

Interim Report Q2 2023

Q2 Highlights

- Solid ARR traction with our biggest customers and continuous positive year-over-year momentum in profitability and cash flow.
- ARR of SEK 126.0 million, -2% y/y at constant exchange rates ("CER").
- Net Sales of SEK 49.0 million (49.7) with SaaS revenue growth of +5% y/y.
- Adjusted EBITDA of SEK -32.8 million (-44.6), representing a -59% margin and a 13%p. margin improvement vs. Q2 2022.
- Free Cash Flow of SEK -26.0 million (-49.5), representing a -53% FCF margin and a 47%p. margin improvement vs. Q2 2022.
- End of quarter Cash Balance of SEK 324.0 million (442.7), which is sufficient to take Bambuser to positive cash flow.
- Our Social Commerce solution now supports Instagram Live Producer, empowering our customers to multi-stream seamlessly from Bambuser to Instagram.

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

KPI	Q2 2023	Q2 2022	% y/y	Q1 2023	% q/q	Jan-Jun 2023	Jan-Jun 2022	% ytd/ytd
ARR (SEKm)	126,0	120,9	4%	139,0	-9%	126,0	120,9	4%
ARR growth (CER)			-2%		-12%			-2%
NRR % (LTM) ¹	64%	-		87%	-23%p.	64%	-	
GRR % (LTM) ¹	62%	-		78%	-16%p.	62%	-	
Net Sales SaaS (SEKm)	32,3	30,7	5%	34,2	-5%	66,5	58,1	14%
Net Sales Prof Services (SEKm)	16,7	19,0	-12%	17,4	-4%	34,2	42,7	-20%
Gross Margin SaaS (%) ²	76%	77%	-1%p.	81%	-6%p.	79%	74%	4%p.
Gross Margin Prof Services (%) ³	-8%	-13%	5%p.	-1%	-6%p.	-4%	-8%	4%p.
EBITDA (SEKm)	-34,7	-41,2	-16%	-31,2	11%	-65,9	-75,1	-12%
EBITDA %	-63%	-67%	4%p.	-57%	-6%p.	-60%	-61%	1%p.
Adj EBITDA (SEKm)	-32,8	-44,6	-26%	-29,0	13%	-61,7	-86,2	-28%
Adj EBITDA %	-59%	-72%	13%p.	-53%	-6%p.	-56%	-70%	14%p.
EBIT (SEKm)	-52,4	-58,1	-10%	-48,9	7%	-101,3	-108,6	-7%
EBIT %	-95%	-94%	-1%p.	-90%	-5%p.	-92%	-88%	-4%p.
Cash Balance EOP (SEKm)	324,0	442,7	-27%	347,8	-7%	324,0	442,7	-27%
FCF (SEKm)	-26,0	-49,5	-48%	-30,7	-15%	-56,7	-90,2	-36%
FCF Margin (%)	-53%	-100%	47%p.	-59%	6%p.	-56%	-89%	33%p.
FCF / Share (SEK, LTM)	-0,58	-0,82	-29%	-0,68	-15%	-0,58	-0,82	-29%
No of shares EOP	211 235 385	207 952 174	2%	211 235 385	0%	211 235 385	207 952 174	2%
No of Fully diluted shares EOP	228 621 562	227 968 351	0%	228 621 562	0%	228 621 562	227 968 351	0%
Full-time Equivalents EOP	139	226	-38%	168	-17%	139	226	-38%
No of Customer Groups (CG)	245	267	-8%	257	-5%	244	267	-9%
Avg ARR per CG (SEKk)	514,5	452,8	14%	540,9	-5%	516,6	452,8	14%

1. LTM = Last twelve months | 2. With the introduction of a function-based P&L, the Gross Margin SaaS has been reiterated to better reflect the SaaS cost of revenue.

3. Gross margin Professional Services is adjusted for Depreciations, Amortizations, and stock option related costs.

CEO comments

In Q2 2023, ARR declined SEK 13 million from Q1 2023 due to weak new customer acquisition and continued elevated churn. As is evident from Q2 2023 ARR, our end market continues to be challenging, dominated by customer cost cuts and overall hesitation leading to longer sales cycles, particularly in the struggling retail sector.

We see a great interest in our platform, but customers simply take much longer to sign in this environment which is impacting our growth momentum negatively. For instance, we have entered into a proof of concept with one of the world's largest international fashion company groups, headquartered in Spain, a deal that took twelve months to close. Despite the slower market, we have seen important renewals and expansions with customers like John Lewis, Sisley, Macy's, Lego, Clarins, and YOOX Net-a-Porter.

We continue to make good progress on several fronts which will support growth and operating leverage when market growth eventually resumes. For example, we have taken further efficiency measures in the quarter, resulting in annual cost savings of c. SEK 32 million, with full effect expected from the third quarter.

As the video commerce space matures into an ecosystem, we have made the strategic decision to sunset Bambuser Plus within the areas of strategy, education, and production. While some of these expertise areas have been transferred to and absorbed by our customer success teams, we are expanding our partner network to provide similar services. This allows us to offer enhanced expertise on a global scale, which can scale up as demand increases. Consequently, our influencer marketing unit within Bambuser Plus will revert to its original name, "Relatable," and operate as an independent company. This transition will occur in the third quarter.

