gig workers and replacing with employed couriers & hub personnel in France & UK to handle increased volumes. The number of employed couriers & hub personnel amounted to 194 per June 30, 2022.

Intercompany Transactions

No intercompany transactions to report during the second quarter.

Related Party Transactions

No Related Party transactions to report during the second quarter.

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.



THE STOCK

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Summary	2022	2021
Number of outstanding shares as of 30 June 2022	236 275 105	194 229 084
Outstanding shares as of 30 June after utilization of SO / convertibles	238 587 105	198 454 203
Average number of shares April - June	235 957 723	194 229 084
Average number of shares Apr - Jun after utilization of SO / Convertibles	235 957 723	198 454 203

Shareholders as of 30 June 2022	Shares	Capital %	Votes %
Lage Jonason ^[1]	79 322 934	33,57%	33,57%
INGKA	21 590 909	9,14%	9,14%
Fjärde AP fonden	17 500 000	7,41%	7,41%
Handelsbanken Microcap	12 790 000	5,41%	5,41%
Erik Mitteregger förvaltning AB	12 697 952	5,37%	5,37%
Skandia	11 055 000	4,68%	4,68%
Concensus Småbolag	10 000 000	4,23%	4,23%
Fiducian technology fund	9 979 441	4,22%	4,22%
Adrigo Small & Midcap	9 818 541	4,16%	4,16%
Ålandsbanken	6 966 610	2,95%	2,95%
Other shareholders	44 553 718	18,86%	18,86%
Total	236 275 105	100%	100%

^[1] Board member Lage Jonason privately owns 46 952 290 shares and 32 370 644 shares through his company Lage Jonason AB.

CONSOLIDATED INCOME STATEMENT



Amounts in KSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating income, stock changes etc.					
Net sales	12 448	5 930	23 378	10 804	34 270
Capitalized work for own account	2 345	1 412	4 100	2 553	5 571
Other operating income	32	44	75	95	199
Sum operating income, stock changes etc.	14 825	7 386	27 554	13 452	40 040
Operating expenses					
Other external expenses	-28 095	-12 387	-58 885	-22 874	-72 447
Personnel costs	-19 387	-10 110	-41 984	-17 814	-56 408
Depreciation and impairment of tangible and intangible non-current assets	-2 881	-2 722	-5 861	-5 538	-10 768
Other operating expenses	-51	-3	-158	-16	-45
Sum operating expenses	-50 413	-25 223	-106 889	-46 241	-139 668
Operating income/loss	-35 588	-17 837	-79 335	-32 789	-99 628
Financial items					
Other interest income and similar items	513	85	5 210	253	888
Interest costs and similar items	13	-360	-	-892	-2 199
Sum financial items	527	-275	5 210	-640	-1 311
Income/loss after financial items	-35 062	-18 112	-74 124	-33 429	-100 940
Income before tax	-35 062	-18 112	-74 124	-33 429	-100 940
Tax	-	-	-	-	-
Net income/loss	-35 062	-18 112	-74 124	-33 429	-100 940
Income of the Parent Company's shareholders	-35 062	-18 112	-74 124	-33 429	-100 940
Income per share before utilization	-0,15	-0,09	-0,32	-0,18	-0,51
Income per share after utilization	-0,15	-0,09	-0,31	-0,17	-0,49



CONSOLIDATED BALANCE SHEET

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Amounts in KSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS			
Non-current assets			
<i>Intangible non-current assets</i>			
Capitalized development and other similar expenses	14 532	16 110	14 484
Intellectual property rights, brands and other intangible assets	489	489	489
	15 021	16 600	14 974
<i>Tangible non-current assets</i>			
Property, plant, and equipment	19 842	4 259	12 301
	19 842	4 259	12 301
<i>Financial non-current assets</i>			
Other long-term receivables	3 420	913	3 427
Other long-term receivables	3 420	913	3 427
Sum non-current assets	38 282	21 771	30 701
Current assets			
<i>Short-term receivables</i>			
Trade receivables	12 619	4 671	12 998
Other short-term receivables	4 641	1 574	3 110
Deferred expenses and accrued income	2 402	891	2 648
	19 662	7 137	18 757
<i>Cash and cash equivalents</i>			
Cash	17 175	24 814	112 304
Sum current assets	36 837	31 950	131 061
SUM ASSETS	75 120	53 722	161 762

CONSOLIDATED BALANCE SHEET (CONT.)

