



Urb-it AB (publ)
Interim Report Q1
January – March 2021



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TABLE OF CONTENT

Q1 SUMMARY OF 2020	3
CEO'S OVERVIEW	5
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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2021 SUMMARY

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Financial development during the period January - March 2021

- Net sales for Urb-it AB (publ), mentioned below as “the Company” or “Urb-it”, amounted to KSEK 4 873 (KSEK 2 005) during the period.
- Operating loss was KSEK -14 953 (KSEK -13 839).
- Loss before tax totalled KSEK -15 317 (KSEK -11 120).
- Loss per share attributable to owners of the Parent Company amounted to SEK -0,08 (-0,08).

During Q1 2021 growth of Net Sales was 143%. Excluding the decommissioned Swedish operations the growth was 208%. The increased loss compared to previous year was mainly due to, higher cost connected to growth in Net Sales in France & UK.

Significant events during the first Quarter of 2021

- Jan 12th, an Extraordinary General Meeting (EGM) was held and the EGM approved the board decision of a directed new issue of 41 000 000 shares at a price of 2 SEK per totalling to 82 MSEK.
- Urb-it partnered with French postal service giant ‘Le Groupe La Poste’ to provide zero carbon last-mile deliveries to consumers in Strasbourg
- Urb-it expanded to Cambridge, UK through a new partnership with food delivery company Foodstuff to offer convenient, last-mile zero-emission deliveries.
- Urb-it AB and postal service giant Le Groupe La Poste agreed to expand their operation to Paris to provide zero-carbon last-mile deliveries and seek to reduce the city’s growing CO2 emissions. The latest announcement comes off the back of a successful collaboration and rollout period in the French City of Strasbourg at the beginning of 2021.
- Urb-it expands with Foodstuff to offer zero-emission food deliveries in the City of Bristol



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CEO'S OVERVIEW

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Off to a flying start in 2021

For some industries, 2020 has been a year to forget, but for logistics it has caused a major boom, as the demand for quick, hassle-free deliveries drastically shot up. Here at Urb-it, we have been riding this parcel wave into 2021, and so far, we are off to a tremendous start!

Our deft ability to execute our annual business plan objectives has allowed us to expertly meet the requirements of one of our two major client segments 'Carriers' and cement Urb-it as a primary sustainable urban last-mile delivery partner of choice. The Carrier segment has long been struggling with inadequate capacity and quality of service, especially in highly dense cities. On top of this, they have been under growing consumer pressure to offer an efficient green last-mile solution, and with the subsequent banning of diesel cars and vans in some major cities this has only exacerbated the problem.

The good news for Urb-it is that we have been able to capitalise on this using our last-mile delivery model to provide support to the Carrier segment and help partners sustainably deliver larger volumes and gain wider geographical coverage at a rapid pace.

Testament to this is our thriving sustainable last-mile partnership with postal service giant 'Le Groupe La Poste', which got another major boost at the start of Q1, as we successfully expanded our operation from Paris to the City of Strasbourg. Strasbourg's Low Emission Zones and urban access regulations create a favourable landscape for our green vehicle fleet to deliver conveniently and at speed.

Across the channel, our UK business has gone from strength to strength, as we continue to successfully execute our expansion roadmap with new operations in Bristol and Cambridge. Building on this positive momentum, Urb-it is now on par to expand into other major UK cities such as Leeds, Liverpool, and Manchester, further fuelling our UK-wide expansion plans. Q1 was a record quarter as we grew our net sales by +143% in Q1 2021 compared to Q1 2020. Excluding the decommissioned Swedish operation, the growth was



+208%, but I am very much looking forward to an even stronger Q2. With large new accounts also going live in Q2, we have also made sizeable smart investments in recruitment and our green vehicle fleet to bolster our delivery capability, and further develop greener route management practices throughout our entire city-wide operation.

Ultimately, it is safe to say that our business plan for success is bearing fruit and we see great opportunities for the business to grow during Q2 and beyond.

As always, I thank you for your support.

