

Year-end Report 2022

Q4 Highlights

- Continued solid ARR growth while seeing significant improvements to profitability and cash flow.
- ARR of SEK 149.1 million, +56.7% y/y at constant exchange rates ("CER") driven by continued strong momentum in the Americas.
- Net Sales of SEK 59.3 million (53.0) with SaaS revenue growth of +41% y/y.
- Adjusted EBITDA of SEK -26.7 million (-25.0), representing a -41% margin and a 13%p. margin improvement vs. Q3 2022.
- Free Cash Flow of SEK -21.6 million (-25.9), representing a -36% FCF margin and a 55%p. margin improvement vs. Q3 2022.
- End of quarter Cash Balance of SEK 378.5 million (542.4), which is sufficient to take Bambuser to positive cash flow.
- Bambuser One-to-Many Cartridge for B2C Commerce launched on Salesforce AppExchange.

In this report, all figures in brackets refer to the corresponding period of the previous year unless stated otherwise.

KPI	Q4 2022	Q4 2021	% y/y	Q3 2022	% q/q	Jan-Dec 2022	Jan-Dec 2021	% ytd/ytd
ARR (SEKm)	149.1	88,6	68%	142.4	5%	149.1	88.6	68%
ARR growth (CER)	-	-	57%	-	6%	-	-	57%
NRR % (LTM) ¹	83%	-	-	94%	-11%p.	83%	-	-
GRR % (LTM) ¹	64%	-	-	78%	-14%p.	64%	-	-
Net Sales SaaS (SEKm)	36.5	25.8	41%	31.1	18%	125.6	79.2	59%
Net Sales Prof Services (SEKm)	22.8	27.2	-16%	16.9	34%	82.4	59.3	39%
Gross Margin SaaS (%)	83%	-	-	78%	5%p.	84%	-	-
Gross Margin Prof Services (%) ²	2%	-	-	-17%	19%p.	-8%	-	-
EBITDA (SEKm)	-16.8	-56.3	-70%	-41.2	-59%	-133.1	-189.5	-30%
EBITDA %	-26%	-91%	66%p.	-64%	38%p.	-54%	-114%	60%p.
Adj EBITDA (SEKm)	-26.7	-25.0	7%	-34.6	-23%	-147.5	-93.3	58%
Adj EBITDA %	-41%	-40%	-1%p.	-53%	13%p.	-59%	-56%	-4%p.
EBIT (SEKm)	-34.1	-72.9	-53%	-58.4	-42%	-201.1	-231.0	-13%
EBIT %	-52%	-118%	66%p.	-90%	38%p.	-81%	-138%	57%p.
Cash Balance EOP (SEKm)	378.5	542.4	-30%	401.0	-6%	378.5	542.4	-30%
FCF (SEKm)	-21.6	-25.9	-17%	-43.9	-51%	-163.2	-162.8	0%
FCF Margin (%)	-36%	-49%	12%p.	-91%	55%p.	-78%	-118%	39%p.
FCF / Share (SEK, LTM)	-0.8	-0.8	-2%	-0.8	-3%	-0.8	-0.8	-2%
No of shares EOP	211 235 385	207 016 462	2%	211 134 623	0%	211 235 385	207 016 462	2%
No of Fully diluted shares EOP	228 621 562	228 831 841	0%	234 309 602	-2%	228 621 562	228 831 841	0%
Full-time Equivalents EOP	196	203	-3%	199	-2%	196	203	-3%
No of Customer Groups	282	231	22%	285	-1%	282	231	22%
Avg ARR per Customer Group (SEKk)	528.7	383.5	38%	499.6	6%	528.7	383.5	38%

¹LTM = Last Twelve Months | ² Professional Services Gross Margin is equivalent to EBITDA margin, please see the definitions for further information

CEO Comments

Q4 was another solid quarter, closing 2022 with ARR of SEK 149.1 million representing year over year growth of 56.7% at CER.

2022 was the first full “non-pandemic” year since the launch of our Live Shopping platform in late 2019, but also a year characterized by the war in Ukraine, inflation and historically weak consumer sentiment, affecting companies across most industries and particularly those within retail. We have therefore faced a new reality, where our solutions have had to prove their value from day one. With this backdrop I am very proud that we were able to grow ARR by 56.7% at CER this year, highlighting the value we bring to our customers. Not only have we been able to establish video commerce (as we now like to call it) as a value enhancing and integral part of any e-commerce experience, but we were also able to attract, renew and expand contracts with some of the world’s leading brands during the year including LVMH, Fendi, Parfums Christian Dior, Givenchy, Tommy Hilfiger, Net-a-Porter, Fast Retailing Co., CBR and many more. While the fashion and beauty industries constitute our two largest verticals, we also see rapid uptake of our solutions across other segments such as home improvement, consumer electronics, kids, sports and auto; and believe that these segments represent additional exciting growth vectors for Bambuser over the coming years.

