

Urb-it AB (publ) Interim Report Q3 July – September 2023



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Q3 2023 SUMMARY

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Financial development during the period July - September 2023

- Net Sales for Urb-it AB (publ) amounted to KSEK 12 164 (KSEK 11 317) during the period
- Gross Margin 1 was KSEK 652 (KSEK -2 578)
- Gross Margin 2 was KSEK -13 789 (KSEK -14 433)
- OPEX was KSEK 15 311 (KSEK 18 919)
- EBITDA was KSEK -29 099 (KSEK -33 352)
- EBIT was KSEK -31 963 (KSEK -36 178)
- Result before tax KSEK -39 108 (KSEK -35 390)
- Result per share attributable to owners of the Parent Company amounted to SEK - 0.02 (SEK -0.15)

Compared to Q3 previous year, Net sales increased by 7%; expressed in SEK; but at the same time, the volumes decreased by 14%. The higher sales per unit are primarily driven by the discontinuation of unprofitable customers but also by the depreciation of the SEK versus EUR and GBP.

On Gross Margin 1 level; there is a massive and very important improvement of 3.2 MSEK compared to Q3 2022. The main reason for the improvements is related to efficiency measures in the daily operations by increasing density and other key unit metrics. We can see an improvement YoY in all markets in Gross Margin 1 level and two out of three markets are showing positive Gross Margin 1 for Q1 - Q3 2023.

The investments in our infrastructure within Indirect Delivery Costs have increased during Q3 by 2.6 MSEK to 14.4 MSEK (11.9 MSEK). These investments, related to the expansion to new cities, within existing cities in the UK and the newly started operations in Spain are crucial for future growth and profitability on Gross Margin 1 level in those markets. Consequently, overall Gross Margin 2 level is improved by 0.6 MSEK despite the increased Indirect Delivery Costs.

Following the initiative of building a more efficient delivery- and overhead organization during 2023, OPEX has decreased by 3.6 MSEK or more than 19% to 15.3 MSEK. The actions taken will continue to reduce the costs in Q4 2023 and onwards.

Following the above, EBITDA is improved by 4.3 MSEK from -33 352 KSEK in Q3 2022 to -29 099 in Q3 2023.

Business highlights during the third quarter of 2023

- Urb-it has integrated and partnered with Maersk to provide last mile delivery services in Madrid, Barcelona, and Valencia.
- Urb-it launches with major shipping and logistics group WANB Express to provide sustainable last mile delivery services in the United Kingdom.

Business highlights after the third quarter of 2023

- Urb-it partners with third-party logistics provider Futurlog to provide sustainable last mile delivery services in France.
- Urb-it appoints a new Group Finance Manager.



CEO'S OVERVIEW

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The third quarter achieves record-breaking performance alongside substantial cost reductions

The third quarter typically represents a period of slow-down within the logistics industry. Nevertheless, I am pleased to announce substantial and robust progress across all our markets. The performance of this quarter serves as a notable milestone for our company, representing the most successful period since our strategic shift towards e-commerce deliveries in Q4 of 2021.

I'm encouraged by our results, which include our best EBITDA of -29.1 million SEK, showing a 13% year-over-year improvement and 17% compared to the previous quarter since our strategic shift towards e-commerce. Additionally, our Net Sales have reached 12.2 million SEK, making this the second-best quarter outside of the Q4 peak. The Q2 of 2022 exceeded it by a slight margin of only 0.3 million SEK.

As previously communicated, we undertook a comprehensive reorganization effort across all our markets in the year's first half. The primary goal of this organizational overhaul was to enhance efficiency and achieve a reduction in operating expenses by approximately 20%. I'm pleased to report that we are now starting to see the positive results of these efforts, with operating expenses reduced by 19% year-over-year, even though we are currently operating in three markets and serving more cities compared to 2022 when we operated in just two markets. Furthermore, this reduction is even larger, with a 23% decrease compared to the previous quarter. This important achievement underscores the substantial progress we've made during Q3. While navigating through such extensive changes and parting ways with colleagues is never without its challenges, our dedicated team's unwavering focus has allowed us to manage this transition exceptionally well, resulting in robust achievements.