Kevin Kviblad
CEO

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ABOUT THE URB-IT GROUP

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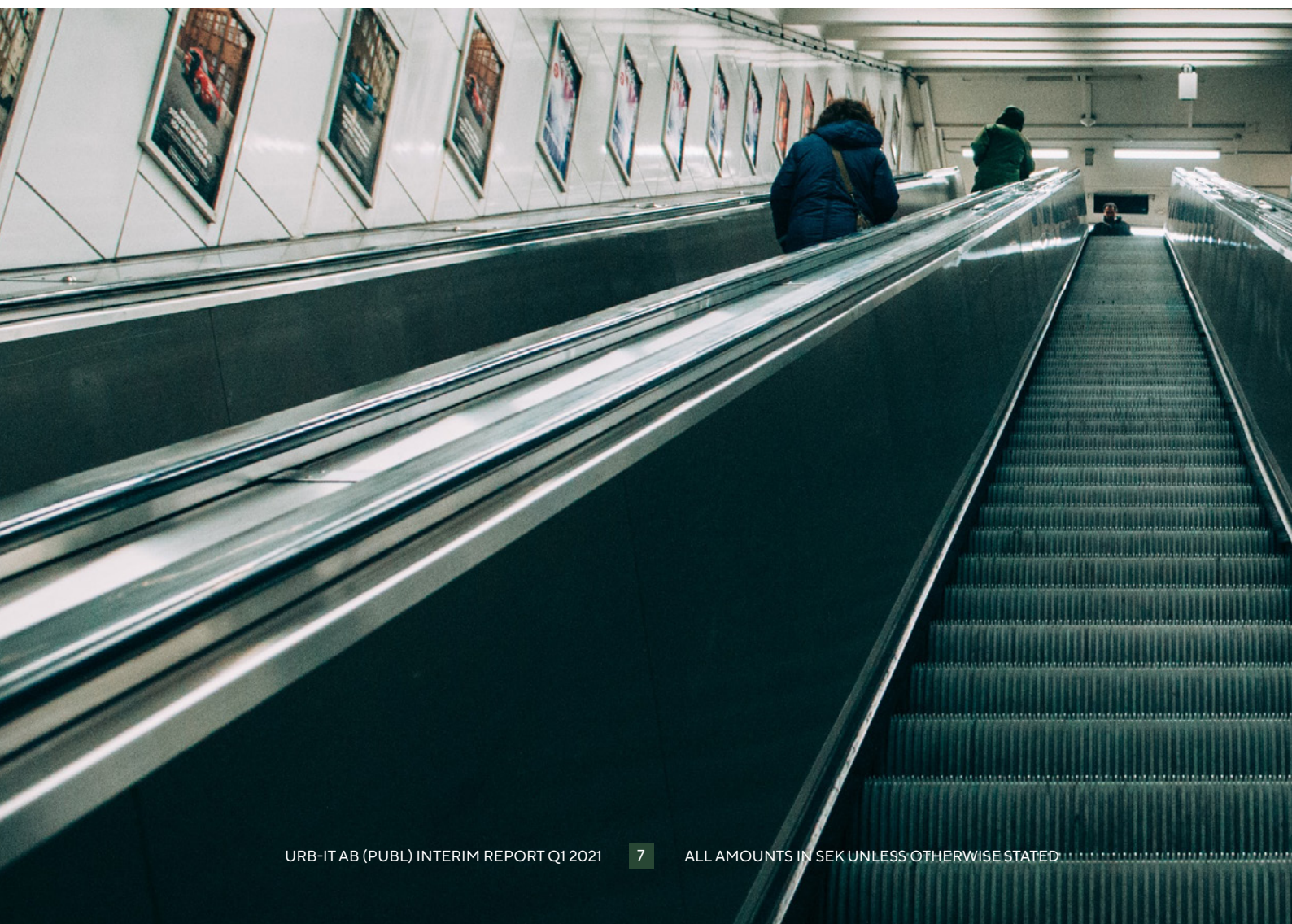
Urb-it is a Swedish logistics company and Certified B Corporation™. Powered by a robust technical platform, and its community of Courier, Urb-it offers a customer-centric end-to-end fulfilment service for e-commerce, retail and the on-demand market. The company today operates in the UK and France and works with leading European brands.

