



B A M B U S E R

YEAR-END REPORT
for the period July 2016 - December 2017

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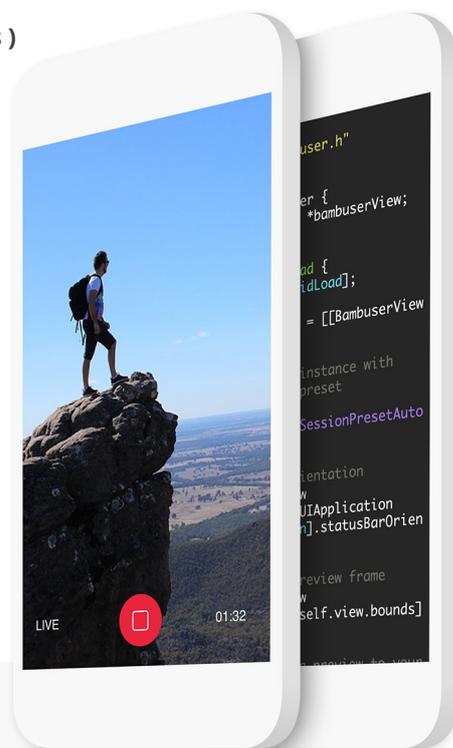
Summary

July – December 2017 (July – December 2016)

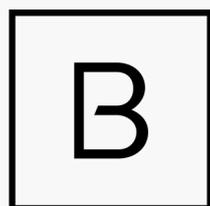
- Net sales amounted to 2,522 KSEK (2,449)
- Total income amounted to 2,990 KSEK (7,273)
- Operating income was -12,500 KSEK (-490)
- Net income was -23,529 KSEK (-498)
- Earnings per share of -1.55 SEK (-0.05)
- Cash flow from operating activities was -7,287 KSEK (-706)
- Net cash at end of period was 25,207 KSEK (9,538)

July 2016 – December 2017 * 18 months (July 2015 – June 2016 * 12 months)

- Net sales amounted to 8,415 KSEK (5,798)
- Total income amounted to 15,530 KSEK (10,104)
- Operating income was -22,563 KSEK (-3,729)
- Net income was -31,708 KSEK (-2,935)
- Earnings per share of -2.51 SEK (-0.32)
- Cash flow from operating activities was -15,718 KSEK (-547)
- Net cash at end of period was 25,207 KSEK (1,478)



KSEK	2017	2016
	Jul-Dec	Jul-Dec
Net sales	2,522	2,449
Total income	2,990	7,273
Cash Flow from Operations	-7,287	-706
Net cash at end of period	25,207	9,538



B A M B U S E R

Short info 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. Bambuser's service is installed on more than 50 million phones 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, Aftonbladet, NRK and Deutsche Welle.

CEO's Comments

The second half of 2017 has been very challenging for Bambuser. Even though we closed a number of interesting deals, including our first field service contract in the US, revenues have not increased to the extent we anticipated.

We have put our faith in and invested in the strategy outlined during 2014 when we decided refocus our operations from a B2C to a B2B business model in order to increase the company's revenue potential. The organization has followed the outlined strategy and worked hard towards our core verticals; news media, mobile platforms and field service companies. Our resources have been focused on sales and marketing with increased emphasis on digital marketing. We also decided to build up a sales organization in the important US market.

However, we have not reached the sales targets set at the time. Mostly as a consequence of longer than expected sales cycles, which has been the most challenging aspect of our business. Our products are well received and we have, in fact, close to 200 ongoing discussions across all our verticals, but we have not been able to convert enough prospects into customers in the time frame we envisaged.

We have identified the main reason for the extended sales cycles as mobile live video solutions being a new technology, which only the most visionary companies have embedded in their core businesses up until now. I still believe that mobile live video has the potential to be a disruptive force in many industries, but the technology requires an extensive buy-in from C-level personnel who recognize its competitive advantage.

During the past year, the company has improved the product both in terms of quality and additional features based on customer feedback. In the second half of 2017 we also finalized a full transfer of our platform to Amazon Web Services (AWS), enabling a more cost efficient and scalable operation.

I embarked on Bambuser's journey in 2011 and have been the CEO since December 2016. I still believe in the company and remain a large shareholder, but as communicated in February I have decided to leave my position. It is time to hand over to a new leadership with relevant experience and new ideas. I will retain my responsibilities until an interim solution or the recruitment of a new CEO is in place.

It has been a pleasure to work with so many talented and ambitious people and with such an exciting technology as mobile live video. I wish Bambuser the best of luck in its future endeavours.

Hans Eriksson
CEO of Bambuser



The Company

Business concept

Bambuser aims to supply the market with the best mobile live video solution. This is offered through the Iris 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 and Mission

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

Via the Iris Platform Bambuser offers a product suite consisting of Iris Flow and Iris Dev. Iris Flow is a standalone app available for download on iOS and Android where customers can create live video content, up-

load recorded videos and photos and take photos while broadcasting. In addition to that, it comes with a browser based content management tool where videos can be screened, there are multiple interaction possibilities with the broadcaster, and videos can be published instantly to the destination of the customer's choice.