Our Free Cash Flow (FCF) margin improved by +47%p. y/y, reaching -53%. Similarly, the adjusted EBITDA also saw improvement, reaching -59%, a +13%p. compared to the previous year. This improvement reflects the success of our ongoing initiatives to reduce operating expenses, despite the slower ARR growth. Our cash balance of SEK 324 million is sufficient to reach a positive cash flow.

Additionally, we continue to innovate at a rapid pace and have now combined our One-to-Many and One-to-One products under one platform proposition called the Bambuser Video Commerce Platform. This platform does



not only encourage multi-product usage and cross sell, but also lays the foundation for an ecosystem that will eventually integrate third-party apps and engage service integrators to build customized solutions for our customers.

We have introduced a new pricing model that enables a true land and expand approach. Our pricing is now based on usage commitment, allowing our ARR to grow as customers adopt our video commerce platform at a larger scale, thereby extracting more value. The initial market feedback has been highly positive, with several churned customers returning and pricing becoming less of a concern in customer negotiations.

The social commerce end-consumer-market is projected to exceed USD 2 trillion by 2025*, we not only tap into the video commerce market, but we also lead it. Our extensive expertise and profound understanding enable us to shape strategic partnerships, empowering our pioneering clients to become industry leaders. I am incredibly optimistic despite the current headwinds. Our commitment is to build long-term value over short-term revenue in the coming years, benefiting both our shareholders and employees. Thank you for your continued support as we reshape commerce together.

Maryam Ghahremani
CEO of Bambuser

* Social commerce: The future of how consumers interact with brand; McKinsey, 2022

Business Highlights

ARR

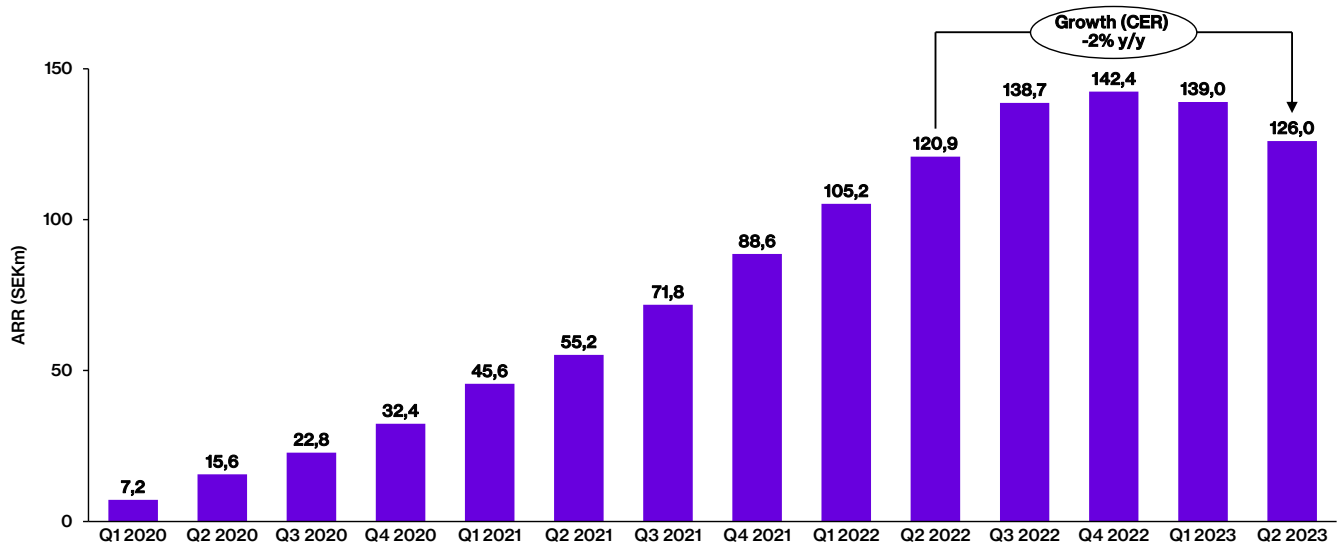
The ARR was SEK 126.0 million, representing -2% y/y decline at CER. By the end of June we had 245 Customer Groups, representing a decline of -8% y/y. ARR per customer group was SEK 514.5k, representing growth of 14% compared to Q2 2022. The Company introduced a new pricing model during the quarter which is linked to usage of the platform. We expect that this can lower the average ARR per customer group in the near term but increase it over the medium to long term.

Group LTM NRR was 64%. Enterprise LTM NRR was 88%. Top 20 Accounts LTM NRR was 129%, accounting for 34% of total ARR (+9%p y/y at CER). These customers exhibited a 15% growth y/y at CER, adding nearly SEK 14 million in positive growth.

EMEA accounts for 51% of total ARR and was -1% y/y. Americas accounts for 38% of total ARR and was -8% y/y. APAC accounts for 11% of ARR and increased 11% y/y.