Q4 2022 was another strong quarter in terms of new business and net upsell, contributing to gross ARR growth of SEK 23 million quarter over quarter. However, our net ARR growth in Q4 was hampered by churn of SEK 13 million, which we are simply not satisfied with. The churn in the quarter was predominantly represented by customers not adequately adopting video commerce as a part of their commercial strategy. We are taking several actions to mitigate churn over the short and long term, for example, by offering Bambuser Plus to customers who wish to leverage best-in-class video commerce tactics, as well as focusing our go-to-market efforts on enterprise accounts that have significantly better retention dynamics as they have taken a strategic bet on video commerce as a natural component of their commercial strategy and e-commerce tech stack for years to come.



CEO COMMENTS

We are particularly successful with large global enterprises as they value our best-in-class ROI, platform agnostic approach, but also privacy and compliance maturity where we have invested over the past 12 months. Given the strong traction within this customer cohort – as exemplified by 112% Enterprise NRR and 159% NRR with our top 20 Enterprise accounts – we are focusing our go-to-market efforts to pursue this attractive customer segment in 2023.

During Q4 we continued to adjust our cost base to become a leaner and more efficient business, with specific efficiency initiatives across supplier agreements, excess headcount and capital allocation. As we enter 2023, we are leaner and with the aim to redeploy our cash flow where it generates the highest return. Our efficiency efforts are starting to show positive effects on our reported financials with Free Cash Flow improving from SEK -43.9 million in Q3 2022 (-91% FCF margin) to SEK -21.6 million in Q4 2022 (-36% FCF margin). Our market is large, rapidly growing and wide open; and we want to use part of our cash balance to invest behind our first mover advantage, cementing Bambuser as the leading SaaS platform in this space for years to come. We are investing behind attractive unit economics and where we have a proven playbook for success and reiterate that the current cash at hand is sufficient to take the business to profitability. Over the longer term our goal is to maximize free cash flow per share; and we are certain that the investments we make today set us up to win over the coming years.

Building Live Shopping to be an integral part of retail and e-commerce takes time and goes through different phases. Over the course of 2022 we have revisited our market position and offering, leading us to now call our category “video commerce” as opposed to “live video commerce”. The “live” aspect is an important element of our solution but only captures part of the value we bring to customers. Our platform also generates significant incremental revenue when the “live” interaction is over as our content remains shoppable on our customers’ site for as long as the products

exist. We are furthermore enriching the typical product landing pages with video, bringing additional context such that conversion is amplified even further. As such, we are bringing interactive and shoppable video capabilities to the entire e-commerce journey, improving the shopping experience for our merchants’ customers and delivering incremental revenue for our brands.

We remain incredibly excited about our One-to-One solution which is delivering exceptional ROI for our One-to-One customers. The solution extends the white-glove service offered by some of the world’s leading brands into the mobile phone, making it ideal for merchants selling complex goods or high-ticket items online. In Q4 2022 One-to-One ARR grew +123% year over year at CER and our focus in 2023 is to further broaden the adoption of this exciting solution amongst existing and new customers.

In late December, we announced that Bambuser is now officially available on the Salesforce AppExchange, making it easier and faster than ever for Salesforce Commerce Cloud merchants to deploy our One-to-Many solution through Salesforce. Most significantly, we are now a preferred video commerce partner to Salesforce, meaning Bambuser’s technology is just a few clicks away for Commerce Cloud merchants which represent a very attractive target group for Bambuser given the similarity of these with many of our most successful customers. We are investing to capitalize on this significant opportunity and are optimistic on its potential over 2023 and beyond.

Finally, I would like to thank my wonderful colleagues. I am so proud and pleased of what we have achieved in 2022. I would also like to thank our shareholders for your continued support on this exciting journey. Together we are Bambuser and we are reshaping commerce.

— **Maryam Ghahremani**
CEO of Bambuser

Business Highlights

ARR

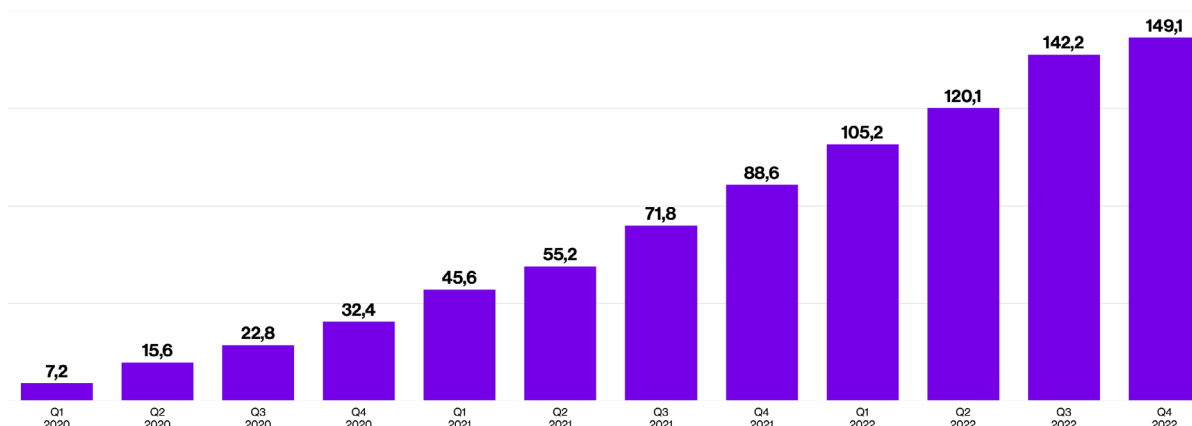
Q4 2022 ARR increased 56.7% y/y at CER to SEK 149.1 million. The Americas continues to be Bambuser's fastest growing market with 96% y/y growth at CER in the quarter, followed by APAC and EMEA with 76% and 33% y/y growth at CER respectively. EMEA is the company's largest region with 49% of total ARR, followed by Americas at 40% and APAC at 11%.