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Amounts in KSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
EQUITY AND LIABILITIES			
EQUITY			
Stockholders' equity	28 968	23 813	28 747
Other contributed capital	609 015	445 348	605 999
Other equity incl. net income	-582 120	-440 317	-502 077
Equity attributable to Parent Company's shareholders	55 863	28 844	132 669
SUM EQUITY	55 863	28 844	132 669
Provisions			
Deferred tax liability	-	-	-
Sum provisions	0	0	0
Other long-term liabilities	-	3 750	-
Sum long-term liabilities	0	3 750	0
Short-term liabilities			
Debt to credit institutions	-	-	-
Advances from customers	-	-	-
Tax Debt	5 597	5	28
Trade payables	6 821	3 840	16 211
Other short term liabilities	2 233	14 178	10 255
Accrued expenses and deferred income	4 605	3 104	2 600
Sum short-term liabilities	19 257	21 128	29 093
SUM EQUITY AND LIABILITIES	75 120	53 722	161 762
SOLIDITY	74%	54%	82%

GROUP CASH FLOW STATEMENT

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Amounts in KSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
<i>Operating activities</i>					
Operating loss	-35 588	-17 837	-79 335	-32 789	-99 628
Adjustment for non-cash items	3 394	2 807	11 072	5 790	11 730
Interest received	-	-	-	-	0
Interest paid	13	-360	-	-892	-2 199
Cash flow from operating activities before changes in working capital	-32 181	-15 390	-68 263	-27 891	-90 098
Changes in trade receivables	2 442	635	942	-574	-8 988
Change in other operating receivables	2 209	-159	-942	-822	-4 034
Change in trade payables	-3 008	763	-9 642	660	12 914
Change in other operating payables	-160	290	-7 313	-1 127	4 494
Cash flow from operating activities	-30 699	-13 860	-85 217	-29 755	-85 712
<i>Investing activities</i>					
Investment in intangible non-current assets	-2 432	-1 412	-4 305	-2 553	-5 571
Investment in tangible non-current assets	-2 518	-3 219	-8 102	-4 135	-12 287
Investment in financial non-current assets	-520	-319	156	-681	-3 137
Divestiture/amortization of other financial non-current assets	-	-	-	-	-
Cash flow from investing activities	-5 470	-4 950	-12 251	-7 368	-20 995
<i>Financing activities</i>					
New share issue	2 256	-	2 256	82 000	257 195
Loan cleared in share issue	-	-	-	-6 357	-6 357
Stock options	-237	250	-4	310	60
Costs related to new share issue	-20	-	-238	-	-2 989
Subscribed but unpaid share capital	-	-	-	-	-
Borrowings	-	-	-	-25 000	-40 000
Change in interest-bearing liabilities	-	-	-	-	-
Cash flow from financing activities	1 999	250	2 014	50 953	207 909
Cash flow for the period	-34 169	-18 559	-95 454	13 830	101 201
Cash and Cash equivalents at beginning of period	51 344	43 356	112 304	10 897	10 897
Cash and cash equivalents at end of period	17 175	24 814	16 525	24 814	112 304
Exchange rate differences in cash and cash equivalents	0	18	-325	87	206