The company's mission is to transform logistics with a human service that fights for the health of our cities. Delivering the last-mile exclusively on foot, bike or with cargo-bikes, Urb-it aims to reduce air pollution, noise pollution and congestion in Urban areas, while providing a delivery service that exceeds customer expectations. Our Couriers are carefully recruited and trained by Urb-it to provide excellent service.

The solution is available to merchants via direct API-integration as well as through a range of leading transport management systems. Services include delivering the same-day, next-day, nominated day and returns, and can be fulfilled both from the merchant's online store and physical store network.

The logistic market is a mature volume business where price per delivery is predictable and under the company's own control.

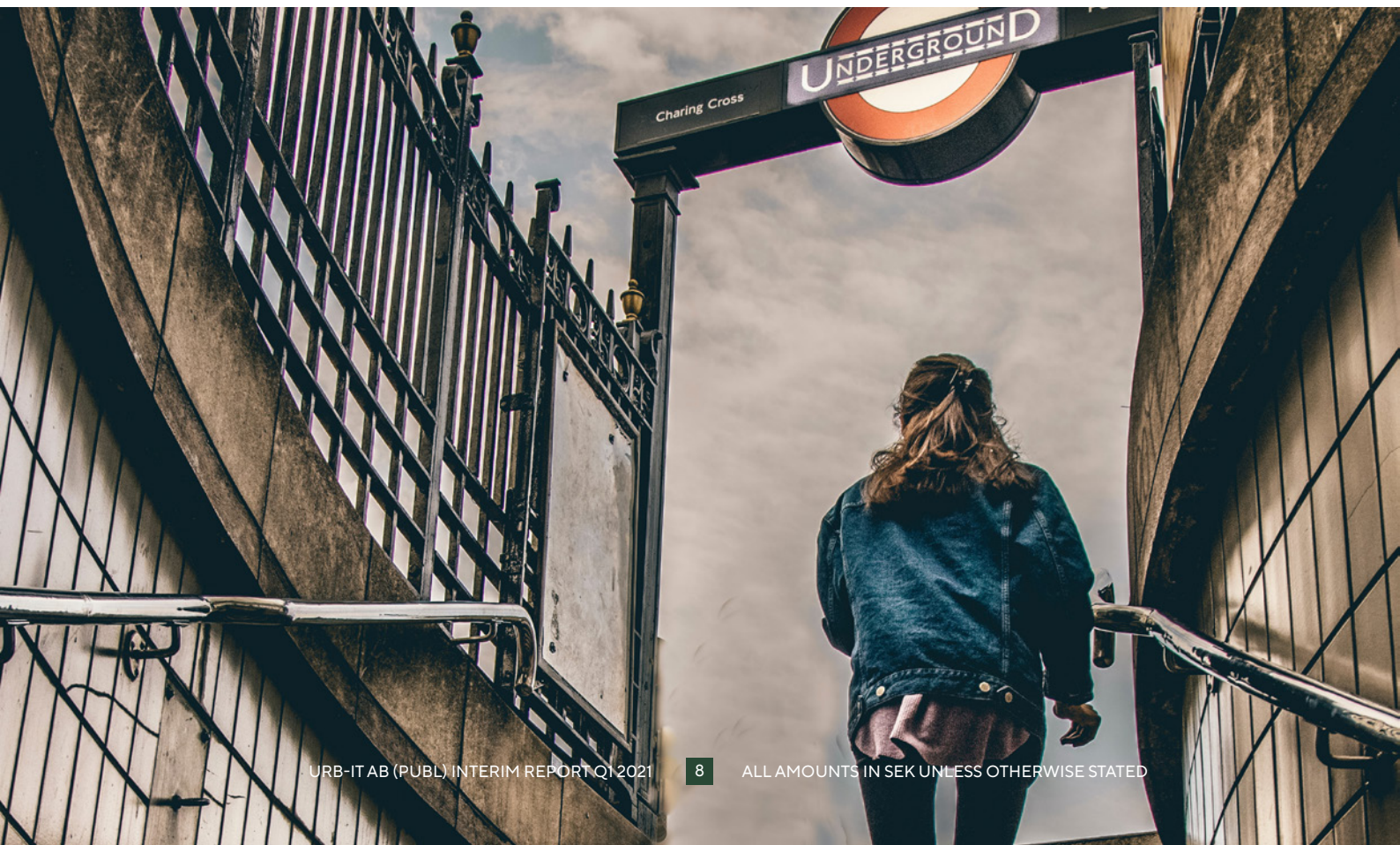
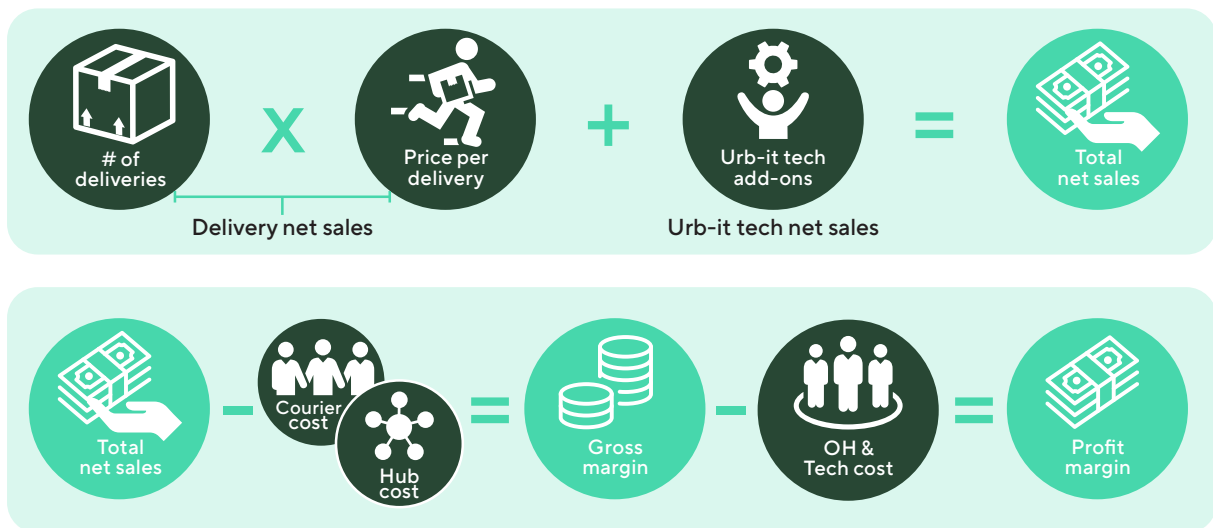
Urb-it's community platform enables Urb-it to scale up volume rapidly and benefiting from economies of scale. This leads to a higher operational efficiency in terms of lower Courier cost and hub cost per delivery resulting in a higher Gross Margin.