Q4 2022 LTM NRR was 83% on a Group basis and 112% within the Enterprise segment which constitutes Bambuser's primary target market and 43% of ARR. Group LTM NRR continues to be negatively impacted by smaller accounts

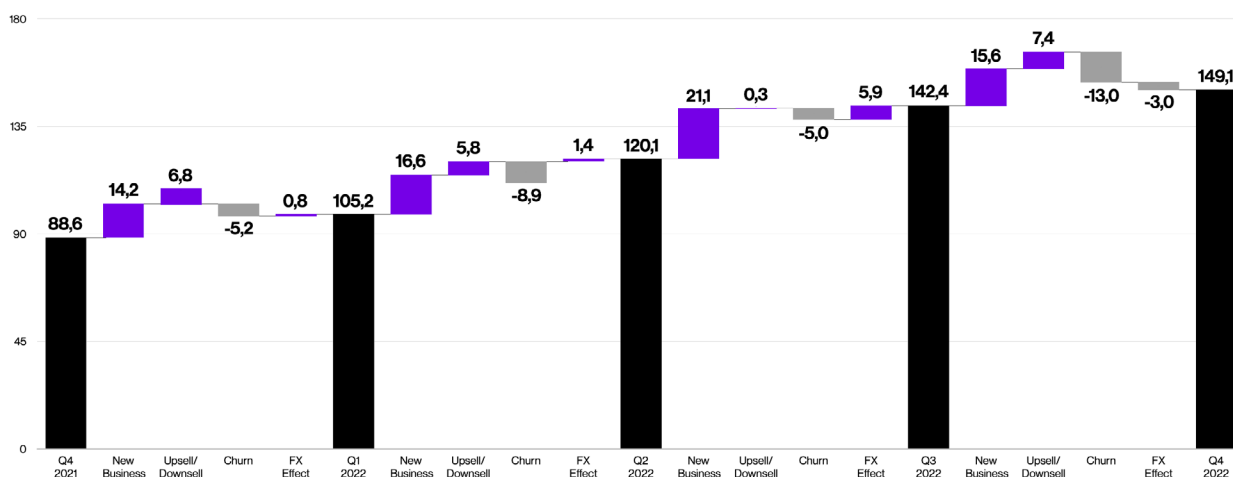
onboarded during the pandemic churning as these customers typically lack the resources to invest behind a video commerce strategy and associated implementation at scale. As we continue to grow the Enterprise segment our expectation is that Group NRR will improve over time as Enterprise becomes a larger share of our overall ARR mix.

Q4 2022 One-to-Many ARR increased 55% y/y at CER and is our largest product with 93% of total ARR. We are investing behind our One-to-One solution which increased ARR with 123% y/y at CER in the quarter and now accounts for 6% of total ARR.

ARR (SEKm)



ARR per quarter (2022) (SEKm)



BUSINESS HIGHLIGHTS

Regions	Q4 2022	Q4 2021	% y/y	Q3 2022	% q/q
EMEA					
ARR (SEKm)	73.5	52.9	39%	70.8	4%
ARR growth (CER)	-	-	33%	-	3%
No of Paying Customers	211	161	31%	202	4%
Share of total ARR	49%	60%	-10%p.	50%	0%p.
Americas					
ARR (SEKm)	59.9	27.5	118%	56.2	7%
ARR growth (CER)	-	-	96%	-	12%
No of Paying Customers	109	72	51%	106	3%
Share of total ARR	40%	31%	9%p.	39%	1%p.
APAC					
ARR (SEKm)	15.7	8.2	91%	15.4	2%
ARR growth (CER)	-	-	76%	-	6%
No of Paying Customers	33	23	43%	29	14%
Share of total ARR	11%	9%	1%p.	11%	0%p.

New Business

We secured a number of new One-to-Many and One-to-One customers in Q4 2022 across multiple verticals.