ARR Development

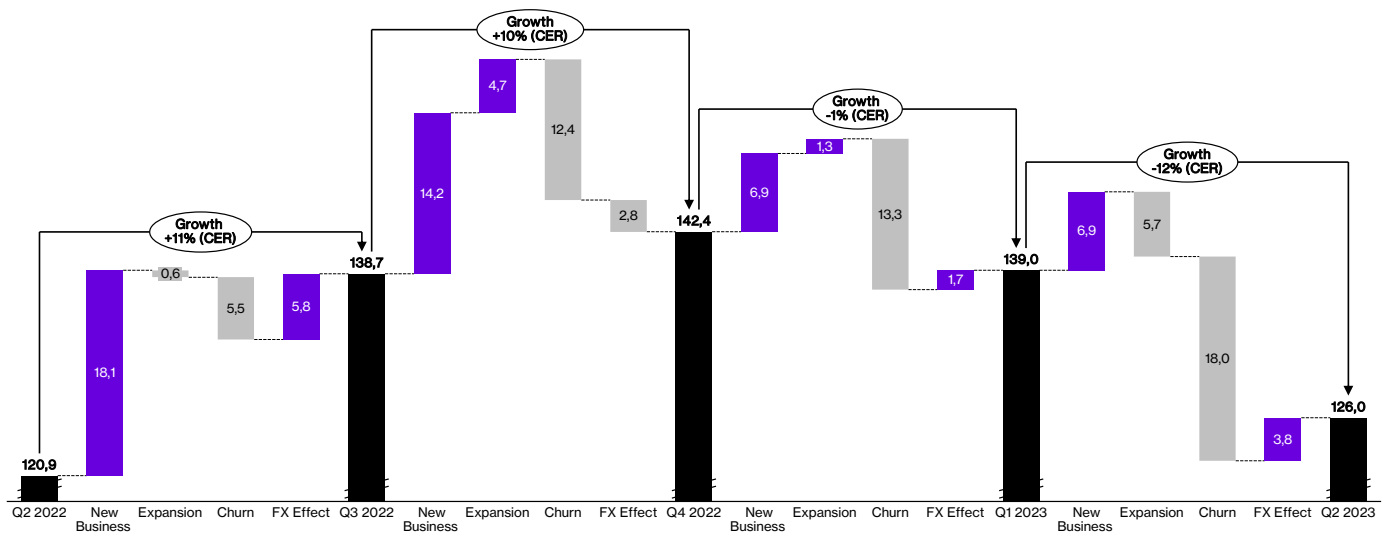
Q1 2020 – Q2 2023
SEKm



ARR Bridge

Q2 2022 – Q2 2023

SEKm



In the ARR bridge graph above, please note that the "New Business", "Expansion", and "Churn" in each quarter are calculated using each quarter's respective foreign exchange rate(s). The "FX Effect" captures exchange rate changes in ingoing versus outgoing ARR in the quarter.

Regions	Q2 2023	Q2 2022	% y/y	Q1 2023	% q/q
EMEA					
ARR (SEKm)	64,1	65,3	-2%	70,3	-9%
ARR Growth (CER)			-1%		-11%
No of Paying Customers	188	194	-3%	198	-5%
Share of ARR	51%	54%	-3,1%p.	51%	0,3%p.
Americas					
ARR (SEKm)	47,5	44,1	8%	50,6	-6%
ARR Growth (CER)			-8%		-12%
No of Paying Customers	94	98	-4%	109	-14%
Share of ARR	38%	36%	1,3%p.	36%	1,3%p.
APAC					
ARR (SEKm)	14,4	11,6	24%	18,1	-21%
ARR Growth (CER)			11%		-15%
No of Paying Customers	32	21	52%	33	-3%
Share of ARR	11%	10%	1,8%p.	13%	-1,6%p.

New Business and Expansions

Americas New Business:

- A leading provider of home and business security solutions, offering advanced alarm systems, surveillance cameras, and monitoring services to help protect properties across the US.
- Vanyoo: A multi-retailer and marketplace platform, expanding our reach in the retail sector.
- TBC consignment: A luxury consignment brand, offering high-end fashion items.
- Dossier: A perfume company known for unique and high-quality fragrances.
- Tanya Taylor: A renowned fashion brand known for vibrant and artistic designs.
- Carly Jean Los Angeles: A Los Angeles-based fashion company known for trendy and chic clothing.
- 1ere avenue: A luxury reseller specializing in high-end fashion items.
- Max pawn: A luxury reseller offering a wide range of high-value items.
- Nailboo: Our first dedicated nail client, providing innovative solutions for their business needs.
- BlueSalt: A fashion brand known for contemporary and stylish clothing, strengthening our presence in the fashion industry.

Americas Expansions & Renewals:

- A Leading pet retail chain with a diverse selection of food, products and services for all types of pets, solidifying our long-term relationship.
- 1-800 Flowers: A well-known flower and gift retailer, strengthening our collaboration in the gifting industry.
- Macy's & Bloomingdale's: Continued partnership with the leading department stores.
- Revolve: A retailer known for its curated collections and influencer collaborations, making it a go-to destination for fashion-forward shoppers.
- The US division of a renowned South Korean automaker, known for its reliable and innovative vehicles, including cars, SUVs, and electric models.

APAC New Business:

- ADDICTION: A cosmetic/beauty brand of KOSÉ Corporation, one of the top 20 global beauty companies.
- Shiseido: Expanded presence on multiple retailers' websites, offering their renowned beauty and skincare products.
- Christian Dior Couture Japan: The Japanese division of the renowned fashion brand Christian Dior.
- Sisley APAC: A luxury cosmetics and skincare company, strengthening collaboration in the Asia-Pacific region.
- Sisley Japan: Renewed partnership with Sisley.