CONSOLIDATED GROUP CHANGES IN EQUITY

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Amounts in KSEK	Shareholder equity	Ongoing new share issue	Other contributed capital	Retained earnings	Total equity
Opening balance 2022-01-01	28 747	-	605 999	-502 077	132 669
New share issue	-	-	-	2 035	2 035
Ongoing new share issue	-	-	-	-	0
Costs related to new share issue	-	-	-	-238	-238
Exchange rate difference when converting foreign operations	-	-	-	-4 790	-4 790
Restricted equity regarding capitalised development costs	-	-	4 100	-4 100	0
Depreciation capitalised development costs	-	-	-4 114	4 114	0
Stock Options	-	-	-	91	91
Adjustment	-	-	3 029	-3 029	0
Net income for the year	-	-	-	-74 124	-74 124
Closing balance 2022-06-30	28 747	0	609 015	-582 120	55 642

INCOME STATEMENT PARENT COMPANY

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Amounts in KSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating income, stock changes etc.					
Net sales	-	-	-	-	-
Capitalized work for own account	2 345	1 412	4 100	2 553	5 571
Other operating income	32	44	75	95	103
Sum operating income, stock changes etc.	2 377	1 456	4 175	2 648	5 673
Operating expenses					
Other external expenses	-6 423	-3 961	-13 394	-7 184	-18 705
Personnel costs	-4 748	-2 253	-8 067	-4 318	-9 802
Depreciation and impairment of tangible and intangible non-current assets	-2 015	-2 591	-4 257	-5 357	-10 001
Other operating expenses	-51	-3	-158	-16	-45
Sum operating expenses	-13 237	-8 809	-25 877	-16 875	-38 553
Operating Loss	-10 860	-7 353	-21 702	-14 227	-32 879
Financial items					
Write down intercompany loans	-	-	-	-	-
Other interest income and similar items	2 227	602	8 118	892	2 791
Interest costs and similar items	-1	-391	-2	-923	-2 204
Sum financial items	2 226	211	8 116	-30	587
Income/loss after financial items	-8 634	-7 143	-13 585	-14 258	-32 293
Income before tax	-8 634	-7 143	-13 585	-14 258	-32 293
Tax	-	-	-	-	-
Net income/loss	-8 634	-7 143	-13 585	-14 258	-32 293
Income of the Parent Company's shareholders	-8 634	-7 143	-13 585	-14 258	-32 293

BALANCE SHEET PARENT COMPANY

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Amounts in KSEK	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS			
Non-current assets			
<i>Intangible non-current assets</i>			
Capitalized development and other similar expenses	15 483	16 110	14 484
Intellectual property rights, brands and other intangible assets	489	489	489
	15 972	16 600	14 974
<i>Financial non-current assets</i>			
Participations in Group Companies	89 986	62 506	89 954
Receivables from Group Companies	135 711	25 814	60 899
Other long-term receivables	25	25	25
	225 722	88 345	150 879
Sum non-current assets	241 694	104 945	165 852
Current assets			
<i>Short term receivables</i>			
Trade receivables	19	95	19
Receivables from Group Companies	317	-	317
Other short-term receivables	799	952	825
Deferred expenses and accrued income	1 738	368	995
	2 873	1 415	2 156
<i>Cash and cash equivalent</i>			
Cash	11 648	22 095	106 075
Sum current assets	14 520	23 510	108 231
SUM ASSETS	256 214	128 455	274 084

BALANCE SHEET PARENT COMPANY (CONT.)

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Amounts in KSEK	Not	30 Jun 2022	30 Jun 2021	31 Dec 2021
Equity and liabilities				
Equity				
<i>Restricted equity</i>	19			
Stockholders' equity	20	28 968	23 813	28 747
Ongoing new share issue		-	-	-
Restricted equity regarding capitalised development costs		14 724	16 613	14 738
		43 692	40 426	43 485
<i>Unrestricted equity</i>				
Share premium reserve		594 347	424 441	592 459
Retained earnings		-372 848	-341 716	-340 569
Net loss		-13 585	-14 258	-32 293
		207 914	68 467	219 597
Sum equity		251 606	108 893	263 082
Long-term liabilities				
Other liabilities	13	-	3 750	-
Sum long-term liabilities		0	3 750	0
Short-term liabilities				
Advances from customers		-	-	-
Tax debt		-	5	28
Trade payables		1 508	1 577	6 464
Other short-term liabilities	14	60	11 546	1 910
Accrued expenses and deferred income	21	3 040	2 683	2 600
Sum short-term liabilities		4 608	15 812	11 001
SUM EQUITY AND LIABILITIES		256 214	128 455	274 084
SOLIDITY		98%	85%	96%

