



Interim report

For the period January - June 2019

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STRENGTHENED MANAGEMENT TEAM AND FOCUS ON NEW RETAIL LIVE VIDEO

January – June 2019

- Net sales amounted to 1,643 KSEK (2,317)
- Total income amounted to 1,762 KSEK (2,746)
- EBIT was -9,683 KSEK (-10,803)
- Net income was -9,794 KSEK (-10,935)
- Earnings per share of -0.35 SEK (-1.06)
- Cash flow from operating activities was -10,033 KSEK (-10,850)
- Cash at end of period was 8,028 KSEK (16,273)

OPERATIONAL REVIEW

Events during the period

- A cooperation agreement with Wellstreet Services and the IT consulting company Harbor Front was entered, where together with the Company's development team, work began on developing a product for retailers.
- Bambuser has recruited Linda Murray Wennberg as new CFO. Linda took office on February 21, 2019.
- At the Annual General Meeting on April 4, 2019, Mikael Wintzell was elected as new board member and Carl Kinell as new deputy
- A rights issue of approximately SEK 13 million was resolved at the Annual General Meeting on April 4, 2019.
- With the new issue, Bambuser got a new major owner in Wellstreet Partners AB.
- The issue proceeds from the rights issue April 4, 2019 are intended to finance the initiation of product development of the new mobile live video solution for retail.
- Bambuser has recruited Martin Ericsson as Chief Revenue Office and Sophie Abrahamsson as Chief Brand Officer who both take up their services in August 2019.

Events after the period

- The company has called for an Extraordinary General Meeting on August 23 where the following items will be resolved; amendment of the Articles of Association, directed new share issue, authorization for the Board of Directors to issue new shares, etc., new share issue (non-cash issue) regarding transfer of assets by Viddget AB and Viddget Holding AB, the number of board members and eventual deputy directors, the choice of board members and eventual deputy directors, and its remuneration.

CEO'S COMMENTS



We leave a half year behind us, which was characterized by a focus on product development, which also meant a refinement and improvement of our current software platform, which has resulted in a positive response from both existing and new customers. Our primary focus has mainly been, together with Wellstreet Services and Harbor Front, to develop Bambuser's new live video solution for retail and has thus laid the first foundation for the company's new strategy. Support for the new strategy has been strong among the major shareholders.

The interest in live video solutions for retail increased further during the first half of the year when both Amazon and Facebook launched their "live solutions" and it is generally believed to be an important key component of "new retail". To prepare for the challenge of entering a, for us, new market, I am glad that during the spring, we were able to strengthen the company with a number of key people. We have recruited a Chief Brand Officer (CBO) and a Chief Revenue Officer

(CRO), both of whom took office in August. All in all, we now have a strong team with experience in both live video and retail.

The development of our new live video solution for retail is now entering a more intense phase. Thus, additional capital is needed to scale up the company and develop a launchable product. The primary competencies the company needs relate to sales, marketing, content, development and design resources. Therefore, after the end of the quarter, the Board has called for an Extraordinary General Meeting to decide on a directed new share issue, which will provide the company with approximately SEK 21 million in additional working capital.

Bambuser signed an agreement in July to acquire Viddget. Viddget has developed an interactive "one-to-one video chat" solution, which enables a video solution for those customers who want to supplement their digital customer service from chat to video. Equally important are the people who add to the acquisition in the form of excellence. Viddget's solutions fit in well with Bambuser's long-term ambition to broaden its offering and become a globally leading video house.

I am very proud of our solid development work and the overall positive customer response from the market which strengthens us in our product strategy. The live video solution to be launched this fall is one of the first on the market, which is undergoing strong growth. I am convinced that in the long run, it will be a profitable business for Bambuser.

Maryam Ghahremani
CEO

THE COMPANY

Business Concept

Bambuser provides a unique mobile live streaming technology for broadcasting through its software-based platform. This technology also enables an innovative further development of live streaming with interactivity and retail customization.

Products

Bambuser focuses on two business areas. There is already a business area that works on a software platform for live broadcasts. In the fall of 2019, Bambuser will add a business area for live shopping.

With a new product, built on our software platform, which creates opportunities for retailers to live broadcast with interactive elements such as live chat, product information, likes and online purchases, the company thus takes a first step towards "new retail".

Market

With the software platform, Bambuser covers a market for companies that create apps, individual companies and consulting companies (software platforms) as well as companies that already use a mobile app but want to add the live streaming concept to add value and functionality to an existing product.

The new live shopping product means that Bambuser will now be able to operate in a whole new market; retail. In the first phase, Bambuser will focus on the fashion and beauty segments. This is because there are segments that are very active in social media, influencer marketing and new marketing and sales channels, as well as that they contain brands with products that are easily visible in a live video.

