

bambuser

Interim Report

for the period January - June 2018

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First 6 months – a restart for Bambuser

January – June 2018

- Net sales amounted to 2,317 KSEK (3,468)
- Total income amounted to 2,746 KSEK (5,279)
- EBIT was -10,803 KSEK (-9,740)
- Net income was -10,935 KSEK (-7,848)
- Earnings per share of -0.72 SEK (-0.52)
- Cash flow from operating activities was -10,850 KSEK (-5,642)
- Cash at end of period was 16,273 KSEK (36,461)

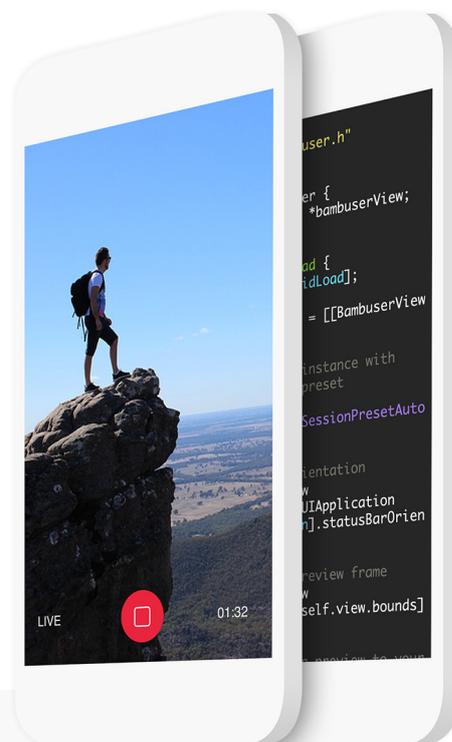
Operational Review

Events during the period

- New interim CEO and interim CFO in February/March
- New Go-to-Market Strategy - Bambuser's new management team have implemented further cost reductions and presented a new and more focused go-to-market strategy, which was approved by the Board of Directors
- Replacement of parts of the Board and the election of a new Chairman

Events after the period

- New owners have acquired Almi's shares in Bambuser
- Bambuser has recruited Jesper Funck as Chief Product Officer
- The company's Interim CEO, Maryam Ghahremani starts as CEO on the 22nd of August



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Short information about Bambuser

Bambuser is a Swedish software company that offers B2B solutions for mobile live video. Since 2007, the company has developed platforms for interactive live video by enabling live video streaming from mobile phones and webcams to the internet. The breakthrough occurred in 2010, when the company's service was used to report the unrest in Egypt during the parliamentary elections. The following year, videos were produced via Bambuser and used in several television broadcasts throughout the world during the Arab Spring. Today, Bambuser's live streaming technology has been installed in more than 50 million devices and has over the years reached 100s of millions of news consumers through companies like CNN, BBC, Al Jazeera, SkyNews, etc. Since 2014, Bambuser has chosen to focus on B2B, Business-to-Business, to increase the spread of the company's products and strengthen its long term revenue potential. Among the customers are companies such as Associated Press, Schibsted and NRK.



CEO's Comments

After assuming the position as Interim CEO of Bambuser in March 2018, with the mission to review the product and increase the short term revenues, I started working with the organization to form a clear and measurable strategy for 2018.

We introduced a new Go-to-Market strategy in early April, which we have started to launch in August. In the new strategy, we have reviewed and changed a great deal of our brand profile. We have shut down the Iris product brand and reverted to Bambuser. Doing this, we clarify our message and focus our marketing and communication around a brand that is well established in our target groups. The entire website has been redesigned, focusing on the digital conversion of visitors to customers. Here we have also added transparent pricing and the ability to subscribe directly on the website. In addition, there is an online calculator that helps our customers choose the right subscription plan. The website design is optimized to drive digital purchases and to make it easy to convert trial users to new customers.

Another important change in the new brand platform is the review of our previous offering, which has prompted us to sell Bambuser as a single platform rather than as separate products. The focus and watchwords throughout this process have been to make it easy to understand the product and to make the purchase of our services as easy as possible.