I maintain optimism about our accomplishments, yet it's crucial to recognize that we are presently not reaching profitability. This can largely be attributed to the significant shift in the market landscape over the past ten months, which has had a detrimental impact on consumer behavior and, consequently, e-commerce volumes. Nevertheless, with the actions we've already implemented, and additional measures slated for the upcoming months, I am optimistic that we can regain our footing and begin narrowing the gap in 2024.



Simple and proven business model

Urb-it is a prime example where profitability hinges on achieving adequate volume and density for Economies of Scale. Profitability in the last mile space is ultimately driven by delivery density, process efficiency & fleet efficiency.

- 1 Delivery Density:** Growing the number of deliveries in the same geographical area results in increased density. Resulting in distances between deliveries being shortened, decreasing time spent and subsequently lowering the cost of delivery.
- 2 Fleet Efficiency:** E-cargo bikes outpace vans by delivering roughly 60% faster in urban settings, thanks to reduced traffic and parking delays. Moreover, the total cost of ownership for e-cargo bikes is 60% less than that of vans.
- 3 Process Efficiency:** By leveraging technology, optimizing hub locations, providing training, and accumulating experience, couriers and hub staff can reduce the time spent per parcel, resulting in a further reduction in delivery costs.

CEO'S OVERVIEW cont.

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Evidence of successful operations

It's crucial to emphasize that although we are in the early stages of our volume and density growth, working toward the required density in each geographic market area, we have already accumulated substantial evidence of the success of our business model.

Ultimately, profitability depends on achieving the necessary number of deliveries per hour, reducing the Direct Delivery Cost per delivery, and establishing a positive Gross Margin 1. Without a positive Gross Margin 1 per delivery, profitability remains out of reach. That's why the efforts we've made to achieve a Gross Margin 1 of 0.9 MSEK Year to Date, marking a significant improvement of 14.0 MSEK compared to the same period in 2022, have been crucial in providing an initial validation of our business model.

Furthermore, another compelling piece of evidence affirming the success of our operations and business model is our capability to maintain a monthly Direct Delivery Cost per delivery as low as 15 SEK (€1.30) in high-density areas. This translates to approximately 13 deliveries per hour, underscoring the efficiency and effectiveness of our operations and fleet.

Today, we've built a resilient infrastructure, fortified our sales pipeline, optimized our organizational structure, and streamlined our processes, all to pave the path to profitability. Urb-it remains a leader in providing a truly sustainable, efficient, and affordable last-mile service.

Let's keep moving forward, towards a greener tomorrow!

Kevin Kviblad

Kevin Kviblad
CEO





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ABOUT URB-IT | 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 couriers on our 100% e-cargo bike fleet. This reduces emissions, congestion, and noise pollution - creating healthier cities.

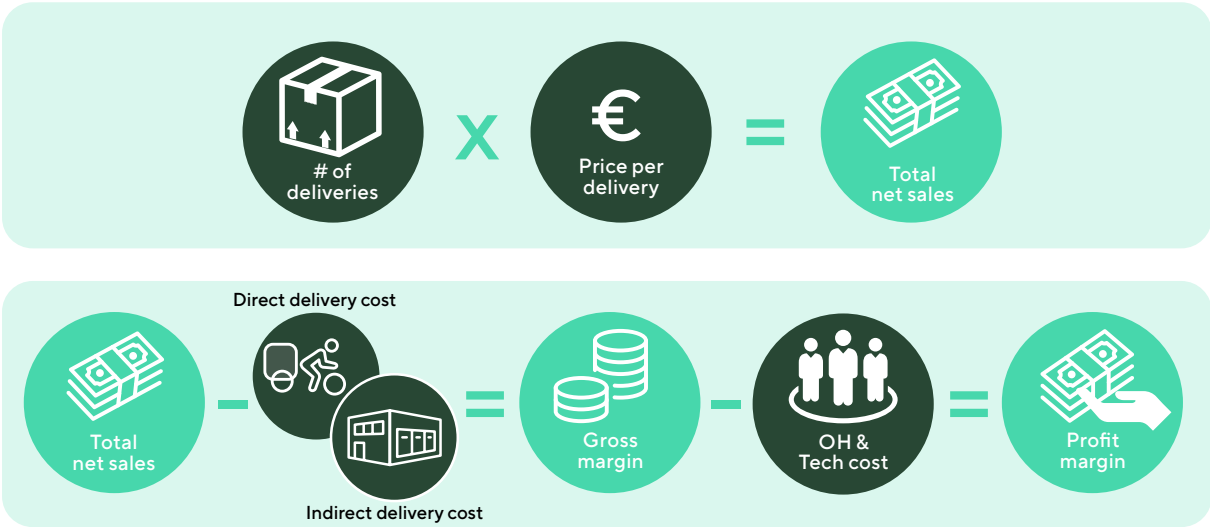
We are a B Corp certified business, meaning we meet and have committed to the highest verified standards