Business Models

Bambuser has two business models:

The SDK platform is based on a SaaS solution. The company's SDK and streaming app enable high quality streaming for everyone thanks to the SaaS based pricing.

The LiveShopping product's business model is based on a data traffic (CDN) and transaction-based revenue model.

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



Christer Thordson
Board Member



Mikael Ahlström
Board Member



Alexander MacIntyre
Board Member



Mikael Wintzell
Board Member



Carl Kinell
Deputy



Maryam Ghahremani
CEO

FINANCIAL INFORMATION

The reporting period is January to June 2019. 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 2019 amounted to 1,643 KSEK (2,317). Other operating income for the same period amounted to 119 KSEK (429). No significant agreements have been signed during the period.

Profit and loss

EBIT for the period January - June 2019 amounted to -9,683 KSEK (-10,803). Net income for the period January-June 2019 was 9,794 KSEK (-10,935). The reduced loss is mainly due to a lower cost base. However, some of the cost reductions are offset by reduced sales. This is because sales at the end of 2017 changed to companies instead of as before where the company also sold to consumers.

The total cost base excluding depreciation has decreased by -15% compared to 2018. Most of the cost savings relate to staff costs, which YoY reduced by -25% due to internal restructuring in 2018 which now has an effect.

Cash flow and investments

Cash and cash equivalents as of June 30, 2019 amounted to 8,028 KSEK, which is a decrease of SEK -8,245 as compared to SEK 16,273 as of June 30, 2018. Total assets as of June 30, 2019 amounted to SEK 13,938 (21,824).

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 has increased in number as a result of the rights issue during the spring. 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 37,937,077

Employees

Staff costs during the period January to June 2019 amounted to -4,826 KSEK (6,430).

Average number of employees during the period January - June 2019 amounted to 10 (16), where the number of women was 2 (1). During the period, consultants corresponding to 6 full-time positions have been active in the company.

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 at the rights issue in April 2019 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 16, 2019, 13:00 CEST.

Financial Calendar 2020

March 6: Year-End Report 2019

March 31: Annual Report 2019

April 21: Annual General Meeting

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

Profit & loss statement

KSEK	2019	2018
	Jan-Jun	Jan-Jun
Net sales	1,643	2,317
Capitalized work for own account	0	0
Other revenue	119	429
Total income	1,762	2,746
COGS	-470	-923
Other SG&A	-4,989	-4,758
Staff costs	4,862	- 6,430
Depreciation / Amortization	-1,160	-1,438
EBIT	-9,683	-10,803
Financial	-111	-132
EBT	-9,794	-10,935
TAX	0	0
PROFIT / LOSS	-9,794	-10,935

Balance sheet

KSEK	2019-06-30	2018-06-30
ASSETS		
Fixed Assets		
Other Intangible fixed assets	4,977	4,421
Equipment, tools and fixture	0	0
Participation in group companies	0	0
Deferred Tax receivables	0	0
Total Fixed Assets	4,077	4,421
Current Asset		
Other Currents Receivables	932	1,130
Cash and Bankt	8,028	16,273
Total current Assets	8,960	17,403
TOTAL ASSETS	13,938	21,824
EQUITY & LIABILITIES		
Own Equity	10 554	16,109
Liabilities		
Long-term Liabilities	0	0
Current liabilities	3,384	5,715
Total Liabilities	3,384	5,715
TOTAL EQUITY AND LIABILITIES	13 938	21,824

Cash Flow

KSEK	2019	2018
	Jan-Jun	Jan-Jun
Cash Flow from Operations before change in working capital	-8,634	-9,447
Working Capital	-1,399	-1,403
Cash Flow from Operations	-10,033	-10,850
CAPEX	-2,810	0
Cash Flow from Financial Activities	12,973	0
Cash Flow of the period	130	-10,850
Cash at the beginning of the period	7,898	27,123
CASH AT THE END OF THE PERIOD	8,028	16,273

Equity

KSEK	2019	2018
	Jan-Jun	Jan-Jun
Equity at beginning of period	7,374	27,044
Change in accounting principles	0	0
Rights Issue	12 974	0
Profit / Loss	-9,794	-10,935
EQUITY AT THE END OF PERIOD	10 554	16,109

KPI

	2019	2018
Earnings per share	neg	neg
Equity per share	0.35	1.06
Number of shares	37,947,077	15,174,831
Average shares of the period	22,762,246	15,174,831
Number of shares with full dilution	37,937,077	15,174,831
Equity ratio	85.7%	75.2%
Average employees	10	16

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

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