I consider the first half of this year a restart for Bambuser. Our work to transition the company has gone according to plan and we are now in a favourable position to drive revenue through our new strategy. During the second half we will focus on optimizing our digital sales funnel and we expect to be able to show growth in customers as well as revenues in the latter part of 2018.

We have recruited a new COO/CPO from Spotify, who will head our new data-driven strategy. With Jesper Funck on board, it is our vision to gain market share at a rapid pace.

Early in the fall, I have a planned parental leave. During that time, Jesper Funck will take over the operational responsibility. The groundwork to capitalize on our new strategy is in place and I look forward to doing so together with all of our talented employees.

Maryam Ghahremani, CEO

The Company

Business Concept

Bambuser is leading the mobile live video revolution, providing mobile live video streaming technology for businesses. This is offered through the Bambuser platform, an entirely software based platform. By combining a unique knowledge and history of mobile live video with a flexible and robust platform Bambuser will continue to improve and break new ground within the mobile live video segment.

Vision

– To become the most trusted technology for any company or brand who wants to make mobile live-streaming accessible to their users.

Mission

– Make live broadcasting easily accessible for any company or brand, while turning it into the most powerful way to engage an audience.

Products

Bambuser offers a product suite of broadcasting tools:

The company offers a software platform, in the form of SDK:s (software development kit) and API:s (application programming interface) as well as the infrastructure, for any customer wishing to make live streaming video a part of their iOS or Android app. Proven to be exceptionally easy and quick to integrate, any app owner can enjoy a full mobile live video solution within their app in a matter of hours, enabling users to stream and watch live video.

The backend API:s and webhooks give the customer full freedom to create an experience that matches their demands and requirements.

In addition, Bambuser offers an off-the-shelf mobile app available for iOS and Android that enables customers to enjoy the benefits of mobile live broadcasting without having to build anything themselves. The app allows a customer's users to create live video content, upload recorded videos and photos and take photos while broadcasting.

A browser based content management tool functions as a central point where videos can be screened, multiple interaction possibilities with the broadcaster exist and

videos can be published instantly to the destination of the customer's choice.

Market

With the two products, the software platform and the broadcasting app, Bambuser is approaching slightly different (although partially overlapping) markets.

The software platform is a product targeted mainly at companies creating apps in one form or another. Companies already operating a mobile app can add the live streaming concept in order to add value and functionality to their existing product. Consulting companies, building applications for others as a service, can have the Bambuser software platform as one of their tools they are familiar with, using it to build applications for multiple clients. Finally, the software platform can be used by organizations to provide live streaming features in their existing apps.

The off-the-shelf app is targeted towards broadcasters as well as digital publishers. It is also a usable tool for any organization to create content by broadcasting live video.

Business Model

Bambuser's business model is built on a license based structure and the ambition is to always enter a monthly contract. Our SDK and broadcasting app makes high-quality streaming accessible for any budget thanks to pay-as-you-go pricing.

The Board of Directors and the CEO certify that the interim financial report gives a fair view of the performance of the business, position and profit or loss of the Company.



Fredrik Ramberg
Chairman of the Board



Ingrid Bojner
Board Member



Christer Thordson
Board Member



Alexander MacIntyre
Board Member



Mikael Ahlström
Board Member



Maryam Ghahremani
CEO

Financial Information

The reporting period is January to June 2018.

The interim report has been prepared in accordance with the Annual Accounts Act. No changes have been made to accounting policies since the last annual accounts.

The company is the parent company but with reference to exemptions in Swedish Annual Account Act (årsredovisningslagen), Chapter 7, Section 3, no consolidated accounts are prepared.

Revenue

Net sales during the period January - June 2018 amounted to KSEK 2,317 (3,468). Capitalized work for own account was KSEK 0 (967). Other operating income for the same period amounted to KSEK 429 (844). No significant agreements have been signed during the period.

Profit and loss

EBIT for the period January - June 2018 amounted to KSEK -10,803 (-9,740). Net income for the period January-June 2018 was KSEK -10,935 (-7,849). The increased loss is mainly attributable to lower revenue due to the sales focus being changed to corporates while it previously also included consumers.