Key measurements:

- Proportion of successful deliveries on the first attempt of 96,09%
- On average, a global customer satisfaction of 4.88 out of 5.00
- On average, a global Courier satisfaction of 4.99 out of 5.00

Economies of scale and highly predictable



FINANCIAL INFORMATION

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Net Sales and Earnings Quarter 1 2021

The company's net sales during the period January 1 - March 31, 2021 amounted to KSEK 4 873, which corresponds to an increase of KSEK 2 868 compared to the period January 1 - March 31, 2020 when net sales amounted to KSEK 2 005. The increase is primarily due to continued increased market establishment and the development of the DHL & La Poste partnerships in France. During the period January 1 - March 31, 2021, the Company's operating loss amounted to KSEK -14 953, which is an increase of KSEK 1 114 compared with the period January 1 - March 31, 2020 when the operating loss amounted to KSEK -13 839. The increased loss is mainly due to the expansion in Paris and the UK.

Liquidity & Financing

Cash and cash equivalents amounted to KSEK 43 356 as of March 31, compared with KSEK 1 548 for the same period last year. The Group's current liabilities amounted to KSEK 19 363. At the same time last year, current liabilities amounted to KSEK 19 448. Equity amounted to KSEK 47 300 on the reporting day, compared with KSEK -9 418 for the same period in 2020. During the first quarter, non-current assets accumulated to KSEK 19 474 compared with KSEK 25 492 at the same time last year.