APAC Expansions & Renewals:

- Shiseido (global MSA): Continued partnership with Shiseido, a global cosmetics company.
- Hobonichi: A Japanese website/retailer that receives approximately 1.5 million page views a day.
- Camilla: An Australia-based global fashion company.
- A top selling Japanese global apparel company: Renewed collaborations with multiple markets.
- A renowned American leather handbag brand in the Japanese market.
- Swedish multinational multi-level marketing company: Expanded business with a leading multi-level marketing company in the beauty industry.

EMEA New Business:

- Major international fashion company: Enters proof of concept with one of the biggest international fashion companies, which belongs to one of the world's largest distribution groups with headquarters in Spain.
- Lego: The Italian division of the iconic toy company has signed a 12-month contract.

EMEA Expansions & Renewals:

- Singapore-based multinational technology company: Renewed Master Service Agreement (MSA) with a Singapore-based multinational technology company specializing in household appliances.
- Outnet by YOOX Net a Porter: An online fashion outlet providing discounted designer clothing and accessories.
- Absolut (Pernod Ricard): A renowned brand of vodka.
- John Lewis: A well-established British department store chain offering a diverse selection of products, including home furnishings, fashion, electronics, and more.
- Maisons of LVMH: Expanded partnerships with Maisons of LVMH, covering 9 brands globally across the Americas, EMEA and APAC regions.
- Clarins: A luxury cosmetics and skincare brand, expanding the partnership to reach over 22 markets.

Product Highlights

Bambuser Video Commerce Platform

We are excited to announce the launch of Bambuser as a unified Video Commerce Platform, consolidating our previously separate One-to-One and One-to-Many products. This strategic move enables our customers to leverage both solutions within a single platform, streamlining their operations and maximizing their video commerce capabilities. With this new approach, customers only pay for the specific solutions they utilize, optimizing their investment and providing greater flexibility.

Launch of the new One-to-Many Player

We are pleased to announce the successful release of our new One-to-Many player to selected customers during the quarter. This cutting-edge player has garnered increasing adoption among our customer base, resulting in improved click-through rates. The new player delivers a seamless, engaging, and interactive video experience, particularly optimized for mobile devices, thereby enhancing the overall shopping experience for end-users. Our unwavering commitment to driving conversions and customer satisfaction remains at the forefront of our mission.

Expanding Social Commerce Capabilities to Instagram

In addition to our existing multi-stream capabilities with platforms such as YouTube, TikTok, Twitter, Twitch, and Facebook, we are thrilled to announce that our Social Commerce solution (One-to-Many) now supports Instagram Live Producer. This exciting integration empowers our customers to seamlessly multi-stream their video content from the Bambuser Video Commerce Platform directly to their Instagram account.

By enabling multi-streaming to Instagram Live Producer, we unlock tremendous opportunities for our customers to reach a wider audience and maximize the value derived from our platform. This enhancement supercharges the potential for our customers to engage with more viewers, expand their brand presence, and drive incremental value from their video commerce initiatives.

Financial Performance

Net Sales

SaaS Net Sales amounted to SEK 32.3 million (30.7), a growth of +5% y/y. The recurring SaaS revenue grew 10% y/y and makes up 94% of the total SaaS revenue.

Professional Services Net Sales amounted to SEK 16.7 million (19.0), a decrease of -12% y/y and of -4% q/q. The revenue drop is partly reflective of the strategic decision to have the professional services business primarily supporting Bambuser's SaaS customers.

Gross Margin

SaaS gross margin was 76%, -1%p. y/y. This decrease is driven by higher costs of SaaS revenue, particularly higher hosting fees and cost for the customer support organization which partly comes from changes in management and garden leave accruals. We anticipate a continued increase in SaaS gross margin over time.

Professional Services gross margin (adjusted for depreciations, amortizations, and stock option related costs) was -8%, +5%p. y/y. The total cost of revenue for Professional Services includes all associated costs of the Professional Services business such as direct assignment costs and employees. The improved year-over-year profitability is attributed to the professional services division becoming more focused and efficient.

EBITDA

EBITDA amounted to SEK -34.7 million (-41.2). Operating expenses were down -12% y/y. One-time costs relating to layoffs during the quarter amounted to SEK 6.0 million. These costs will impact the cash flow in Q2 and Q3 2023. Staff costs overall (excluding stock option related costs) were down y/y, whereas the annual salary audit, one-off consulting fees and marketing activities drove operating expenses up.

Adjusted EBITDA (excluding items affecting comparability) amounted to SEK -32.8 million (-44.6). 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 2020 under "Stock Option Program 2020". LTI 22/25 is described in the annual report 2022.

Cash Flow

As of June 30, 2023, cash and cash equivalents amounted to SEK 324.0 million (442.7). Cash flow from operating activities amounted to SEK -24.3 million (-42.6). As per earlier communication, the cash position is sufficient to take Bambuser to positive cash flow.

Free cash flow (FCF) for the quarter amounted to SEK -26.0 million (-49.5), implying a FCF Margin of -53% (-100%). There were no material investment activities in Q1 2023. For the last twelve months (LTM), FCF amounted to -122.2 million (-170.2), a FCF margin of -59% (-87%). The FCF per share (LTM basis) amounted to -0.58 SEK (-0.82 SEK).