In EMEA notable new business included:

- French apparel brands Frangin Frangine and Bantik
- Child safety brand Cybex
- UK fashion and lifestyle brands Hush and PIPPICA
- European retail and fashion enterprise CBR
- LVMH and fragrance brand Guerlain
- A three month One-to-Many POC with global technology and services company Bosch
- US based multi-level-marketing health, beauty and homecare brand Amway signed a 12-month MSA for both One-to-Many and One-to-One across 18 EMEA markets

In the Americas notable new business included:

- American jewelry brand JTV
- A US-based skincare brand
- Vintage fashion and accessories brand What Goes Around Comes Around
- Women's fashion and accessories brand Windsor
- Luggage brand Calpak
- Outlet fashion brand Shop Premium Outlets

In the APAC notable new business included:

- A Swedish multinational home appliances manufacturer
- A globally leading French luxury fashion house
- Beauty and personal care company Oriflame

Renewals and Expansion

In Q4 2022 we renewed and expanded a number of large contracts.

In EMEA notable expansions and renewals included:

- Italian luxury fashion house Fendi expanded with One-to-Many to seven additional markets across EMEA, Americas and APAC
- Multinational luxury fashion house Christian Dior Couture expanded with One-to-Many into additional markets across EMEA
- Notable renewals were Parfums Christian Dior, Make Up For Ever, Givenchy, Farfetch, Tommy Hilfiger, YOOX Net-a-Porter, Save Water Save Money and Tropic Skincare

In the Americas notable renewals included:

- Specialty women's clothing brand, Free People
- Lingerie brand, Savage X Fenty

In APAC notable expansions and renewals included:

- An enterprise multinational technology company expanded with One-to-Many across three additional markets
- French multinational beauty company Clarins expanded with One-to-One to the Japanese market
- Japanese beauty brand Shiseido expanded online counseling service through One-to-One to multiple reseller sites, in addition to their brand website

Video Commerce Product Updates

In Q4 2022 Bambuser launched several industry-first features across both One-to-Many and One-to-One. In addition, Bambuser's One-to-Many solution was launched on the Salesforce Commerce Cloud AppExchange in December.

Live Shopping Cartridge for B2C Commerce on Salesforce AppExchange

Bambuser's One-to-Many solution is now available for Salesforce Commerce Cloud merchants as a simple "plug and play" cartridge through the Salesforce AppExchange, making it seamless for Salesforce merchants to get up and running with Bambuser video commerce.

Notable One-To-Many Updates

In Q4 2022 we rolled out three larger upgrades across the One-to-Many solution. **Invite-Only** is a new feature allowing brands to host exclusive, password protected video commerce capabilities such as product launches, membership events or product discussions with customers. **Template Switching** within our One-to-Many Split Screen feature enables brands to create custom video layouts for video commerce events, bringing products to life more vividly using multiple camera angles and dual hosts. Finally, front and back-end UI upgrades within the **Bambuser Broadcaster app** have made it more intuitive and easier to use, as well as more in line with the native Bambuser look and feel.

Notable One-To-One Updates

In Q4 the overall One-to-One user experience has been upgraded to provide a more premium feel for both our merchants' sales staff and customers. In particular, the customer drop-in experience has been improved to minimize drop-offs and secure sales. We launched three significant features of One-to-One in the quarter. The **Video Widget** entices customers into One-to-One calls with eye-catching videos as opposed to simple, static images; and has proven to increase calls by 300%. The new **welcome screen** helps to guarantee successful, uninterrupted calls by preparing customers with redesigned mic and camera permissions and default setup options. A new **queue UX** ensures less customers drop off while queuing for One-to-One by providing an estimated waiting time, a numbered place in the queue and also the number of agents who are online and available.

Financial Performance

Net Sales

SaaS Net Sales was SEK 36.5 million (25.8), representing growth of +41% y/y. Recurring SaaS revenue increased 52% y/y and accounts for 92% of total SaaS revenue.

Professional Services Net Sales was SEK 22.8 million (27.2), representing a decrease of 16% y/y and an increase of +34% q/q.

Gross Margin

SaaS gross margin was 83%, +5%p. q/q. We anticipate a continued increase in SaaS gross margin over time.

Professional Services gross margin was 2%, +19%p. q/q. The cost of revenue for Professional Services includes all associated operating costs of the Professional Services business. The improved quarter-on-quarter profitability is attributed to a combination of strong sales and efficiency in the professional services division.

EBITDA

EBITDA amounted to SEK -16.8 million (-56.3). In light of the current stock price trading below the strike price (SEK 5.0 per share) of the LTI 22/25 for two consecutive quarters, an adjustment of the social security liability relating to the stock option program was actioned, which had a positive effect of SEK 12.3 million. In addition, one-time costs related to layoffs during the quarter amounted to SEK 1.5 million. These one-time costs will impact the cash flow in H1 2023.

Adjusted EBITDA (excluding items affecting comparability) amounted to SEK -26.7 million (-25.0). Adjusted items relate to provisions for the social security liability and option premium for two stock option programs (LTI 20/23 and LTI 22/25).