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 third quarter 2023

The company's Net sales during the period July 1 – September 30, 2023 amounted to KSEK 12 164, which corresponds to an increase of KSEK 848 compared to the period July 1 – September 30, 2022 when Net sales amounted to KSEK 11 317. During the period July 1 – September 30, 2023, the Company's EBIT amounted to KSEK -31 963 which is KSEK 4 215 higher compared to the period July 1 – September 30, 2022 when EBIT amounted to KSEK -36 178.

Liquidity & Financing

Cash and cash equivalents amounted to KSEK 32 114 as of September 30, 2023, compared with KSEK 9 301

at the same balance date last year. The Group's current liabilities amounted to KSEK 22 549. At the same time last year, current liabilities amounted to KSEK 21 721. Equity amounted to KSEK 70 328 on the reporting day, compared with KSEK 40 699 on the same balance date last year. At the end of the third quarter, non-current assets amounted to KSEK 41 192 compared with KSEK 40 714 at the same time last year, driven primarily by investments in e-cargo bikes.

Urb-it has continued to invest in infrastructure to enable future growth in all markets; non-current tangible assets have increased to KSEK 23 129 (21 383).



Personnel & Organization

As of September 30, 2023; the Urb-it Group had a total of 241 full-time employees compared to 250 the previous year; distributed as below.

The changes compared to the previous year are primarily due to the establishment of new operations in Spain with a net increase of 41 FTEs. A savings program, aiming to reduce Head quarter costs and Hub related

costs; centralise functions and improve efficiency in the group has been part of Urb-it's journey to a profitable operation.

Consequently, both in Sweden, France and the United Kingdom, there have been decreases in the number of staff; primarily within non-operative personnel (HQ). The share of operative personnel has increased to 90% on September 30, 2023 compared to 77% the previous year.

	FTEs as per Q3 2023			FTEs as per Q3 2022		
	Couriers & Hub	Head quarter	Total	Couriers & Hub	Head quarter	Total
Sweden	-	6	6	-	10	10
France	86	4	90	97	20	117
United Kingdom	92	6	98	93	24	117
Spain	40	7	47	2	4	6
Total	218	23	241	192	58	250
Pct of total	90%	10%	100%	77%	23%	100%

Related Party Transactions

No Related Party transactions to report during the third 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	2023	2022
Number of outstanding shares as of 30 September	2 202 750 945	244 750 105
Outstanding shares as of 30 September after utilization of SO / convertibles	2 202 750 945	247 062 105
Average number of shares July - September	2 202 750 945	236 643 583
Average number of shares July - September after utilization of SO / Convertibles	2 202 750 945	238 955 583
Average number of shares Jan - Dec		237 979 922
Average number of shares Jan - Dec after utilization of SO / Convertibles		241 331 893