Financial Reporting

Bambuser Group

Condensed Consolidated Income Statement

(in thousands SEK)

	Notes	2023		2022		2022
		Apr-Jun Q2	Jan-Jun YTD	Apr-Jun Q2	Jan-Jun YTD	Jan-Dec Full year
Net Sales		49 019	100 646	49 710	100 808	208 061
Other Revenue		6 119	9 028	11 961	22 563	39 970
Total Revenue	2	55 139	109 673	61 671	123 371	248 030
Cost of Revenue	3	-36 513	-71 200	-39 227	-82 456	-160 277
Gross Profit		18 625	38 473	22 444	40 915	87 753
Sales & Marketing		-22 984	-46 412	-32 312	-56 576	-100 917
Research & Development		-28 686	-55 923	-28 278	-58 702	-111 474
General & Administration		-19 394	-37 467	-19 931	-34 211	-76 428
Total Operating Expenses	4	-71 065	-139 802	-80 521	-149 488	-288 819
Operating Income (EBIT)		-52 440	-101 329	-58 077	-108 574	-201 066
Financial Income		1 746	2 654	139	390	1 857
Financial Expenses		-82	-206	-112	-194	-969
Financial Net*		1 664	2 448	26	196	888
Earnings before tax (EBT)		-50 776	-98 881	-58 051	-108 378	-200 178
Tax		178	167	-189	-197	12
Net Income		-50 598	-98 714	-58 240	-108 575	-200 166

*There has been a reclassification between financial income and financial expense for Q2 2022 figures. The financial net remains unchanged.

Bambuser Group

Condensed Consolidated Balance Sheet

(in thousands SEK)

	Notes	2023-06-30	2022-06-30	2022-12-31
Assets				
Intangible assets				
Capitalized development expenses		79 379	97 456	93 451
Goodwill		119 868	161 103	140 486
		199 247	258 559	233 936
Tangible assets				
Furniture and equipment		3 963	4 973	4 664
		3 963	4 973	4 664
Financial assets				
Other receivables		8 085	6 867	8 176
		8 085	6 867	8 176
Total non-current assets		211 294	270 399	246 776
Current assets				
Trade receivables		26 289	43 386	40 328
Tax receivables		365	1 509	2 494
Other current assets		6 584	5 954	3 041
Prepaid expenses and accrued income		10 046	7 295	5 759
Cash and cash equivalents		324 005	442 691	378 450
Total current assets		367 289	500 835	430 072
Total assets		578 583	771 234	676 848
Equity and liabilities				
Equity				
Share capital		10 562	10 398	10 562
Other paid in equity		1 063 876	1 061 579	1 063 877
Other equity including net income		-578 908	-400 865	-484 723
Total Equity		495 530	671 111	589 715
Non-current liabilities				
Provisions		0	11 095	0
		0	11 095	0
Current liabilities				
Trade payables		11 058	8 165	11 621
Income tax payable		29	-35	259
Other current liabilities		6 605	8 511	7 330
Accrued expenses and deferred income	5	65 362	72 387	67 923
Total current liabilities		83 053	89 027	87 133
Total liabilities		83 053	100 123	87 133
Total equity and liabilities		578 583	771 234	676 848

Bambuser Group

Consolidated Equity

(in thousands SEK)

	Share Capital	Other paid in capital	Other equity including net income	Total Equity
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	1 063 876	-484 723	589 715
Equity as per December 31, 2021	10 351	1 060 923	-301 780	769 494
Loss for the year	0	0	-108 575	-108 575
Foreign exchange difference from subsidiaries	0	0	847	847
Stock options	0	0	8 644	8 644
Rights issues	47	655	0	702
Equity as per June 30, 2022	10 398	1 061 579	-400 865	671 111
Equity as per December 31, 2022	10 562	1 063 876	-484 723	589 715
Loss for the year	0	0	-98 715	-98 715
Foreign exchange difference from subsidiaries	0	0	357	357
Stock options	0	0	4 172	4 172
Rights issues	0	0	0	0
Equity as per June 30, 2023	10 562	1 063 876	-578 908	495 530

Bambuser Group

Condensed Consolidated Cash Flow

(in thousands SEK)

	2023		2022		2022
	Apr-Jun Q2	Jan-Jun YTD	Apr-Jun Q2	Jan-Jun YTD	Jan-Dec Full year
Cash flow from operations before working capital	-30 950	-59 131	-44 048	-85 403	-145 672
Change in current receivables	2 302	8 913	-4 943	-16 027	-9 644
Change in current payables	4 319	-4 774	6 356	18 796	16 937
Cash flow from operations	-24 329	-54 992	-42 635	-82 634	-138 379
Investment activities					
Investments in intangible assets	0	0	-5 753	-11 761	-20 896
Investments in tangible assets	0	0	-1 154	-3 334	-3 886
Divestments of tangible assets	0	12	0	0	0
Deposits	171	146	-27	-2 988	-4 297
Cash flow from investment activities	171	159	-6 933	-18 082	-29 080
Financing activities					
Rights issue	0	0	83	702	3 164
Cash flow from financing activities	0	0	83	702	3 164
Cash flow for the period	-24 158	-54 833	-49 486	-100 014	-164 295
Cash at the beginning of the period	347 783	378 450	491 944	542 378	542 378
Net exchange losses/gains on cash and cash equivalents	380	388	232	327	367
Cash at the end of the period	324 005	324 005	442 691	442 691	378 450