LTI 20/23 is described in detail in the annual report 2021 under "Stock Option Program 2020". LTI 22/25 is described in the AGM minutes from April 2022.

Capitalized work for own account

As communicated in the Q3 report, Bambuser has changed the accounting method for capitalized costs derived from consultants, presented at gross value in other external expenses and the capitalized amount is presented as revenue under capitalized work for its own account.

As of December 31, 2022, capitalized development expenses amounted to SEK 93.5 million (98.0). The development expenditure for the period was SEK 4.4 million. The amortization for the period was SEK 6.7 million.

Cash Flow

As of December 31, 2022, cash and cash equivalents amounted to SEK 378.5 million (542.4). Cash flow from operating activities was SEK -17.1 million (-8.5). The current cash position of SEK 378.5 million is sufficient to take Bambuser to positive cash flow.

Free cash flow (FCF) for the quarter was SEK -21.6 million (-25.9), resulting in a FCF margin of -36% (-49%). LTM FCF was SEK -163.2 million (-162.8), representing an LTM FCF margin of -78% (-118%). LTM FCF per share was SEK -0.77 (SEK -0.79).

100,762 shares were issued in relation to exercise of warrants under the 19/22 warrant incentive program with a subscription value of SEK 75 thousand.

Dividend Proposal

The board of directors proposes to the annual general meeting that no dividend is paid to the shareholders.

Financial Reporting

Bambuser Group Condensed Consolidated Income Statement

kSEK	Notes	2022		2021	
		Oct-Dec Q4	Jan-Dec YTD	Oct-Dec Q4	Jan-Dec YTD
Revenue					
Sales	2	59 272	208 061	52 980	138 477
Other revenue		1 846	19 073	3 329	7 980
Capitalized work for own account		4 383	20 896	16 860	76 059
Total revenue		65 500	248 030	73 169	222 516
Costs					
Staff costs		-35 419	-187 819	-40 428	-202 572
Other external expenses		-42 887	-181 397	-87 291	-206 401
Depreciations/Amortization		-17 357	-67 997	-16 537	-41 488
Other operational costs		-3 967	-11 885	-1 791	-3 021
Total cost		-99 630	-449 097	-146 047	-453 481
Operating income		-34 130	-201 066	-72 878	-230 965
Financial items					
Finance income		522	1 857	278	518
Finance costs		-503	-969	-88	-126
Total financial items		18	888	190	392
Loss before tax		-34 112	-200 178	-72 688	-230 573
Income tax expense		367	12	-362	-557
Net income		-33 745	-200 166	-73 049	-231 130
Net loss attributable to owners of the parent		-33 745	-200 166	-73 049	-231 130

Bambuser Group

Condensed Consolidated Balance Sheet

kSEK	Notes	2022-12-31	2021-12-31
Assets			
Intangible assets			
Capitalized development expenses		93 451	97 970
Goodwill		140 486	181 721
		233 936	279 691
Tangible assets			
Furnitures and equipment		4 664	2 152
		4 664	2 152
Financial assets			
Other receivables		8 176	3 879
		8 176	3 879
Total non-current assets		246 776	285 722
Current assets			
Trade receivables		40 328	30 353
Tax receivables		2 494	1 901
Other current assets		3 041	4 293
Prepaid expenses and accrued income		5 759	4 975
Cash and cash equivalents		378 450	542 378
		430 072	583 901
Total current assets		430 072	583 901
Total assets		676 848	869 622
Equity and liabilities			
Equity			
Share capital		10 562	10 351
Other paid in equity		1 063 877	1 060 923
Other equity including net income		-484 723	-301 780
Total equity		589 715	769 494
Non-current provisions			
Provisions		0	30 791
		0	30 791
Current liabilities			
Trade payables		11 621	10 974
Income tax payable		259	268
Liability to credit institutions		0	0
Other current liabilities		7 330	7 263
Accrued expenses and deferred revenue	3	67 923	50 832
		87 133	69 338
Total liabilities		87 133	100 129
Total equity and liabilities		676 848	869 622

Bambuser Group
Consolidated Equity

kSEK	Share capital	Other paid in capital	Other equity incl. net income	Total equity
Equity as per December 31, 2020	8 244	478 921	-144 309	342 857
Loss for the year	0	0	-231 130	-231 130
Foreign exchange difference from subsidiaries	0	0	377	377
Stock options	0	0	37 791	37 791
Rights issues	2 106	582 002	35 490	619 599
Equity as per December 31, 2021	10 351	1 060 923	-301 780	769 494
Equity as per December 31, 2021	10 351	1 060 923	-301 780	769 494
Loss for the year	0	0	-200 166	-200 166
Foreign exchange difference from subsidiaries	0	0	745	745
Stock options	0	0	16 479	16 479
Rights issues	211	2 953	0	3 164
Equity as per December 31, 2022	10 562	1 063 877	-484 723	589 715

