



Year-End Report

For the period January - December 2019

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Business Summary

Significant events in the second half of the year

- A directed issue of approximately SEK 21 million was resolved at the Annual General Meeting on August 23, 2019.
- Carl Kinell was elected to the Board of Directors at the Annual General Meeting on August 23, 2019.
- Non-cash issue regarding the acquisition of operations from Viddget AB and Viddget Holding AB.
- The company launched the product Live Video Shopping on September 26, 2019.
- During the year, the company entered into a number of commercial agreements regarding Live Video Shopping with brands and e-retailers such as NA-KD, H&M owned Monki, CAIA Cosmetics, Lyko, Stronger, Soft Goat, LUISAVIAROMA and Kicks.

Significant events in the first half of the year

- Entered into a partnership agreement with Wellstreet Services and IT consulting company Harbor Front with the aim of working with the Company's development team to begin the process of developing a product against brands and e-retailers regarding Live Video Shopping.
- Recruitment of Linda Murray Wennberg as new Chief Financial Officer. Linda took up her position on February 21, 2019.
- At the Annual General Meeting on April 4, 2019, Carl Kinell was elected deputy board member and Mikael Wintzell was elected as a new board member.
- A rights issue of approximately SEK 13 million was resolved at the Annual General Meeting on April 4, 2019.
- The rights issue from the rights issue April 4, 2019 was intended to finance the initiation of development of the new product Live Video Shopping.
- With the rights issue, Bambuser got a new major shareholder in Wellstreet Partners AB.
- Bambuser recruited Sophie Abrahamsson as Chief Brand Officer, Sophie took up her position in August 2019.
- The shareholders of Bambuser AB resolved at an Extraordinary General Meeting on June 14, 2019, on the introduction of incentive programs through the issuance of warrants to both senior executives and key employees and the company's chairman of the board. In conjunction with this, Bambuser Incentive AB was formed with the purpose of managing the warrants.

Significant events after the end of the period

- A new advisory board was established together with, among other things, The Digital Dragon. The Digital Dragon (digitaladraken.com), is one of the most recognized voices highlighting trends and innovation from the world's largest Internet economy. Through a unique network of experts with deep insights on e-commerce, user trends and digitalisation in the East, they also act as advisors to large Western companies on issues related to Asia and innovation, most recently with the launch of Scania's innovation lab in China.
- The company entered into another commercial agreement regarding Live Video Shopping with Soft Goat.
- The Board of Directors announced on January 21 that the Company intends to carry out a new share issue with preferential rights for the Company's existing shareholders of approximately SEK 100 M (the "Rights Issue") with the aim of expanding operations in the live video shopping segment. Bambuser has received pre-emptive commitments of approximately SEK 52 million from a number of major existing shareholders.
- The company and LUISAVIAROMA collaborated on an exclusive live show during New York Fashion Week.
- Bambuser has recruited Anna Kult as Chief Operating Officer (COO) and Oscar Samuelsson as Chief Brand Officer (CBO). In connection with this, Sophie Abrahamsson, formerly CBO, steps into the new role of Chief Marketing Officer (CMO).

Bambuser in brief

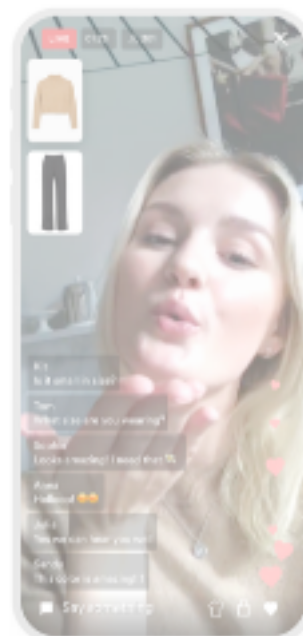
Bambuser provides mobile streaming technology to companies who want to reach out in real-time with low-latency video to an almost unlimited number of viewers.

As pioneers in live streaming, the Company has historically focused its offering primarily on consumers and subsequently on news media and app developers - markets with high competition from alternative suppliers with comprehensive video solutions.

The company received a major breakthrough in the spring of 2010, when content that was shown live on television broadcasts worldwide was distributed using Bamboo's streaming technology.

In 2018, the Company made a new orientation decision and began the development of Live Video Shopping, the first production of its streaming technology, aimed at brands and e-retailers.