Shareholders as of 30 September 2023	Shares	Capital %	Votes %
INGKA	550 687 736	25,00%	25,00%
Gerald Engström	142 800 050	6,48%	6,48%
Claes Nordström	80 001 500	3,63%	3,63%
Tamt AB	53 045 579	2,41%	2,41%
Theodoros Samourkasidis	52 184 440	2,37%	2,37%
Tiliaflore Holding AB	44 204 646	2,01%	2,01%
Frank Gundersen	30 015 437	1,36%	1,36%
Consensus Småbolag	24 701 103	1,12%	1,12%
David Palm	23 612 839	1,07%	1,07%
Kevin Kviblad	23 500 000	1,07%	1,07%
Other shareholders	1 177 997 615	53,48%	53,48%
Total	2 202 750 945	100%	100%

CONSOLIDATED INCOME STATEMENT

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Amounts in KSEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales	12 164	11 317	35 829	34 695	48 986
Other operating income	1	7	23	82	88
Sum	12 165	11 324	35 852	34 777	49 075
Direct delivery cost ¹	-11 513	-13 902	-34 925	-47 878	-61 977
Gross margin¹	652	-2 578	927	-13 101	-12 903
Indirect delivery cost ²	-14 441	-11 855	-44 621	-34 710	-49 583
Gross margin²	-13 789	-14 433	-43 694	-47 810	-62 485
Operating expenses					
IT costs ³	-1 677	-1 941	-5 546	-7 040	-8 972
Personnel costs	-8 235	-12 875	-32 448	-38 342	-53 412
All other external costs ⁴	-5 399	-4 103	-15 635	-13 633	-16 914
Sum operating expenses	-15 311	-18 919	-53 629	-59 015	-79 298
EBITDA	-29 099	-33 352	-97 323	-106 825	-141 783
Depreciation and impairment of tangible and intangible non-current assets	-2 864	-2 826	-8 628	-8 687	-11 592
EBIT	-31 963	-36 178	-105 951	-115 513	-153 375
Financial items					
Other interest income and similar items	0	1 088	19 209	6 298	10 007
Interest costs and similar items	-7 145	-300	-7 424	-300	-8 398
Sum financial items	-7 145	788	11 785	5 998	1 609
Income/loss after financial items	-39 108	-35 390	-94 165	-109 515	-151 766
Income before tax	-39 108	-35 390	-94 165	-109 515	-151 766
Tax	-	-	-	-	-
Net income/loss	-39 108	-35 390	-94 165	-109 515	-151 766
Income of the Parent Company's shareholders	-39 108	-35 390	-94 165	-109 515	-151 766
Income per share before utilization	-0,02	-0,15	-0,04	-0,46	-0,64
Income per share after utilization	-0,02	-0,15	-0,04	-0,46	-0,63
Average number of shares	2 202 750 945	236 643 583	2 178 289 091	235 698 395	237 979 922
Average number of shares after utilization	2 202 750 945	238 955 583	2 178 289 091	240 191 463	241 331 893

Notes:

1 Direct delivery costs includes the personnel costs of the couriers

2 Indirect delivery cost includes mainly costs connecting to Hubs

3 During the quarter, IT costs include activation of development costs of 918 KSEK (1 438 KSEK)

4 All other external costs includes primarily; Rents, insurance, cost of being listed



CONSOLIDATED BALANCE SHEET

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Amounts in KSEK	30 Sep 2023	30 Sep 2022	31 dec 2022
ASSETS			
Subscribed but unpaid share capital	-	-	6 701
Non-current assets			
<i>Intangible non-current assets</i>			
Capitalized development and other similar expenses	13 301	14 266	14 108
Intellectual property rights, brands and other intangible assets	489	489	489
	13 790	14 756	14 597
<i>Tangible non-current assets</i>			
Property, plant, and equipment	23 129	21 383	24 697
	23 129	21 383	24 697
<i>Financial non-current assets</i>			
Other long-term receivables	4 272	4 575	5 711
Other long-term receivables	4 272	4 575	5 711
Sum non-current assets	41 192	40 714	45 005
Current assets			
<i>Short-term receivables</i>			
Trade receivables	8 922	6 948	11 303
Other short-term receivables	6 946	4 123	6 315
Deferred expenses and accrued income	3 702	1 335	5 297
	19 570	12 406	22 916
<i>Cash and cash equivalents</i>			
Cash	32 114	9 301	135 029
Sum current assets	51 685	21 707	157 945
SUM ASSETS	92 876	62 420	209 651

CONSOLIDATED BALANCE SHEET (CONT.)