PARENT COMPANY CASH FLOW STATEMENT

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Amounts in KSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
<i>Operating activities</i>					
Operating loss	-10 860	-7 353	-21 702	-14 227	-32 879
Adjustment for non-cash items	2 585	2 676	9 467	5 610	10 965
Interest received	1 713	517	2 908	640	1 901
Interest paid	-1	-391	-2	-923	-2 203
Cash flow from operating activities before changes in working capital	-6 563	-4 551	-9 328	-8 900	-22 216
Changes in trade receivables	-	-	-	3	3
Change in other operating receivables	1 382	217	-622	-253	-1 051
Change in trade payables	-1 526	-415	-4 956	-137	4 750
Change in other operating payables	1 181	-95	-1 437	-1 135	667
Cash flow from operating activities	-5 526	-4 845	-16 343	-10 424	-17 847
<i>Investing activities</i>					
Investment in intangible non-current assets	-2 427	-1 412	-5 256	-2 553	-5 571
Investment in Group Companies	-28 761	-12 724	-74 812	-22 063	-84 597
Investment in financial non-current assets	-	-	-31	-	-
Cash flow from investing activities	-31 188	-14 136	-80 099	-24 616	-90 167
<i>Financing activities</i>					
New share issue	2 256	-	2 256	82 000	257 195
Loan cleared in share issue	-	-	-	-6 357	-6 357
Stock options	-237	250	-4	310	60
Issue costs	-20	-	-238	-	-2 989
Subscribed but unpaid share capital	-	-	-	-	-
Borrowings	-	-	-	-25 000	-40 000
Change in interest-bearing liabilities	-	-	-	-	-
Cash flow from financing activities	1 999	250	2 014	50 953	207 909
Cash flow for the period	-34 715	-18 731	-94 428	15 914	99 894
Cash and Cash equivalents at beginning of period	46 363	40 825	106 075	6 181	6 181
Cash and cash equivalents at end of period	11 648	22 095	11 648	22 095	106 075

PARENT COMPANY CHANGES IN EQUITY

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Amounts in KSEK	Shareholder equity	Ongoing new share issue	Other contributed capital	Share premium reserve	Retained earnings	Total equity
Opening balance 2022-01-01	28 747	-	14 738	592 459	-372 862	263 082
New share issue	221	-	-	2 035	-	2 256
Ongoing new share issue	-	-	-	-	-	0
Costs related to new share issue	-	-	-	-238	-	-238
Development fund	-	-	4 100	-	-4 100	0
Amortization of development fund fees	-	-	-4 114	-	4 114	0
Adjustment	-	-	-	91	-91	0
Stock Options	-	-	-	-	91	91
Net income for the year	-	-	-	-	-13 585	-13 585
Closing balance 2022-06-30	28 968	0	14 724	594 347	-386 434	251 606



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 18 Aug 2022

Lage Jonason
Chairman of the Board

Andrea Rosengren
Board Member

Fredrik Warstedt
Board Member

Anna Wikner
Board Member

Johan Englund
Board Member

Kevin Kviblad
CEO



THE BOARD

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Stockholm 18 Aug 2022



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FINANCIAL CALENDER

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|------------------|-------------|
| • Q3 Report 2022 | 27 Oct 2022 |
| • Q4 Report 2022 | 22 Feb 2023 |
| • Q1 Report 2023 | 27 Apr 2023 |
| • AGM 2023 | 12 Maj 2023 |

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