Bambuser Group

Condensed Consolidated Cash Flow

kSEK	2022		2021	
	Oct- Dec Q4	Jan-Dec YTD	Oct- Dec Q4	Jan-Dec YTD
Cash flow from operations before changes in working capital	-26 188	-145 672	-25 377	-93 535
Change in current receivables	1 006	-9 644	8 318	-1 062
Change in current payables	8 037	16 937	8 566	9 110
Cash flow from operations	-17 145	-138 379	-8 493	-85 487
Investment activities				
Investments in intangible assets	-4 383	-20 896	-16 503	-75 702
Investments in tangible assets	-88	-3 886	-885	-1 591
Acquisition of subsidiary	0	0	0	-96 461
Deposits	-709	-4 297	-595	-697
Cash Flow from investment activities	-5 180	-29 080	-17 983	-174 451
Financing activities				
Rights issue	0	3 164	-29	510 008
Issue costs	0	0	0	-25 899
Amortization of loan	0	0	0	-417
Cash Flow from financing activities	0	3 164	-29	483 692
Cash Flow of the period	-22 326	-164 295	-26 504	223 754
Cash at the beginning of the period	400 964	542 378	568 798	318 472
Net exchange losses/gains on cash and cash equivalents	-188	367	84	153
Cash at the end of the period	378 450	378 450	542 378	542 378

Bambuser AB

Condensed Parent Income Statement

kSEK	Notes	2022		2021	
		Oct-Dec Q4	Jan-Dec YTD	Oct-Dec Q4	Jan-Dec YTD
Revenue					
Sales	2	38 753	130 841	28 648	83 303
Other revenue		6 031	20 361	1 616	2 714
Capitalized work for own account		4 383	20 896	16 546	74 938
Total revenue		49 167	172 099	46 810	160 956
Costs					
Staff costs		-23 107	-120 954	-27 096	-168 265
Other external expenses		-43 359	-177 517	-76 131	-185 217
Depreciations/Amortization		-6 655	-25 254	-5 544	-16 332
Other operational costs		-3 298	-8 106	-683	-1 143
Total cost		-76 418	-331 831	-109 454	-370 957
Operating income		-27 251	-159 733	-62 644	-210 001
Financial items					
Impairments of shares in subsidiaries		0	-50	0	0
Finance income		527	2 044	226	647
Finance costs		-436	-745	-80	-152
Total financial items		91	1 299	146	494
Loss before tax		-27 160	-158 434	-62 498	-209 507
Income tax expense		-56	-56	-39	-39
Net income		-27 216	-158 490	-62 537	-209 546

Bambuser AB

Condensed Parent Balance Sheet

kSEK	Notes	2022-12-31	2021-12-31
Assets			
Intangible and tangible assets			
Capitalized development expenses		89 896	93 025
Goodwill		373	599
		90 269	93 624
Tangible assets			
Furnitures and equipment		3 887	1 834
		3 887	1 834
Financial assets			
Shares in subsidiaries		215 038	214 275
Other receivables		4 912	2 022
		219 950	216 296
Total non-current assets		314 107	311 754
Current assets			
Trade receivable		32 429	20 783
Receivables from group companies		13 293	7 064
Tax receivables		2 076	1 813
Other current assets		2 468	657
Prepaid expenses and accrued income		4 856	4 158
Cash and cash equivalents		358 175	517 332
		413 297	551 806
Total current assets		413 297	551 806
Total assets		727 403	863 561
Equity and liabilities			
Equity			
Restricted equity			
Share capital		10 562	10 351
Development fund		89 896	93 025
		100 458	103 376
Unrestricted equity			
Share premium fund		1 063 877	1 060 923
Retained earnings incl. net income		-512 597	-373 664
		551 280	687 259
Total equity		651 738	790 635
Non-current liabilities			
Provisions		0	30 791
		0	30 791
Current liabilities			
Trade payables		7 682	6 305
Payables to group companies		5 269	3 461
Income tax payable		0	0
Liability to credit institutions		0	0
Other current liabilities		5 106	4 404
Accrued expenses and deferred revenue	3	57 608	27 966
		75 665	42 135
Total liabilities		75 665	72 926
Total equity and liabilities		727 403	863 561

Bambuser AB

Parent Equity

kSEK	Share capital	Development fund	Share Premium Reserve	Retained earnings	Total equity
Equity as per December 31, 2020	8 244	33 923	478 921	-178 298	342 791
Loss for the year	0	0	0	-209 546	-209 546
Change in development fund	0	59 102	0	-59 102	0
Stock options	0	0	0	37 791	37 791
Rights issues	2 106	0	582 002	35 490	619 598
Equity as per December 31, 2021	10 351	93 025	1 060 923	-373 665	790 635
Equity as per December 31, 2021	10 351	93 025	1 060 923	-373 665	790 635
Loss for the year	0	0	0	-158 540	-158 540
Change in development fund	0	-3 129	0	3 129	0
Stock options	0	0	0	16 479	16 479
Rights issues	211	0	2 953	0	3 164
Equity as per December 31, 2022	10 562	89 896	1 063 877	-512 596	651 738