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Amounts in KSEK	30 Sep 2023	30 Sep 2022	31 Dec 2022
EQUITY AND LIABILITIES			
EQUITY			
Stockholders' equity	33 041	30 007	30 007
Ongoing new share issue	-	-	174 185
Other contributed capital	773 662	629 968	629 054
Other equity incl. net income	-736 376	-619 276	-664 125
Equity attributable to Parent Company's shareholders	70 328	40 699	169 121
SUM EQUITY	70 328	40 699	169 121
Short-term liabilities			
Advances from customers	195	-	-
Tax Debt	1 933	4 018	3 358
Trade payables	9 172	9 984	29 243
Other short term liabilities	7 899	3 111	3 474
Accrued expenses and deferred income	3 349	4 607	4 456
Sum short-term liabilities	22 549	21 721	40 531
SUM EQUITY AND LIABILITIES	92 876	62 420	209 651
SOLIDITY	76%	65%	81%

CONSOLIDATED CASH FLOW STATEMENT

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Amounts in KSEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
<i>Operating activities</i>					
Operating loss	-31 965	-36 169	-105 950	-115 504	-153 375
Adjustment for non-cash items	-4 253	3 908	20 452	14 979	15 257
Interest received	-267	-	-	-	-
Interest paid	240	-303	-39	-303	-2 056
Cash flow from operating activities before changes in working capital	-36 246	-32 564	-85 538	-100 827	-140 174
Changes in trade receivables	-2 037	5 384	2 548	6 326	2 220
Change in other operating receivables	3 726	1 729	6 086	787	-5 064
Change in trade payables	425	2 957	-20 185	-6 685	12 010
Change in other operating payables	8 130	-2 601	4 058	-9 914	-23 872
Cash flow from operating activities	-26 002	-25 097	-93 031	-110 314	-154 881
<i>Investing activities</i>					
Investment in intangible non-current assets	-906	-1 526	-3 143	-5 831	-7 000
Investment in tangible non-current assets	-2 768	-2 237	-5 187	-10 339	-14 812
Investment in financial non-current assets	-208	-1 201	-608	-1 045	-2 179
Cash flow from investing activities	-3 882	-4 964	-8 938	-17 215	-23 991
<i>Financing activities</i>					
New share issue	-	23 306	6 701	25 563	25 563
Ongoing new share issue	-	-	-	-	189 099
Stock options	-	-	-	-4	-29
Costs related to new share issue	-	-988	-7 788	-1 226	-13 484
Cash flow from financing activities	-	22 318	-1 088	24 332	201 149
Cash flow for the period	-29 884	-7 743	-103 057	-103 197	22 277
Cash and Cash equivalents at beginning of period	62 194	17 175	135 029	112 304	112 304
Cash and cash equivalents at end of period	32 114	9 301	32 114	9 301	135 029
Exchange rate differences in cash and cash equivalents	-196	-132	141	193	448

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CONSOLIDATED 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 2023-01-01	30 007	174 185	629 054	-664 125	169 121
Reduction share capital	-26 336	-	-	26 336	-
New share issue	29 370	-195 800	166 430	-	-
Costs related to new share issue	-	21 615	-21 888	-	-273
Exchange rate difference when converting foreign operations	-	-	-	-4 354	-4 354
Adjustment	-	-	67	-67	-
Net income for the year	-	-	-	-94 165	-94 165
Closing balance 2023-09-30	33 041	-	773 662	-736 376	70 328

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	1 260	-	24 302	-	25 563
Costs related to new share issue	-	-	-1 286	-	-1 286
Exchange rate difference when converting foreign operations	-	-	-	-6 823	-6 823
Stock Options	-	-	-	91	91
Adjustment	-	-	952	-952	-
Net income for the year	-	-	-	-109 515	-109 515
Closing balance 2022-09-30	30 007	-	629 968	-619 276	40 699