Personnel & Organization

As of March 31, 2021, the Urb-it Group had a total of 47 full-time employees, 7 of whom worked in Sweden and 30 in Paris and 10 in London. Previous year, the

number of employees was 11 in Stockholm and 11 in Paris and 6 in London.

The increase compared to previous year is primarily due to employed couriers in France to handle predictable volumes from carriers. The number of employed couriers amounted to 16 per March 31, 2021.

Intercompany Transactions

No intercompany transactions to report for the 1st Quarter.

Related Party Transactions

No related party transactions to report for the 1st 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.

Financing & Going Concern

In January, the EGM approved the directed issue of 41 million shares totalling 82 MSEK previously decided by the board. The issue was fully subscribed and the total new shares amounts to 194 229 084 registered on the 21st of January 2021.



THE STOCK

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Summary	2021	2020	2021 FY
Number of outstanding shares as of 31 March 2021	194 229 084	132 603 282	153 229 084
Outstanding shares as of 31 March after utilization of SO / convertibles	198 454 203	136 828 401	157 454 203
Average number of shares January - March	185 117 973	132 603 282	142 462 869
Average number of shares January - March after utilization of SO / Convertibles	189 343 092	135 672 401	146 687 988

Shareholders as of 31 March 2021	Shares	Capital %	Votes %
Lage Jonason ^[1]	77 486 413	39,89%	39,89%
Gerald Engström	14 288 148	7,36%	7,36%
Astrid Jonason	14 095 857	7,26%	7,26%
Erik Mitteregger förvaltning AB	12 608 611	6,49%	6,49%
Fjärde AP fonden	12 500 000	6,44%	6,44%
Concensus Småbolag	10 000 000	5,15%	5,15%
Fiducian technology fund	8 709 960	4,48%	4,48%
Swedbank Robur Fonder AB	6 971 743	3,59%	3,59%
Handelsbanken Microcap	3 800 000	1,96%	1,96%
Joachim Odqvist	3 261 000	1,68%	1,68%
Other shareholders	30 507 352	15,71%	15,71%
Total	194 229 084	100%	100%

^[1] Board member Lage Jonason privately owns 45 115 769 shares and 32 370 644 shares through his company Lage Jonason AB.