IRIS
BY BAMBUSER

Iris Dev is a Software Development Kit (SDK) that is available for any customer operating an 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. It's very flexible software with multiple API's and web hooks giving the customer full freedom to create an experience that matches their demands and requirements.

Market

With the two products, Iris Flow and Iris Dev, Bambuser is approaching slightly different markets. With Iris Flow the two main verticals are News Media and Field Service. News Media includes broadcasters as well as digital publishers. With Field Service the definition is companies who have most of the workforce working outside of a traditional office environment. The segments Bambuser is primarily aiming at are telecom companies, private security companies and construction companies. With the Iris solution, there are huge opportunities for these companies to reduce costs and to improve efficiency and productivity.

Iris Dev can be used by News Media and Field Service organizations as well. For News Media as a tool to gather content by their readers/viewers and for Field Service to integrate directly into an existing app if available. Iris Dev is also a product targeted directly to companies operating mainly from a mobile app. This enables anyone with an iOS or Android app to quickly and cost efficiently integrate mobile live video as a feature in their existing workflow without having to invest in a mobile video team and complex technology.

Business Model

Bambuser's business model is built on a license based structure and the ambition is to always enter into 12-month contracts as a minimum. Iris Flow is priced with a license per user and in addition variable revenue may occur depending on usage, i.e. broadcasting and viewing. Iris Dev has an annual license for the SDK including a pre-defined amount of broadcasting, viewing and storage. Overages are charged monthly keeping cash flow under control.

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.

Ingrid Bojner
Chairman of the board

Nishanta Fafalia
Board member

Måns Adler
Board member

Alexander MacIntyre
Board member

Christer Thordson
Board member

Stein Grimsvik
Board member

Hans Eriksson
CEO

Financial Information

During the year Bambuser extended its fiscal year until December 2017 to correspond with the calendar year. The annual report will have a period of 18 months. July 2017 to December 2017 is the reporting period and July 2016 to December 2017 is the full year period.

Revenue

Revenue has been recorded to fair value of what has been received or what will be obtained. The company therefore reports the revenue to nominal value if the compensation is obtained in cash at delivery. Deductions are made for discounts. Net sales for the company during the period of July – December 2017 amounted to 2,522 KSEK (2,449). Capitalized work for own account amounted to 0 KSEK (2,234). Other revenue amounted to 468 KSEK (2,590), the large amount in July – December 2016 was attributable to the Google DNI funds for the development of the Lumi weather app. Total income amounted to 2,990 KSEK (7,273).

For the 18 months July 2016 – December 2017 net sales amounted to 8,415 KSEK compared to 5,798 KSEK for the 12 months July 2015 – June 2016. Capitalized work for own account amounted to 3,202 KSEK (3,816). Other revenue amounted to 3,913 KSEK (490), again, the large difference attributable to the Google DNI funds for the development of the Lumi weather app. Total income amounted to 15,530 KSEK (10,104).

Profit & Loss

The company's operating income for the period July – December 2017 was -12,500 KSEK (-490). Net income for the period amounted to -23,529 KSEK (-498). The increased loss is attributable to the increased number of employees and a write down of the deferred tax asset, which was -10,928 KSEK (0). For the 18 months July 2016 – December 2017 operating income was -22,563 KSEK compared to -3,729 KSEK for the 12 months July 2015 – June 2016. Net income was -31,708 KSEK (-2,935). The increased loss is attributable to the increased number of employees and reported tax, which was -8,971 KSEK (+811).

Financial position

Equity ratio was 78% (77%) on December 31, 2017 and Equity amounted to 27,044 KSEK compared to 14,138 KSEK at June 30, 2016.

Cash flow and investments

Capital expenditure during July – December 2017 amounted to 0 KSEK (2,234) and during the full-year period to 3,202 KSEK (3,816), of which all was attributable to capitalized development expenses.

Net Cash Flow for the period amounted to -9,337 KSEK (+10,060) and to 25,645 KSEK (-473) for the 18 months July 2016 – December 2017. Cash amounted to 27,123 KSEK per December 31, 2017 an increase of 25,645 KSEK compared to 1,478 KSEK at June 30, 2016. Total assets on December 31st 2017 amounted to 34,559 KSEK compared to 18,296 KSEK at June 30, 2016.

The company issued new shares to a value of 13 MSEK at the end of 2016 with subscription rights corresponding to an additional 13 MSEK. The subscription rights were subscribed in March 2017. The company completed an IPO at Nasdaq First North, May 5th, and raised 24 MSEK.

Transaction with related parties

No significant transactions with related parties have taken place between July 2016 – December 2017.

Shares

Number of shares at the end of the period amounted to 15,174,831.