PARENT COMPANY INCOME STATEMENT

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Amounts in KSEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Net sales ¹	5 810	-	16 760	-	18 403
Other operating income	1	7	23	82	88
Sum	5 811	7	16 784	82	18 492
Direct delivery cost	-	-	-	-	-
Gross margin 1	5 811	7	16 784	82	18 492
Indirect delivery cost ²	-1 146	-582	-2 675	-1 908	-2 511
Gross margin 2	4 665	-575	14 108	-1 826	15 981
Operating expenses					
IT costs ³	-1 196	-1 643	-4 098	-5 783	-7 389
Personnel costs	-2 111	-4 555	-8 561	-13 222	-17 719
All other external costs ⁴	-2 398	-1 188	-7 347	-4 574	-5 538
Sum operating expenses	-5 706	-7 386	-20 006	-23 580	-30 646
EBITDA	-1 040	-7 961	-5 898	-25 405	-14 666
Depreciation and impairment of tangible and intangible non-current assets	-1 377	-1 792	-4 226	-6 049	-7 695
EBIT	-2 417	-9 753	-10 124	-31 454	-22 360
Financial items					
Other interest income and similar items	3 223	4 520	27 279	12 902	17 461
Interest costs and similar items	-7 118	-1 715	-7 390	-1 981	-8 395
Sum financial items	-3 895	2 805	19 889	10 921	9 066
Income/loss after financial items	-6 312	-6 948	9 765	-20 533	-13 294
Income before tax	-6 312	-6 948	9 765	-20 533	-13 294
Tax	-	-	-	-	-
Net income/loss	-6 312	-6 948	9 765	-20 533	-13 294
Income of the Parent Company's shareholders	-6 312	-6 948	9 765	-20 533	-13 294

Notes:

1 Net Sales in the mother company is intra group invoicing which has been eliminated on Group level

2 Indirect delivery cost includes cost for operational software

3 During the quarter, IT costs include activation of development costs of 918 KSEK (1 438 KSEK)

4 All other external costs includes primarily; Rents, insurance, cost of being listed

PARENT COMPANY BALANCE SHEET

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Amounts in KSEK	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Subscribed but unpaid share capital	-	-	6 701
Non-current assets			
<i>Intangible non-current assets</i>			
Capitalized development and other similar expenses	13 301	15 143	14 108
Intellectual property rights, brands and other intangible assets	489	489	489
	13 790	15 632	14 597
Tangible non-current assets			
Property, plant and equipment	588	-	851
<i>Financial non-current assets</i>			
Participations in Group Companies	165 081	89 986	151 961
Receivables from Group Companies	255 151	159 773	157 858
Other long-term receivables	25	25	25
	420 256	249 783	309 844
Sum non-current assets	434 634	265 415	325 292
Current assets			
<i>Short-term receivables</i>			
Trade receivables	19	19	19
Receivables from Group Companies	-	206	-
Other short-term receivables	928	921	989
Deferred expenses and accrued income	1 751	698	4 470
	2 699	1 843	5 478
<i>Cash and cash equivalents</i>			
Cash	27 042	7 128	128 602
Sum current assets	29 741	8 972	134 080
SUM ASSETS	464 375	274 387	466 072

PARENT COMPANY BALANCE SHEET (CONT.)

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Amounts in KSEK	30 Sep 2023	30 Sep 2022	31 Dec 2022
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Stockholders' equity	33 041	30 007	30 007
Ongoing new share issue	-	-	174 185
Restricted equity regarding capitalised development costs	13 554	14 458	14 361
	46 596	44 465	218 554
<i>Unrestricted equity</i>			
Share premium reserve	760 165	615 566	615 623
Retained earnings	-358 636	-372 582	-372 485
Net result	9 765	-20 533	-13 294
	411 294	222 451	229 844
Sum equity	457 889	266 916	448 397
Short-term liabilities			
Trade payables	3 689	2 731	13 103
Other short-term liabilities	362	1 298	1 118
Accrued expenses and deferred income	2 435	3 442	3 454
Sum short-term liabilities	6 486	7 471	17 675
SUM EQUITY AND LIABILITIES	464 375	274 387	466 072
SOLIDITY	99%	97%	96%