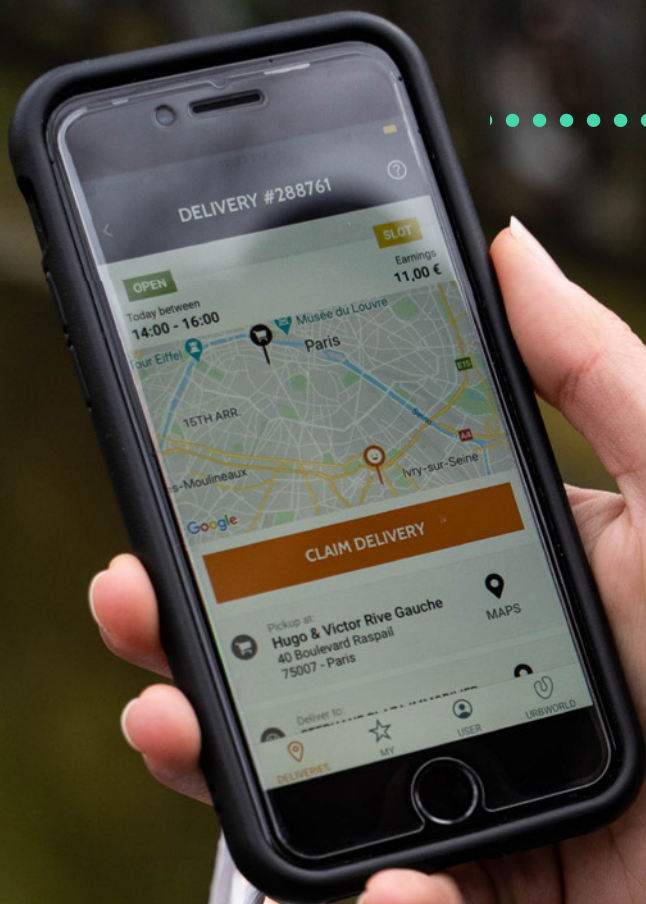
CONSOLIDATED INCOME STATEMENT

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Amounts in KSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Operating income, stock changes etc.			
Net sales	4 873	2 005	12 558
Capitalized work for own account	1 141	1 325	5 223
Other operating income	51	0	67
Sum operating income, stock changes etc.	6 066	3 330	17 848
Operating expenses			
Other external expenses	-10 486	-8 315	-40 138
Personnel costs	-7 704	-5 493	-21 833
Depreciation and impairment of tangible and intangible non-current assets	-2 815	-3 361	-12 746
Other operating expenses	-12	0	-79
Sum operating expenses	-21 018	-17 169	-74 796
Operating income/loss	-14 953	-13 839	-56 949
Financial items			
Other interest income and similiar items	168	3 351	3 787
Interest costs and similar items	-532	-632	-11 780
Sum financial items	-364	2 719	-7 993
Income/loss after financial items	-18 218	-14 582	-64 942
Income before tax	-18 218	-14 582	-64 942
Tax	0	0	0
Net income/loss	-15 317	-11 120	-64 942
Income of the Parent Company's shareholders	-15 317	-11 120	-64 942
Income per share before utilization	-0,08	-0,08	-0,46
Income per share after utilization	-0,08	-0,08	-0,44
Average number of shares	185 117 973	132 603 282	142 462 869
Average number of shares after utilization	189 343 092	135 672 401	146 687 988

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CONSOLIDATED BALANCE SHEET

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Amounts in KSEK	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS			
Subscribed but unpaid share capital	0	0	75 643
Non-current assets			
<i>Intangible non-current assets</i>			
Capitalized development and other similar expenses	17 290	24 356	18 915
Intellectual property rights, brands and other intangible assets	489	489	489
	17 779	24 846	19 404
<i>Tangible non-current assets</i>			
Property, plant, and equipment	1 110	130	234
	1 110	130	234
<i>Financial non-current assets</i>			
Other long-term receivables	585	516	218
Other long-term receivables	585	516	218
Sum non-current assets	19 474	25 492	19 856
Current assets			
<i>Short-term receivables</i>			
Trade receivables	5 293	2 178	3 983
Other short-term receivables	1 949	1 803	541
Deferred expenses and accrued income	341	1 025	277
	7 583	5 005	4 801
<i>Cash and cash equivalents</i>			
Cash	43 356	1 548	10 897
Sum current assets	50 939	6 553	15 698
SUM ASSETS	70 413	32 045	111 197

CONSOLIDATED BALANCE SHEET (CONT.)

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Amounts in KSEK	31 Mar 2021	31 Mar 2020	31 Dec 2020
EQUITY AND LIABILITIES			
EQUITY			
Stockholders' equity	23 813	16 258	18 787
Ongoing new share issue	-	-	82 000
<i>Other contributed capital</i>	446 213	338 880	366 185
Other equity incl. net income	-422 726	-364 555	-405 202
Equity attributable to Parent Company's shareholders	47 300	-9 418	61 769
SUM EQUITY	47 300	-9 418	61 769
Provisions			
Deferred tax liability	-	-	-
Sum provisions	0	0	0
Other long-term liabilities	3 750	22 015	3 750
Sum long-term liabilities	3 750	22 015	3 750
Short-term liabilities			
Debt to credit institutions	-	-	-
Advances from customers	0	1	0
Tax debt	26	-	90
Trade payables	3 052	4 981	3 133
<i>Other short term liabilities</i>	13 906	12 176	39 883
Accrued expenses and deferred income	2 379	2 290	2 572
Sum short-term liabilities	19 363	19 448	45 678
SUM EQUITY AND LIABILITIES	70 413	32 045	111 197
SOLIDITY	67%	-29%	56%