Bambuser AB

Condensed Parent Cash Flow

kSEK	2022		2021	
	Oct-Dec Q4	Jan-Dec YTD	Oct-Dec Q4	Jan-Dec YTD
Cash flow from operations before changes in working capital	-30 413	-147 598	-25 671	-97 119
Change in current receivables	-3 508	-20 647	6 669	-9 873
Change in current payables	7 286	33 530	7 089	13 286
Cash flow from operations	-26 635	-134 715	-11 913	-93 705
Investment activities				
Investments in intangible assets	-4 383	-20 896	-16 546	-74 938
Investments in tangible assets	0	-3 056	-798	-1 269
Investment in shares in subsidiary	0	-764	0	-114 224
Deposits	50	-2 891	0	0
Cash Flow from investment activities	-4 332	-27 606	-17 344	-190 432
Financing activities				
Rights issue	0	3 164	172	510 008
Issue costs	0	0	-201	-25 899
Amortization of loan	0	0	0	-417
Cash Flow from financing activities	0	3 164	-29	483 692
Cash Flow of the period	-30 968	-159 157	-29 286	199 555
Cash at the beginning of the period	389 142	517 332	546 618	317 777
Cash at the end of the period	358 175	358 175	517 332	517 332

Accounting policies and Explanatory notes

Note 1

Accounting Principles

The interim report period is from October to December 2022. The interim report has been prepared in accordance with the Annual Accounts Act. The accounting and valuation policies applied are consistent with the Swedish Accounting Standards Board's Category 3 (BFN K3) regulation. The parent company applies the same accounting policies as the group. No changes have been made to accounting policies since the last annual accounts, except for that Bambuser has changed accounting method for capitalized costs derived from consultants (please see page 7 for further information).

Note 2

Sales

kSEK	2022		2021	
	Oct-Dec Q4	Jan-Dec YTD	Oct-Dec Q4	Jan-Dec YTD
Consolidated				
Licenses	33 728	113 939	22 206	62 459
Professional Services	22 773	82 420	27 182	59 322
Other Services	2 770	11 702	3 593	16 696
Total	59 272	208 061	52 980	138 477
Parent				
Licenses	33 728	113 939	22 206	62 459
Professional Services	2 254	5 200	2 850	4 148
Other Services	2 770	11 702	3 593	16 696
Total	38 753	130 841	28 648	83 303

Note 3**Accrued expenses and deferred revenue**

kSEK	2022-12-31	2021-12-31
Consolidated accrued expenses and deferred revenue		
Accrued staff expenses	20 281	12 083
Accrued other expenses	10 870	12 520
Deferred revenue	36 772	26 230
Total	67 923	50 832
Parent accrued expenses and deferred revenue		
Accrued staff expenses	19 761	10 747
Accrued other expenses	6 345	6 108
Deferred revenue	31 503	11 111
Total	57 608	27 966

Definitions

Adjusted EBITDA

Profit before interest, tax, depreciation and amortization excluding stock option related costs.

ARR (Annual Recurring Revenue)

ARR is MRR multiplied by 12. MRR (Monthly Recurring Revenue) is based on:

- 1) The opening balance of the next coming month.
- 2) Contracted recurring license revenue within the period.
- 3) Excluding one-time fees and usage.

Capitalized development expenses

Expenses (salary expenses and consulting fees) that are directly attributable to the development of the Bambuser SaaS Platform are booked as intangible assets. The corresponding amount for the period is booked as other Capitalized work for own account.

CER (Constant Exchange Rate)

Constant exchange rate against SEK. Bambuser invoices in multiple currencies. The CER is used in various SaaS KPI calculations to remove the currency volatility which typically skews the KPIs if the exchange rate is floating.

Churn

Churn is defined as either:

- 1) Customers that did not renew their contract.
- 2) Customers whose contract is terminated but still in discussions with Bambuser to renew their contract, and therefore a non-billable customer for the period.

These customers may return to the ARR bridge as New Business.

Customer Group (CG)

Customers are classified as a Customer Group when Bambuser has signed a master service agreement (MSA) with a global parent company but has also signed individual agreements with the subsidiaries (Paying Customer), which may be organized as individual entities due to brand and/or geographical market. The result is that one Customer Group can have multiple Paying Customers, but Bambuser is still collectively grouping them, and counting them, as one Customer Group. If the Paying Customer is the only entity, then the Paying Customer is defined as the Customer Group. The Customer Group is used for the calculation of all SaaS metrics unless otherwise stated.

EBT

Profit before tax.

EBIT

Profit before interest and tax.

EBITDA

Profit before interest, tax, depreciation and amortization.

EBITDA Margin

$\text{EBITDA Margin \%} = [\text{EBITDA}] / [\text{Total Revenue}]$.

EOP

End of period.

FCF (Free Cash Flow)

$\text{FCF} = [\text{Cash flow from operations}] - [\text{Investments in tangible assets}] - [\text{Investments in intangible assets}]$.

