

Press Release

May 6, 2024

SDS AB announces Standstill Agreement with major bondholders.

Due to large overdue accounts receivables and slightly slower than expected new sales in Q1, Seamless Distribution Systems has reached an agreement with major bondholders representing 68,1% of the outstanding bond capital to postpone the interest payment due on May 6 until July 5, in order to focus available liquidity on critical business activities.

With this agreement SDS is in technical default on its payment obligation as per the terms of its issued bonds. The bond agent, Nordic Trustee & Agency AB (publ), has been informed of the event of default and will send a special notice to the bondholders. Major bondholders have also instructed the agent to abstain from accelerating the repayment of the bond, to give the company time to continue its transformation on the back of the good progress made in Q1 where profitability improved sequentially.

Planned actions:

Seamless will continue the transformation of its cost structure and business model towards more recurring revenues, higher margins, and better cash flows. There are several improvements planned for the second half of the year. Seamless will also engage with all its major stakeholders, including major bondholders, to explore ways to improve its operating performance and capital structure even further, as well as other value creating strategic option such as the recent joint venture and the creation of Seamless Americas with EMIDA.

For more information contact:

Martin Schedin
Chief Financial Officer
+46 70 438 14 42
martin.schedin@seamless.se

This information is the information that Seamless Distribution Systems AB (publ) is required to disclose under the EU Market Abuse Regulation. The information was

submitted for publication through the agency of the above contact person on May 6, 2024, at 10:30 CEST.

ABOUT SDS

SDS is a Swedish international software company that specializes in mobile payment services for mobile operators, distributors, retailers, and consumers. SDS ensures that Telecom operators can sell their telephone subscriptions, where SDS products and services handle up to 90% of the Telecom operator's sales. Today, SDS have implemented solutions in fintech, advanced analysis and retail value management, and where these solutions have succeeded, they are transformed into so-called SaaS solutions.

SDS has approximately 267 employees in Sweden, France, Belgium, Romania, South Africa, Ghana, Nigeria, Ivory Coast, United Arab Emirates, Pakistan, India, and Indonesia. SDS annually handles more than 15 billion transactions worth over USD 14 billion. Via over 3 million monthly active resellers of digital products, more than 1100 million consumers are served globally.

SDS share is listed on Nordic SME at the Nordic Growth Market