Bambuser Group

Condensed Parent Income Statement

(in thousands SEK)

	Notes	2023		2022		2022
		Apr-Jun Q2	Jan-Jun YTD	Apr-Jun Q2	Jan-Jun YTD	Jan-Dec Full year
Net Sales		32 402	67 009	32 902	60 511	130 841
Other Revenue		11 401	18 457	11 060	20 473	41 258
Total Revenue	2	43 803	85 466	43 962	80 983	172 099
Cost of Revenue	3	-15 216	-27 166	-6 736	-13 610	-35 762
Gross Profit		28 587	58 300	37 226	67 373	136 336
Sales & Marketing		-26 007	-51 387	-35 720	-61 772	-113 206
Research & Development		-28 686	-55 923	-27 105	-56 938	-107 336
General & Administration		-18 771	-36 526	-19 284	-33 786	-75 528
Total Operating Expenses	4	-73 464	-143 836	-82 110	-152 495	-296 069
Operating Income (EBIT)		-44 877	-85 536	-44 884	-85 122	-159 733
Financial Income		1758	2 666	190	460	2 044
Financial Expenses		-21	-46	-39	-72	-795
Financial Net*		1737	2 619	151	388	1249
Earnings before tax (EBT)		-43 140	-82 917	-44 733	-84 734	-158 484
Tax		-4	-4	0	0	-56
Net Income		-43 144	-82 921	-44 733	-84 734	-158 540

*There has been a reclassification between financial income and financial expense for Q2 2022 figures. The financial net remains unchanged.

Bambuser Group

Condensed Parent Balance Sheet

(in thousands SEK)

	Notes	2023-06-30	2022-06-30	2022-12-31
Assets				
Intangible assets				
Capitalized development expenses		76 519	93 206	89 896
Goodwill		259	486	373
		76 778	93 692	90 269
Tangible assets				
Furniture and equipment		3 319	4 097	3 887
		3 319	4 097	3 887
Financial assets				
Shares in subsidiaries		215 038	215 038	215 038
Other receivables		5 063	4 599	4 912
		220 101	219 637	219 950
Total non-current assets		300 198	317 426	314 107
Current assets				
Trade receivables		18 024	32 224	32 429
Receivables from group companies		14 782	12 074	13 293
Tax receivables		123	1 136	2 076
Other current assets		5 633	684	2 468
Prepaid expenses and accrued income		9 086	6 247	4 856
Cash and cash equivalents		301 639	429 998	358 175
Total current assets		349 287	482 363	413 297
Total assets		649 485	799 789	727 404
Equity and liabilities				
Equity				
Restricted Equity				
Share capital		10 562	10 398	10 562
Development fund		76 519	93 206	89 896
		87 081	103 604	100 458
Unrestricted Equity				
Share premium fund		1 063 877	1 061 579	1 063 877
Retained earnings incl. net income		-577 968	-449 936	-512 596
		485 909	611 643	551 281
Total Equity		572 990	715 246	651 738
Non-current liabilities				
Provisions		0	11 095	0
		0	11 095	0
Current liabilities				
Trade payables		7 321	4 470	7 682
Payables to group companies		5 506	8 125	5 269
Other current liabilities		5 560	4 968	5 106
Accrued expenses and deferred income	5	58 108	55 884	57 608
		76 496	73 448	75 665
Total liabilities		76 496	84 543	75 665
Total equity and liabilities		649 485	799 789	727 404

Bambuser Group

Parent Equity

(in thousands SEK)

	Share Capital	Development fund	Share premium fund	Retained earnings	Total Equity
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
Equity as per December 31, 2021	10 351	93 025	1 060 923	-373 665	790 635
Loss for the year	0	0	0	-84 734	-84 734
Change in development fund	0	181	0	-181	0
Stock options	0	0	0	8 644	8 644
Rights issues	47	0	655	0	702
Equity as per June 30, 2022	10 398	93 206	1 061 579	-449 936	715 246
Equity as per December 31, 2022	10 562	89 896	1 063 877	-512 596	651 738
Loss for the year	0	0	0	-82 921	-82 921
Change in development fund	0	-13 377	0	13 377	0
Stock options	0	0	0	4 173	4 173
Rights issues	0	0	0	0	0
Equity as per June 30, 2023	10 562	76 519	1 063 877	-577 968	572 990

Bambuser Group

Condensed Parent Cash Flow

(in thousands SEK)

	2023		2022		2022
	Apr-Jun Q2	Jan-Jun YTD	Apr-Jun Q2	Jan-Jun YTD	Jan-Dec Full year
Cash flow from operations before working capital	-34 176	-64 690	-41 848	-83 660	-147 598
Change in current receivables	5 760	7 474	-6 154	-17 890	-20 647
Change in current payables	4 214	830	6 459	31 216	33 530
Cash flow from operations	-24 202	-56 385	-41 543	-70 334	-134 715
Investment activities					
Investments in intangible assets	0	0	-5 753	-11 761	-20 896
Investments in tangible assets	0	0	-1 072	-2 696	-3 056
Acquisition of subsidiary	0	0	-503	-764	-764
Deposits	-164	-151	50	-2 577	-2 891
Cash flow from investment activities	-164	-151	-7 279	-17 798	-27 606
Financing activities					
Rights issue	0	0	83	702	3 164
Amortization of loan	0	0	97	97	0
Cash flow from financing activities	0	0	180	798	3 164
Cash flow for the period	-24 366	-56 536	-48 642	-87 333	-159 157
Cash at the beginning of the period	326 005	358 175	478 640	517 332	517 332
Cash at the end of the period	301 639	301 639	429 998	429 998	358 175

Accounting policies and Explanatory notes

Note 1 – Accounting Principles

The interim report period is from April to June 2023. 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.