Cash flow and investments

Cash and cash equivalents as of June 30, 2018 amounted to KSEK 16,273, which is a decrease of KSEK 20,188, compared with KSEK 36,461 at 30 June 2017. Total assets as of 30 June 2018 amounted to KSEK 21,824 million (56,812).

Accounting principles

The interim report has been prepared in accordance with the Annual Accounts Act. No changes have been made to accounting policies since the last annual accounts.

Shares

The number of shares is unchanged during the period and amounts to 15,174,831 at the end of the period.

Employees

Staff costs during the period January to June 2018 amounted to KSEK 6,430 (8,013).

Average number of employees during the period January - June 2018 amounted to 16 (21), where the number of women was 1 (3). During the period, consultants corresponding to 1.5 full-time positions have been active in the company.

Risks and uncertainties

Bambuser's business, financial position and results might be impacted by a number of risks and uncertainties. These are described on pages 6 – 9 in the Information Memorandum that was conducted for the IPO at Nasdaq First North and is available at bambuser.com/ir

Audit

The interim report has not been audited by the company's auditor.

Publication

This information is information that Bambuser AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was sent for publication, through the agency of the contact persons set out below, on August 15, 2018, 08.30 CEST.

Financial Calendar 2019

February 21: Year-end report, January – December 2018
 March 7: Annual report, January – December 2018
 April 4: Annual general meeting

The interim report and annual report are available at bambuser.com/ir

Profit & loss statement

KSEK	2018 Jan – June	2017 Jan – June
Net sales	2,317	3,468
Capitalized work for own account	0	967
Other Revenue	429	844
TOTAL INCOME	2,746	5,279
COGS	-923	-631
Other SG&A	-4,758	-3,620
Staff Cost	-6,430	-8,013
Depreciation / Amortization	-1,438	-2,755
EBIT	-10,803	-9,740
Financial	-132	-65
EBT	-10,935	-9,805
Tax	0	1,957
PROFIT / LOSS	-10,935	-7,848

Balance sheet

KSEK	2018-06-30	2017-06-30
ASSETS		
Fixed Assets		
Other Intangible Fixed Assets	4,421	7,306
Equipment, tools and fixture	0	31
Participation in group companies	0	0
Deferred Tax receivables	0	11,246
Total Fixed Assets	4,421	18,583
Current Asset		
Other Current Receivables	1,130	1,768
Cash & Bank	16,273	36,461
Total Current Assets	17,403	38,229
TOTAL ASSETS	21,824	56,812
EQUITY & LIABILITIES		
Eget kapital	16,109	50,784
Liabilities		
Long-term Liabilities	0	2,000
Current Liabilities	5,715	4,028
Total Liabilities	5,715	6,028
TOTAL EQUITY AND LIABILITIES	21,824	56,812

Cash flow

KSEK	2018	2017
	Jan – June	Jan – June
Cash Flow from Operations before change in working capital	-9,447	-7,051
Working Capital	-1,403	1,409
Cash Flow from Operations	-10,850	-5,642
CAPEX	0	-959
Cash Flow from Financial Activities	0	31,577
Cash Flow of the period	-10,850	24,976
Cash at beginning of period	27,123	11,485
Cash at end of period	16,273	36,461

Equity

KSEK	2018	2017
	Jan – June	Jan – June
Equity at beginning of period	27,044	27,015
Change in accounting principles	0	0
IPO, subscription rights and IPO Cost	0	31,582
Profit/Loss	-10,935	-7,849
Equity at end of period	16,109	50,748

KPI

	2018	2017
	Jan – June	Jan – June
Earnings per share	neg	neg
Equity per share	1.06	3.34
Number of shares	15,174,831	15,174,831
Average shares of the period	15,174,831	17,671,237
Number of shares with full dilution	15,174,831	18,241,592
Equity ratio	75.2%	89.3%
Average employees	16	21

Earnings per share - Profit of the period divided by the number of shares at the end of the period

Equity per share - Adjusted equity divided by the number of shares at the end of the period

Equity ratio - Adjusted equity at the end of the period divided by the balance sheet

bambuser

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