GROUP CASH FLOW STATEMENT

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Amounts in KSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
<i>Operating activities</i>			
Operating loss	-14 953	-13 839	-56 949
Adjustment for non-cash items	2 815	3 361	7 119
Interest received	168	3 351	0
Interest paid	-532	-632	-2 367
Cash flow from operating activities before changes in working capital	-12 501	-7 759	-52 196
Changes in trade receivables	-1 210	-239	-2 311
Change in other operating receivables	-663	-899	1 033
Change in trade payables	-104	620	-952
Change in other operating payables	-1 417	-4 301	12 899
Cash flow from operating activities	-15 896	-12 579	-41 528
<i>Investing activities</i>			
Investment in intangible non-current assets	-1 141	-1 325	-5 223
Investment in tangible non-current assets	-916	-27	-193
Investment in financial non-current assets	-361	32	310
Divestiture/amortization of other financial non-current assets	0	0	-
Cash flow from investing activities	-2 419	-1 320	-5 107
<i>Financing activities</i>			
New share issue	82 000	0	393
Loan cleared in share issue	-6 357	0	-
Stock options	60	393	-
Costs related to new share issue	0	0	-
Subscribed but unpaid share capital	0	0	-
Borrowings	-25 000	14 106	57 422
Change in interest-bearing liabilities	0	0	-1 000
Cash flow from financing activities	50 703	14 499	56 815
Cash flow for the period	32 389	600	10 181
Cash and Cash equivalents at beginning of period	10 897	930	930
Cash and cash equivalents at end of period	43 356	1 548	10 897
Exchange rate differences in cash and cash equivalents	70	17	-214

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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 2021-01-01	18 787	82 000	366 185	-405 202	61 769
New share issue	5 027		76 973		82 000
Ongoing new share issue		-82 000			-82 000
Costs related to new share issue			0		0
Exchange rate difference when converting foreign operations				12	12
Restricted equity regarding capitalised development costs			1 143	-1 143	
Depreciation capitalised development costs			-2 286	2 286	
Stock Options				837	837
Adjustment			-451	451	
Net income for the year				-15 317	-15 317
Closing balance 2021-03-31	23 813	0	441 564	-418 077	47 300

INCOME STATEMENT PARENT COMPANY

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Amounts in KSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
Operating income, stock changes etc.			
Net sales	0	422	1 089
Capitalized work for own account	1 141	1 325	5 223
Other operating income	51	0	1
Sum operating income, stock changes etc.	1 192	1 747	6 312
Operating expenses			
Other external expenses	-3 223	-4 937	-19 294
Personnel costs	-2 065	-2 699	-9 996
Depreciation and impairment of tangible and intangible non-current assets	-2 766	-3 334	-12 674
Other operating expenses	-12	0	-78
Sum operating expenses	-8 066	-10 971	-42 042
Operating Loss	-6 874	-9 223	-35 730
Financial items			
Write down intercompany loans	0	0	-
Other interest income and similiar items	291	4 457	8 537
Interest costs and similar items	-532	-622	-11 780
Sum financial items	-241	3 835	-3 243
Income/loss after financial items	-7 115	-5 388	-38 973
Income before tax	-7 115	-5 388	-38 973
Tax	0	0	0
Net income/loss	-7 115	-5 388	-38 973
Income of the Parent Company's shareholders	-7 115	-5 388	-38 973

BALANCE SHEET PARENT COMPANY

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Amounts in KSEK	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS			
Subscribed but unpaid share capital	0	0	75 643
Non-current assets			
<i>Intangible non-current assets</i>			
Capitalized development and other similar expenses	17 290	24 356	18 915
Intellectual property rights, brands and other intangible assets	489	489	489
	17 779	24 846	19 404
<i>Financial non-current assets</i>			
Participations in Group Companies	62 506	4 742	62 506
Receivables from Group Companies	13 091	43 988	3 752
Other long-term receivables	25	303	25
	75 621	49 033	66 282
Sum non-current assets	93 400	73 879	85 686
Current assets			
<i>Short term receivables</i>			
Trade receivables	95	304	98
Receivables from Group Companies	0	0	-
Other short-term receivables	1 367	1 100	243
Deferred expenses and accrued income	170	919	48
	1 632	2 323	388
<i>Cash and cash equivalent</i>			
Cash	40 825	1 342	6 181
Sum current assets	42 457	3 665	6 569
SUM ASSETS	135 858	77 544	167 899

BALANCE SHEET PARENT COMPANY (CONT.)