Note 2 – Total Revenue

(in thousands SEK)

	2023		2022		2022
	Apr-Jun	Jan-Jun	Apr-Jun	Jan-Jun	Jan-Dec
Consolidated	Q2	YTD	Q2	YTD	Full year
<i>Net Sales</i>					
Net Sales SaaS (Licenses)	30 452	62 526	27 678	51 823	113 939
Net Sales SaaS (Other Services)	1 858	3 965	3 034	6 260	11 702
Net Sales Professional Services	16 709	34 155	18 997	42 724	82 420
Total Net Sales	49 019	100 646	49 710	100 808	208 061
<i>Other Revenue</i>					
Other Revenue	6 119	9 028	6 208	10 803	19 073
Capitalized work for own account*	0	0	5 753	11 761	20 896
Total Other revenue	6 119	9 028	11 961	22 563	39 970
Total Revenue	55 139	109 673	61 671	123 371	248 030
Parent					
<i>Net Sales</i>					
Net Sales SaaS (Licenses)	30 452	62 526	27 678	51 823	113 939
Net Sales SaaS (Other Services)	1 858	3 965	3 034	6 260	11 702
Net Sales Professional Services	92	518	2 189	2 428	5 200
Total Net Sales	32 402	67 009	32 902	60 511	130 841
<i>Other Revenue</i>					
Other Revenue**	11 401	18 457	5 308	8 712	20 361
Capitalized work for own account	0	0	5 753	11 761	20 896
Total Other revenue	11 401	18 457	11 060	20 473	41 258
Total Revenue	43 803	85 466	43 962	80 983	172 099

*This includes a retroactive adjustment for periods in 2022 for consistency with accounting policies of 2023.

** Other revenue includes invoices to subsidiaries of SEK 6.1m.

Note 3 – Cost of Revenue

(in thousands SEK)

	2023		2022		2022
	Apr-Jun	Jan-Jun	Apr-Jun	Jan-Jun	Jan-Dec
Consolidated	Q2	YTD	Q2	YTD	Full year
<i>Cost of SaaS Revenue</i>					
Staff costs	-4 741	-8 471	-4 585	-10 445	-19 613
Other external costs	-3 066	-5 678	-2 546	-4 411	-9 557
Total Cost of SaaS Revenue	-7 807	-14 148	-7 131	-14 856	-29 169
<i>Cost of Professional Services Revenue</i>					
Staff costs excl. stock option related costs	-8 648	-16 341	-10 096	-18 746	-37 205
Stock option related costs	-17	-22	0	5	5
Other external costs	-9 093	-18 633	-10 814	-25 734	-47 933
Depreciations and Amortizations	-10 722	-21 418	-10 656	-21 336	-3 326
Other operational costs	-227	-639	-531	-1 789	-42 649
Total Cost of Professional Services Revenue	-28 706	-57 052	-32 096	-67 600	-131 108
Total Cost of Revenue	-36 513	-71 200	-39 227	-82 456	-160 277
Parent					
<i>Cost of SaaS Revenue</i>					
Staff costs	-3 643	-6 394	-3 395	-8 329	-15 493
Other external costs	-3 066	-5 678	-2 546	-4 411	-9 557
Total Cost of SaaS Revenue	-6 709	-12 071	-5 941	-12 741	-25 050
<i>Cost of Professional Services Revenue</i>					
Staff costs excl. stock option related costs	-7 900	-14 205	0	0	-7 681
Stock option related costs	-17	-22	0	5	5
Other external costs	-468	-650	-738	-738	-2 786
Depreciations and Amortizations	-122	-218	-57	-137	-250
Total Cost of Professional Services Revenue	-8 507	-15 094	-795	-870	-10 712
Total Cost of Revenue	-15 216	-27 166	-6 736	-13 610	-35 762

Note 4 – Cost per Function

(in thousands SEK)