FCF Margin

$\text{FCF Margin \%} = [\text{FCF}] / [\text{Total Net Sales}]$.

FCF / Share

$\text{FCF / Share} = [\text{FCF LTM}] / [\text{Number of shares end of period}]$.

FTE (Full Time Equivalent)

Full-time employees and full-time consultants. An employee is considered an employee, regardless of being under notice period or garden leave, until the employment is effectively terminated.

GRR (Gross Revenue Retention)

$\text{GRR \%} = ([\text{Opening ARR L12M CER}] - [\text{Churn for the period CER}]) / [\text{Opening ARR L12M CER}]$.

The GRR shows how successful Bambuser is to retain its existing customers.

DEFINITIONS

Gross Margin

SaaS Gross Margin = [Net Sales SaaS] – [SaaS Cost of Revenue].

The SaaS Cost of Revenue includes all third-party software services required to operate the Bambuser platform, technical onboarding team and part of the Customer Success team that focus on retention.

Professional Services Gross Profit = [Net Sales Prof Services] – [Bambuser Plus Cost of Revenue].

Professional Services Cost of Revenue includes all employee costs and direct costs associated with the scope of work for the customers such as influencers, performance marketing, sub-contractors etc.

Merchant

A merchant is defined as the retailer that is facing the end-consumer and has its own account on the Bambuser platform. A Customer Group can have several merchants because of the Customer Group being active in several markets or the Customer Group operating with several brands. A Merchant is the lowest organization in the customer hierarchy: Customer Group > Paying Customer > Merchant.

Net Sales SaaS

Revenue coming from the SaaS business. Recurring SaaS revenue is revenue coming from licenses, whereas other SaaS revenue relates to non-recurring items, such as onboarding fees.

NRR (Net Revenue Retention)

$$\text{NRR \%} = ([\text{Opening ARR L12M CER}] + [\text{Upsell CER}] - [\text{Downsell CER}] - [\text{Churn CER}]) / [\text{Opening ARR L12M CER}]$$

The NRR shows how successful Bambuser is to retain and expand its existing customers.

Number of Share End of Period

The number of registered shares with the Swedish Company Registration Office at the end of the period.

Number of fully diluted shares EOP

Fully diluted shares are calculated as the number of shares plus all outstanding warrants and stock options at the end of the period. The warrants and options are calculated as

$$([\text{Options/warrants issued}] - [\text{Exercised Options/Warrants}] - [\text{Repurchased Options/Warrants}] - [\text{Lapsed Options/Warrants}]) \times [\text{Number of shares per Option/Warrant}]$$

The calculation does not consider if the options/warrants are fully vested or if the share price is above the strike price at the end of the period.

Paying Customer

A paying legal entity. A Paying Customer illustrates the number of customers each region serves. The Paying Customer definition is not used for the calculation of SaaS KPIs (see Customer Group). Several Paying Customers can belong to the same Customer Group.

About Bambuser

Bambuser is the world leading SaaS company for Video Commerce technology, catering to global retailers since 2019. The two products, One-to-Many and One-to-One, enable any brand to add shoppable and interactive video streams with skyrocketing conversion rates to both unlimited viewers and within two-way video calls. Live streaming is deeply ingrained in the company's DNA since inception in 2007, when Bambuser pioneered live streaming from mobile devices across the globe.

Headquartered in Stockholm with offices in New York, London, Tokyo, and Turku the rapidly growing Bambuser team speaks more than 30 languages and 62% of senior management is female.

Risks and Uncertainties

Bambuser's business, financial position and earnings can be affected by risks and uncertainties. These have been described on page 8 in the Annual Report 2021 and are available at bambuser.com/ir.

Auditor's Review

The Company's auditor has not reviewed this interim report.

Publication

This information is information that Bambuser AB is obliged to make public pursuant to the EU Market Abuse Regulation.

Financial Calendar

- Annual Report 2022 – April 4th, 2023
- Annual General Meeting 2023 – April 27th, 2023
- Interim Report Q1 2023 – May 4th, 2023

Headquarters

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111 56 Stockholm, Sweden

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bambuser.com

Largest Shareholders

Name	Shares	Share (%)
Vitruvian Partners	25 024 949	11.85%
Muirfield Invest Aktiebolag	21 700 000	10.27%
Heartland A/S	20 000 000	9.47%
Handelsbanken Fonder	17 300 000	8.19%
Harmony Partners LLC	12 670 000	6.00%
TAH Management LP & Joel Citron	12 640 560	5.98%
Avanza Pension	11 336 724	5.37%
Lancelot Asset Management AB	6 999 999	3.31%
Handelsbanken Liv Försäkring AB	6 645 613	3.15%
Mikael Ahlström	4 341 170	2.06%
Total Top 10 shareholders	138 659 015	65.64%
Other shareholders	72 576 370	34.36%
Total number of shares	211 235 385	100.00%