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Amounts in KSEK	31 Mar 2021	31 Mar 2020	31 Dec 2020
Equity and liabilities			
Equity			
<i>Restricted equity</i>			
Stockholders' equity	23 813	16 258	18 787
Ongoing new share issue	-	-	82 000
Restricted equity regarding capitalised development costs	18 025	23 142	19 168
	41 838	39 399	119 954
<i>Unrestricted equity</i>			
Share premium reserve	424 441	315 672	347 468
Retained earnings	-343 128	-310 109	-306 135
Net loss	-7 115	-5 388	-38 973
	74 197	175	2 359
Sum equity	116 036	39 574	122 314
Long-term liabilities			
Other liabilities	3 750	22 015	3 750
Sum long-term liabilities	3 750	22 015	3 750
Short-term liabilities			
Advances from customers	-	1	-
Tax dept	26	-	90
Trade payables	1 992	3 053	1 715
Other short-term liabilities	11 846	10 821	37 622
Accrued expenses and deferred income	2 207	2 079	2 409
Sum short-term liabilities	16 072	15 954	41 835
SUM EQUITY AND LIABILITIES	135 858	77 544	167 899
SOLIDITY	85%	51%	73%

PARENT COMPANY CASH FLOW STATEMENT

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Amounts in KSEK	Jan-Mar 2021	Jan-Mar 2020	Jan-Dec 2020
<i>Operating activities</i>			
Operating loss	-6 874	-9 223	-35 730
Adjustment for non-cash items	2 934	3 334	7 048
Interest received	122	4 457	4 750
Interest paid	-532	-622	-2 367
Cash flow from operating activities before changes in working capital	-4 349	-2 054	-26 298
Changes in trade receivables	3	-12	195
Change in other operating receivables	-470	-796	932
Change in trade payables	278	600	-738
Change in other operating payables	-1 041	-1 469	5 749
Cash flow from operating activities	-5 579	-3 731	-20 160
<i>Investing activities</i>			
Investment in intangible non-current assets	-1 141	-1 325	-5 223
Investment in Group Companies	-9 339	-8 664	-52
Investment in financial non-current assets	0	0	-25 861
Cash flow from investing activities	-10 480	-9 989	-31 137
<i>Financing activities</i>			
New share issue	82 000	0	393
Loan cleared in share issue	-6 357	0	-
Stock options	60	393	-
Issue costs	0	0	-
Subscribed but unpaid share capital	0	0	-
Borrowings	-25 000	14 106	57 422
Change in interest-bearing liabilities	0	0	-1 000
Cash flow from financing activities	50 703	14 499	56 815
Cash flow for the period	34 644	778	5 518
Cash and Cash equivalents at beginning of period	6 181	564	564
Cash and cash equivalents at end of period	40 825	1 342	6 082

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 2021-01-01	18 787	82 000	19 168	347 467	-345 108	122 314
New share issue	5 027			76 973		82 000
Ongoing new share issue	0	-82 000				-82 000
Costs related to new share issue				0		0
Development fund			1 143		-1 143	0
Amortization of development fund fees			-2 286		2 286	0
Stock Options					837	837
Net income for the year					-7 115	-7 115
Closing balance 2021-03-31	23 813	0	18 025	424 441	-350 243	116 036

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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.



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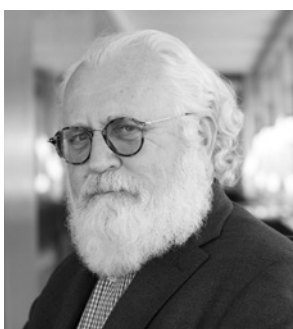
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THE BOARD

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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 28 April 2021



Lage Jonason
Chairman of the Board



Fredrik Warstedt
Board Member



Andrea Rosengren
Board Member



Anna Wikner
Board Member



Johan Englund
Board Member



Kevin Kviblad
CEO

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FINANCIAL CALENDER

- Annual General Meeting 2021 16 April 2021
- Q1 Report 2021 29 April 2021
- Q2 Report 2021 27 August 2021
- Q3 Report 2021 27 November 2021

CERTIFIED ADVISOR

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