PARENT COMPANY CASH FLOW STATEMENT

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Amounts in KSEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
<i>Operating activities</i>					
Operating loss	-2 417	-9 753	-10 124	-31 454	-22 360
Adjustment for non-cash items	-5 741	3 724	16 051	13 192	11 243
Interest received	3 223	2 173	8 070	5 081	7 574
Interest paid	-1	-1 300	-5	-1 302	-2 056
Cash flow from operating activities before changes in working capital	-4 936	-5 156	13 992	-14 484	-5 599
Change in other operating receivables	1 559	1 029	2 779	408	-3 145
Change in trade payables	-12	1 222	-9 413	-3 734	6 638
Change in other operating payables	-731	1 640	5 739	203	-9 382
Cash flow from operating activities	-4 119	-1 265	13 097	-17 607	-11 488
<i>Investing activities</i>					
Investment in tangible non-current assets	-	-	-	-	-1 169
Investment in intangible non-current assets	-918	-1 452	-3 157	-6 707	-7 000
Investment in Group companies	-13 063	-	-13 119	-31	-62 007
Investment in financial non-current assets	-11 135	-24 062	-97 293	-98 874	-96 959
Cash flow from investing activities	-25 115	-25 514	-113 569	-105 612	-167 134
<i>Financing activities</i>					
New share issue	-	23 306	6 701	25 563	25 563
Ongoing new share issue	-	-	-	-	189 099
Stock options	-	-	-	-4	-29
Costs related to new share issue	-	-1 048	-7 788	-1 286	-13 484
Cash flow from financing activities	-	22 258	-1 088	24 272	201 149
Cash flow for the period	-29 234	-4 520	-101 560	-98 947	22 526
Cash and Cash equivalents at beginning of period	56 276	11 648	128 602	106 075	106 075
Cash and cash equivalents at end of period	27 042	7 128	27 042	7 128	128 602

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 2023-01-01	30 007	174 185	14 361	615 475	-385 631	448 397
Reduction share capital	-26 336	-	-	-	26 336	-
New share issue	29 370	-195 800	-	166 430	-	-
Costs related to new share issue	-	21 615	-	-21 888	-	-273
Development fund	-	-	3 157	-	-3 157	-
Amortization of development fund fees	-	-	-3 964	-	3 964	-
Adjustment	-	-	-	148	-148	-
Net income for the year	-	-	-	-	9 765	9 765
Closing balance 2023-09-30	33 041	-	13 554	760 165	-348 871	457 889

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	1 260	-	-	24 302	-	25 563
Costs related to new share issue	-	-	-	-1 286	-	-1 286
Development fund	-	-	5 539	-	-5 539	-
Amortization of development fund fees	-	-	-5 818	-	5 818	-
Stock Options	-	-	-	91	-	91
Net income for the year	-	-	-	-	-20 533	-20 533
Closing balance 2022-09-30	30 007	-	14 458	615 566	-393 116	266 916

Accounting and valuation principles

Urb-it AB's quarterly 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 October 2023

Jan Berg
Chairman of the Board

Andrea Rosengren
Board Member

Anna Wikner
Board Member

Johan Englund
Board Member

Kevin Kviblad
CEO



THE BOARD

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Stockholm 27 October 2023



Jan Berg
Chairman of the Board



Andrea Rosengren
Board Member



Anna Wikner
Board Member



Johan Englund
Board Member



Kevin Kviblad
CEO

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FINANCIAL CALENDER

Q4 Report 2023	28 Feb 2024
Annual Report 2023	27 Mar 2024
Q1 Report 2024	26 Apr 2024
AGM 2024	16 May 2024

CERTIFIED ADVISOR

Redeye AB
Mäster Samuelsgatan 42
111 57 Stockholm, Sweden

IR-CONTACT

Kevin Kviblad
E-mail: ir@urbit.com
Kungsgatan 44
111 35 Stockholm, Sweden

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urb-it