Live Video Shopping was launched on September 26, 2019 with the brands Monki, NA-KD and CAIA Cosmetics and since its launch, customers such as LUISAVIAROMA, LYKO, Stronger, Soft Goat and KICKS have been added.



Summary of the period

SEK	TWELVE MONTHS		H2	
	2019	2018	2019	2018
Net sales	3 200 590	4 479 169	1 557 690	2 161 869
Earnings before Tax (EBT)	-19 558 001	-19 780 297	-9 763 603	-8 845 597
Result per share	-0,29	-1,30	-0,14	-0,58
Solidity	84%	63%	84%	63%
Cash at the end of the period	15 597 295	7 898 091	15 597 295	7 898 091
Head count average	13	15	17	13

General information

Bambuser AB, org. No. 556731-3126, is a Swedish public limited company with its registered office in Stockholm County, which was formed in Sweden on March 7, 2007 and was registered with the Swedish Companies Registration Office on June 5, 2007. The company's name is Bambuser AB with the trade designation BUSER and its operations are conducted in accordance with the Companies Act (2005: 551).

The company's head office and visitor address is Malmskillnadsgatan 32, 111 51 Stockholm, and can be reached at telephone number 073 68 45 307. The company's website is bambuser.com.

CEO's comment

2019 has been marked by a strong focus on delivering on the new direction that I started shortly after taking over the CEO helm in 2018. During the year we built Live Video Shopping, which is the first production of Bambuser's award-winning streaming technology. The product, which targets retail and e-commerce, was successfully launched at the end of September and thus has not yet generated any significant revenue in 2019. We are very proud that in this short period of time already have signed agreements with brands such as Monki, NA-KD, Caia Cosmetics, Luisaviaroma, Lyko, Kicks, Stronger and Soft Goat.

After being referred to by the media as the "stock flop" and "the crisis company", we managed to turn Bambuser from a company without either a particularly attractive product or strategic direction into becoming one of the most rewritten technology companies in recent months. Bambuser Live Video Shopping has already attracted the attention of The New York Times, Forbes and Vogue Business, to name a few.

Historically, Bambuser has always been a pioneer, but never managed to time the market right. We identified two major trends as we entered this product area: increased viewership of live video worldwide, and growing e-commerce. Trends that enable Live Video Shopping, and this time we took inspiration from the world's largest e-commerce market, China. However, our product is based on a Western functionality and user experience. In other words, we have taken east to west.

In 2019, we completed two issues and one business acquisition, and strengthened the team with key recruitments to build and launch our new product. But as the interest turned out to be very large worldwide, from customers as well as the media to potential investors, we quickly realized that additional capital was needed to be able to deliver and build the product and the company. So, in 2020 we look forward to welcoming new customers and colleagues as well as investors.

Our focus will be on creating the world's best live shopping product, growing with more customers and resuming Bambuser's greatness as a world-leading live streaming company. This will mean that we must equip the organization, enter into strategic partnerships to help us scale and plan a possible overseas expansion, and continue to position the business towards future growth and profitability.

Last but not least, I want to take this opportunity to thank our owners for their confidence in Bambuser over the years. This is a receipt for us doing a good job and doing things the right way and if you ask me as CEO we have just scratched the surface.

To be continued...

Maryam Ghahremani

CEO, Bambuser AB



About Bambuser

Business Concept

Bambuser has since 2007 developed a streaming technology that enables live streaming from mobile phones and webcams over the Internet.

Live Streaming technology has historically been used primarily by news agencies and journalists, but in 2019 Bambuser changed its direction by initiating the development of the new product, Live Video Shopping for brands and e-retailers.

Products

Bambuser offers products aimed at three different target groups.

1) Trademarks and e-commerce

The primary product for Bambuser is Live Video Shopping, a cloud-based software solution that enables brands and e-merchants to live, sell products and communicate with their customers directly on their own website. The product contains interactive applications such as live chat and like features. The product gives brands the opportunity to interact with their customers digitally in a way that the new generation of consumers has grown up with.

2) Developers and news media

The Live Stream SDK (software developers kit) product enables the customer to create their own mobile live video experiences.