	2023		2022		2022
	Apr-Jun Q2	Jan-Jun YTD	Apr-Jun Q2	Jan-Jun YTD	Jan-Dec Full year
Consolidated					
<i>Sales & Marketing</i>					
Staff costs excl. stock option related costs	-14 588	-27 927	-17 359	-34 461	-62 846
Stock option related costs	-351	-597	68	890	981
Other external costs	-7 912	-17 620	-14 962	-22 852	-38 698
Depreciations and Amortizations	-134	-267	-89	-183	-384
Other operational costs	0	0	30	30	30
Total Sales & Marketing	-22 984	-46 412	-32 312	-56 576	-100 917
<i>Research & Development</i>					
Staff costs excl. stock option related costs	-17 269	-32 330	-15 183	-29 508	-55 613
Stock option related costs	-133	-472	0	1 171	1 171
Other external costs	-4 458	-9 440	-7 204	-18 683	-32 897
Depreciations and Amortizations	-6 821	-13 667	-5 891	-11 681	-24 134
Other operational costs	-6	-14	0	0	-2
Total Research & Development	-28 686	-55 923	-28 278	-58 702	-111 474
<i>General & Administration</i>					
Staff costs excl. stock option related costs	-7 029	-12 622	-7 504	-13 384	-29 107
Stock option related costs	-1 438	-3 081	3 319	9 026	12 286
Other external costs	-9 854	-18 852	-15 856	-27 875	-50 736
Depreciations and Amortizations	-31	-58	-256	-271	-830
Other operational costs	-1 042	-2 854	366	-1 707	-8 041
Total General & Administration	-19 394	-37 467	-19 931	-34 211	-76 428
Total Operating Expenses	-71 065	-139 802	-80 521	-149 488	-288 819
Parent					
<i>Sales & Marketing</i>					
Staff costs excl. stock option related costs	-7 432	-13 754	-10 174	-21 632	-33 499
Stock option related costs	-351	-597	68	890	981
Other external costs	-18 168	-36 920	-25 614	-40 992	-80 650
Depreciations and Amortizations	-55	-116	0	-37	-37
Other operational costs	0	0	0	0	0
Total Sales & Marketing	-26 007	-51 387	-35 720	-61 772	-113 206
<i>Research & Development</i>					
Staff costs excl. stock option related costs	-16 317	-29 919	-14 010	-27 768	-51 572
Stock option related costs	-133	-472	0	1 171	1 171
Other external costs	-5 409	-11 850	-7 204	-18 659	-32 799
Depreciations and Amortizations	-6 821	-13 667	-5 891	-11 681	-24 134
Other operational costs	-6	-14	0	0	-2
Total Research & Development	-28 686	-55 923	-27 105	-56 938	-107 336
<i>General & Administration</i>					
Staff costs excl. stock option related costs	-6 980	-12 545	-7 438	-13 308	-29 124
Stock option related costs	-1 438	-3 081	3 319	9 026	12 286
Other external costs	-9 279	-17 988	-14 304	-26 655	-49 754
Depreciations and Amortizations	-31	-58	-256	-271	-833
Other operational costs	-1 042	-2 854	-605	-2 579	-8 104
Total General & Administration	-18 771	-36 526	-19 284	-33 786	-75 528
Total Operating Expenses	-73 464	-143 836	-82 110	-152 495	-296 069

Note 5 – Accrued expenses and deferred income

(in thousands SEK)

	2023-06-30	2022-06-30	2022-12-31
Consolidated accrued expenses and deferred income			
Accrued staff expenses	23 239	17 831	20 281
Accrued other expenses	4 940	15 681	10 870
Deferred Income	37 184	38 874	36 772
Total Accrued expenses and deferred income	65 362	72 387	67 923
Parent accrued expenses and deferred income			
Accrued staff expenses	22 982	15 671	19 761
Accrued other expenses	4 402	10 219	6 345
Deferred Income	30 724	29 994	31 503
Total Accrued expenses and deferred income	58 108	55 884	57 609

Definitions

Adjusted EBITDA

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

ARR (Annual Recurring Revenue)

ARR is net Monthly Recurring Revenue (MRR) multiplied by 12. Net 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)

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

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.

Gross Margin

$\text{SaaS Gross Margin} = [\text{Net Sales SaaS}] - [\text{SaaS Cost of Revenue}]$.

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.

$\text{Professional Services Gross Margin} = [\text{Net Sales Prof Services}] - [\text{Bambuser Plus Cost of Revenue adjusted for Depreciations, Amortizations and Stock option related costs}]$.

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.

DEFINITIONS

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)

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

The NRR shows how successful Bambuser is at retaining and expanding its existing customers.

Number of Share EOP

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's leading Video Commerce company, empowering 350+ retailers and brands in 40+ countries to engage and convert their online audiences with interactive live shopping experiences. Its pioneering technology enables real-time, immersive, and interactive online shopping, driving higher customer engagement, conversion rates, and sales.

Bambuser is truly global with its HQ in Stockholm and offices in New York, London, Paris, Tokyo and Turku, and more than 62% of its senior management is female. Founded in 2007 as a livestreaming pioneer, Bambuser pivoted to Live Shopping in 2019, leveraging its legacy as the industry-leader in video-first technology. For more information, please visit www.bambuser.com.

Risks and Uncertainties

Bambuser's business, financial position and earnings can be affected by risks and uncertainties. These have been described on page 9 in the Annual Report 2022 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

Interim Report Q3 2023 – October 27th, 2023

Headquarters

Bambuser AB
Regeringsgatan 55
111 56 Stockholm, Sweden

Org.no 556731-3126
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	17 400 000	8,24%
Harmony Partners LLC	12 670 000	6,00%
TAH Management LP & Joel Citron	12 640 560	5,98%
Avanza Pension	11 310 001	5,35%
Lancelot Asset Management AB	6 999 999	3,31%
Handelsbanken Liv Försäkring AB	6 744 513	3,19%
Mikael Ahlström	4 258 459	2,02%
Total Top 10 shareholders	138 748 481	65,68%
Other shareholders	72 486 904	34,32%
Total number of shares	211 235 385	100,00%