Employee

Employee costs for the period July - December 2017 amounted to 8,894 KSEK (4,848) and for the 18 months July 2016 – December 2017 to 21,674 KSEK (6,695).

The average number of employees during the period July – December 2017 amounted to 22 (13), of which 4 (1) are women. For the 18 months July 2016 – December 2017 the average number of employees amounted to 21 (13), of which 4 (1) are women

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.

Events after end of the year

- The company's CEO announced his resignation at the end of January
- The company announced the closure of its US sales operations at the end of January
- On January 22nd the Bambuser community was shut down as to focus 100% of the company's resources on B2B

Audit

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

Dividend

The board will propose to the annual general meeting that no dividend is paid for the financial year 2016/17.

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 March 7th 2018, 08:30 CET.

Financial calendar

March 28th: Annual Report, July 2016 – December 2017

April 24th: Annual General meeting

August 15th: Interim report, January – June 2018

Interim report and annual report is available at bambuser.com.

The interim report has been prepared in accordance with the Swedish Annual Accounts Act ("Årsredovisningslagen"). The accounting principles are in accordance with BFNAR 2012:1 Annual report and Group accounting (K3).

Bambuser AB is a parent company but with reference to the exemptions in the Swedish Annual Accounts Act ("Årsredovisningslagen") chapter 7 § 3, no consolidated accounts are prepared. Apart from the parent company the Group consists of one dormant subsidiary.

Profit & loss statement

KSEK	2017 Jul-Dec	2016 Jul-Dec	2016/2017 18 months	2015/2016 12 months
Net sales	2,522	2,449	8,415	5,798
Capitalized work for own account	0	2,234	3,202	3,816
Other Revenue	468	2,590	3,913	490
TOTAL INCOME	2,990	7,273	15,530	10,104
COGS	-1,520	0	-2,152	0
Other SG&A	-3,601	-2,617	-9,776	-4,409
Staff Cost	-8,894	-4,848	-21,674	-6,695
Depreciation / Amortization	-1,475	-298	-4,492	-2,729
EBIT	-12,500	-490	-22,563	-3,729
Financial	-101	-8	-174	-17
EBT	-12,601	-498	-22,738	-3,746
Tax	-10,928	0	-8,971	811
NET INCOME	-23,529	-498	-31,708	-2,935
Average number of shares	15,174,831	10,518,720	12,643,558	9,071,099
Earning per share	-1.55	-0.05	-2.51	-0.32

Balance sheet

KSEK	2017-12-31	2016-06-30
ASSETS		
Fixed Assets		
Intangible Assets	5,859	7,121
Equipment, tools and fixture	0	29
Participation in group companies	0	0
Long term receivables	50	0
Deferred Tax receivables	0	8,971
Total Fixed Assets	5,909	16,121
Current Asset		
Other Current Receivables	1,526	697
Cash & Bank	27,123	1,478
Total Current Assets	28,650	2,175
TOTAL ASSETS	34,559	18,296
EQUITY & LIABILITIES		
Equity	27,044	14,138
Liabilities		
Current Liabilities	7,515	4,157
Long-term Liabilities	0	0
Total Liabilities	7,515	4,157
TOTAL EQUITY AND LIABILITIES	34,559	18,296

Cash flow

KSEK	2017 Jul-Dec	2016 Jul-Dec	2016/2017 18 months	2015/2016 12 months
EBIT	-12,500	-490	-22,564	-3,729
Depreciation & Amortization	1,475	298	4,492	2,729
Interest income/cost	-101	-8	-174	-17
Change in accounting principle	0	0	0	
Change in Working capital	3,839	-506	2,528	471
Cash Flow from Operations	-7,287	-706	-15,718	-546
CAPEX	0	-2,234	-3,203	-3,816
Other non-operational Cash Flow	-50	0	-50	0
Cash Flow before Financing Activities	-7,337	-2,940	-18,970	-4,363
Sharholder Contribution Net	0	13,000	44,615	3,890
Change in Long-term Liabilities	-2,000	0	0	0
Net Cash Flow	-9,337	10,060	25,645	-473

Equity

KSEK	2016/2017 Jul-Dec	2015/2016 Jul-Jun
Equity at beginning of period	14,138	15,570
Change in accounting principles		-1,434
IPO, subscription rights and IPO Cost	44,614	2,937
Profit/Loss	-31,708	-2,935
Equity at end of period	27,044	14,138

Key Numbers

	2016/2017 18 months	2016/2017 12 months	2015/2016 12 months	2014/2015 12 months
Net sales	8,415	5,893	5,798	6,778
Earning before taxes (EBT)	-22,738	-10,136	-3,746	-1,674
Balance sheet total	34,559	56,812	18,296	17,567
Solidity	79%	89%	77%	89%
Return on equity	-84%	-20%	-25%	-11%
Return on total capital	-62%	-27%	-21%	-10%
Cash liquidity	381%	941%	52%	188%

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

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



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