3) Customer service features

Live Meetings is a 1-1 video solution that enables customers to supplement their digital customer service from chat to video. Live Meetings was added to Bambuser's product portfolio in August 2019 in connection with Bambuser's acquisition of Viddget AB and Viddget Holding AB through a non-cash issue. The acquisition was for a "one-to-one video chat solution", including intellectual property rights, agreements and employees.

Market

There are two major trends that create the conditions for Live Commerce in e-commerce, the large growth in e-commerce, which is taking ever larger share of total retail, and the the rapid growth of video traffic and in particular live video over the internet.

In 2019, global e-commerce amounted to USD 3.53 trillion and is expected to grow to USD 6.54 trillion in 2023. Swedish e-commerce alone amounted to SEK 77 billion in 2018, corresponding to a share of 9.8% of total retail trade. . In 2018, e-commerce increased by 15% compared to 2017.

According to Cisco, video traffic over the Internet will quadruple in the years 2017 to 2022. It is expected to account for 82% of all global IP traffic, of which live video is expected to account for 17% of all video traffic.

As a number of smaller companies from Asia and the United States began to develop their own live video solutions for e-commerce, "live commerce" based on Bambuser's mobile streaming technology in 2018, the Company noticed the trend around "Live Commerce" in China. The trend has in a short time transformed the Chinese e-commerce. In early 2020, Tom Xiong and Jacob Lovén, the recognized leading experts in trends, digitization and technology from China, and the founders of Digital Dragon joined as Bambuser strategic advisors.

Primary customer segments

Bambuser will primarily focus on customers for brands and e-retailers in the fashion and beauty segment. Companies in these segments already have a high level of activity on social media, in influencer marketing, and are open to new marketing and sales channels.

Financial information

The reporting period refers to the entire fiscal year January to December 2019.

Revenue

Net sales for the company during the period January - December 2019 amounted to KSEK 3,201 (4,479). Activated work for own account amounted to KSEK 1,055 (0). Other income amounted to KSEK 157 (667). Total revenue amounted to KSEK 4,412 (5,146).

The company's newly launched product, Live Video Shopping, which became available on the market at the end of 2019 has thus not yet generated any significant revenue for the Company.

Profit & Loss

The company's operating profit for the period January - December 2019 was KSEK -19,876 (-19,648). Profit for the period amounted to KSEK 19,558 (-19,780).

Financial position and liquidity

The equity / assets ratio was 84% (63%) on December 31, 2019 and shareholders' equity amounted to SEK 21,575 (7,374). Cash and cash equivalents amounted to SEK 15,597 thousand (7,888). as of December 31, 2019. Total assets as of December 31, 2019 amounted to SEK 25,716 thousand (11,788).

Cash flow and investments

The company has capitalized expenses for consultants and its own staff who have worked on the development of the Live Video Shopping product. These investments amounted to TSEK 6,133 (0) in 2019.

Net cash flow for the period amounted to SEK 7,699 (-19,225).

Transaction with related parties

No significant transactions with related parties other than ordinary salaries and remuneration have taken place between January 2019 - December 2019, with the exception of employee stock options and the Chairman of the Board.

Warrants

Bambuser AB currently has 4 active warrant programs:

2019/2022: 1) Management 2) Chairman of the Board

2018/2021: 3) Management 4) Board of Directors

2019/2022

In 2019, the Company implemented two (2) stock option programs which, through issuance, gave a total of 6,682,649 warrants, of which all warrants were subscribed.

The warrants can be exercised to subscribe for shares at a subscription price of SEK 1.03 during the following periods:

- a two-week period starting on the first day of each calendar quarter, with October 1, 2019 as the start date, and
- July 1, 2022 through September 30, 2022

Each subscription option entitles the holder to subscribe for one (1) new share in Bambuser AB. If all 5,854,172 warrants for senior executives and key persons are exercised for subscription, the share capital will increase by a total of SEK 292,708.60.

If all 828,477 warrants for the Board are exercised for subscription, the share capital will increase by SEK 41,423.85.

2018/2021

In 2018, the Company implemented two (2) stock warrant programs, which through the issue gave a total of 2,677,911 warrants, of which 267,790 warrants from the program to the Board were not subscribed. The warrants can be exercised for subscription of shares at a subscription price of SEK 3.54 during the period:

- July 1, 2021 - September 30, 2021

Each subscription option entitles the holder to subscribe for one (1) new share in Bambuser AB.

In the event that all 2,410,121 warrants are exercised for subscription, the share capital will increase by a total of SEK 120,506.05.

Apart from what is described above, there are no outstanding options, convertibles or the like that will affect the number of shares in the Company going forward. For all warrants, a subscription option gives the right to subscribe for a new share in the Company.

Owner structure

Below are all shareholders with holdings in excess of five percent of the shares or voting rights in the Company as of December 31, 2019.

Name	Shares	Share of capital and votes (%)
Muirfield Invest AB	11 286 796	16,8
Ribers Park Fastighets AB	8 626 518	12,8
Wellstreet Partners AB	7 180 452	10,7
Sprout Park AB	3 974 038	5,9
Fredrik Ramberg	3 785 796	5,6
Shareholders holding more than five percent	34 853 600	51,7
Other shareholders	32 543 477	48,3
Total	67 397 077	100

The Share

The company's shares are listed on the Nasdaq First North Growth Market under "ticker" BUSER. All shares have one (1) vote each and are equally entitled to the company's share in the company's assets and profits.

As a result of the rights issue during the spring and the targeted issue in August, the number of shares has increased in number. Prior to the issue and at the beginning of the period, the number of shares in the company was 15,174,831, which after the issue and at the end of the period amounts to 67,397,077.

Equity development during 2019

Event	Total share capital SEK	Change i SEK	Total shares	Change in shares	Ratio
Shares at the beginning of the period	758,742		15,174,831		0.05
Rights issue	1,896,854	1,138,112	37,937,077	22,762,246	0.05
Directed rights issue	3,294,854	1,398,000	65,897,077	27,960,000	0.05
Cash issue	3,369,854	75,000	67,397,077	1,500,000	0.05

Employees

Employee costs for the period January - December 2019 amounted to KSEK 13,070 (12,091). The average number of employees during the period January - December 2018 was 13 (15), of which 3 (2) were women.

Risks and uncertainties

Bambuser's business, financial position and earnings can be affected by risks and uncertainties. These have been described in detail on pages 16-17 of the company's invitation to subscribe for shares that were established at the rights issue in April 2019 and are available at bambuser.com/ir.

Accounting principles

The year-end report has been prepared in accordance with the Annual Accounts Act. No changes have been made to the accounting principles since the latest annual accounts. The company is the parent company, and in accordance with exemptions in Chapter 7 § 3 of the Annual Accounts Act, no consolidated accounts have been prepared.

Audit

The Year-End report has not been audited by the company's auditor.

Dividend

The Board of Directors and the President propose that no dividend be paid for the financial year 2019-01-01 - 2019-12-31.

Annual General Meeting and Annual Report

The Annual General Meeting of Bambuser AB is scheduled to be held in Stockholm on April 21, 2020. The Annual Report will be available for download on the company's website on March 24, 2019.

Publication

This information which Bambuser AB is required to disclose in accordance with EU Market Abuse Regulation (MAR) is published February 24, 2020, 11:00 am CET.

Financial calendar 2020

Bambuser AB prepares and publishes a financial report at each half-year end.

Upcoming reports are planned as follows:

March 24: Annual Report 2019

April 21: Annual General Meeting 2020

August 20: Interim Report 2020

The interim report and year-end report are available at bambuser.com/ir.

Income statement in summary

SEK	Total H2 2019	Total AC 2019	Total H2 2018	Total AC 2018
Income				
Net Sales	1 557 690	3 200 590	2 161 869	4 479 169
Capitalized work for own account	1 054 875	1 054 875	0	0
Other revenue	38 141	156 841	238 046	667 246
	2 650 706	4 412 306	2 399 915	5 146 415
Costs				
COGS	-178 957	-648 958	-903 252	-1 826 352
Other external costs	-3 089 390	-8 078 390	-3 422 211	-8 180 511
Staff costs	-8 244 938	-13 070 938	-5 661 692	-12 091 292
Depreciation / Amortization	-1 191 056	-2 351 056	-1 043 902	-2 481 902
Operating expenditure	-74 507	-138 707	-158 886	-214 386
	-12 778 849	-24 288 049	-11 189 943	-24 794 443
EBIT	-10 128 143	-19 875 743	-8 790 028	-19 648 028
Financial items				
Financial income	8	8	0	0
Financial expenses	-39 098	-85 898	-55 569	-132 269
	-39 098	-85 889	-55 569	-132 269
EBT	-10 167 233	-19 961 631	-8 845 597	-19 780 297
Group contribution	403 630	403 630	0	0
Tax	0	0	0	0
NET INCOME	-9 763 603	-19 558 001	-8 845 597	-19 780 297

Balance sheet in summary

SEK	2019-12-31	2018-12-31
ASSETS		
<u>Fixed assets</u>		
Intangible fixed assets		
Other intangible fixed assets	7 256 250	3 377 291
Goodwill	1 058 750	0
	8 315 000	3 377 291
Financial fixed assets		
Shares in group companies	50 091	91
Other long term debts	528 100	50 000
	578 191	50 091
Total fixed assets	8 893 191	3 427 382
<u>Current assets</u>		
Current receivables		
Accounts receivables	247 707	253 536
Receivables from group companies	461 623	0
Other current receivables	470 372	179 094
Prepayments and accrued income	46 253	30 396
	1 225 955	463 026
Cash & Bank		
Cash & Bank	15 597 295	7 898 091
	15 597 295	7 898 091
Total current assets	16 823 250	8 361 117
TOTAL ASSETS	25 716 441	11 788 499

EQUITY & LIABILITIES	2019	2018
Equity		
Share capital	3 369 853	758 742
Development fund	6 848 445	1 894 198
	10 218 298	2 652 940
Non restricted equity		
Share premium	111 323 165	80 344 247
Retained earnings	-80 408 094	-55 842 410
Net income	-19 558 001	-19 780 297
	11 357 070	4 721 540
Total equity	21 575 368	7 374 480
Long term liabilities		
Credit institutions liabilities	416 670	917 000
	416 670	917 000
Short term liabilities		
Credit institutions liabilities	499 998	499 667
Account payable	730 943	800 648
Current tax liabilities	0	328 470
Other liabilities	703 699	479 217
Accrued expenses and prepaid income	1 789 763	1 389 017
	3 724 403	3 497 019
Total liabilities	4 141 073	4 414 019
TOTAL EQUITY & LIABILITIES	25 716 441	11 788 499

Cash Flow in summary

<i>SEK</i>	Total AC 2019	Total AC 2018
Cash flow from operations		
Cash Flow from Operations before change in working capital	-17 610 576	-17 181 028
Working capital	-131 913	- 1 655 544
	-17 742 489	-18 836 572
Cash flow of the period		
CAPEX	-7 816 868	-
Cash flow from financial activities	33 258 561	-388 801
	7 699 204	-19 225 373
Cash at the beginning of the period	7 898 091	27 123 464
CASH AT THE END OF THE PERIOD	15 597 298	7 898 091

Changes in equity

SEK	Share capital	Other restricted equity	Other non restricted equity	Net income	Total equity
Equity at the beginning of the period	758 742	1 894 198	24 501 838	-19 780 297	7 374 481
Rights issues	2 611 112		32 488 367		35 099 479
Costs for rights issues			-1 398 583		-1 398 583
Warrants			57 993		57 993
Transfer fund development work		4 954 247	-4 954 247		
Allocations of earnings decided by the AGM			-19 780 297	19 780 297	
Result				-19 558 001	-19 558 001
EQUITY AT THE END OF THE PERIOD	3 369 854	6 848 445	30 915 071	-19 558 001	-21 575 369

Key Numbers

	H2 2019	AC 2019	H2 2018	AC 2018
Earnings per share	-0,14 SEK	-0,29 SEK	-0,58 SEK	-1,30 SEK
Equity per share	0,32 SEK	0,32 SEK	0,49 SEK	0,49 SEK
Number of shares	67 397 077	67 397 077	15 174 831	15 174 831
Average shares of the period	55 227 294	38 020 445	15 174 831	15 174 831
Number of shares with full dilution	67 397 077	67 397 077	15 174 831	15 174 831
Equity ratio	84%	84%	63%	63%
Average employees	17	13	13	15

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

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

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

Cash liquidity - Current asset, excluding inventory and work in progress, in relation to short term liabilities

Submission of the report

The Board and the CEO hereby declare that the report provides a true and fair view of the company's operations, position and results.

Stockholm February 24, 2020



Fredrik Ramberg
Chairman



Alexander MacIntyre
Board member



Mikael Ahlström
Board member



Carl Kinell
Board member



Mikael Wintzell
Board member



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