

Year-end report for the period 1 January - 31 December 2024

October - December

- Net sales amounted to 57.2 (58.4) * MSEK, a decrease of 2.1% compared to the same period last year. Net sales in the core business SDS amounted to 56.8 (50.8) MSEK, an increase of 11.8%.
- EBITDA amounted to 16.8 (16.1) MSEK, an increase of 4.4% compared to the same period last year.
- EBITDA margin was 29.5% (27.5%).
- Profit after tax amounted to 0.4 (-3.0) MSEK.
- Earnings per share amounted to 0.02 (-0.20) SEK.
- Cash flow for the period amounted to 0.9 (-9.5) MSEK.

January - December

- Net sales amounted to 226.4 (264.7) * MSEK, a decrease of 14.5% compared to the same period last year. Net sales in the core business SDS amounted to 219.8 (208.3) MSEK, an increase of 5.5%.
- EBITDA amounted to 73.1 (62.0) MSEK, an increase of 17.9% compared to the same period last year.
- EBITDA margin was 32.3% (23.4%).
- Profit after tax amounted to -11.8 (-16.0) MSEK.
- Earnings per share amounted to -0.62 (-1.25) SEK.
- Cash flow for the period amounted to 3.6 (-4.1) MSEK.

**The decline compared to 2023 is explained by the company's closure of operations in SDD, and the impact on the results is marginal.*

CEO's comment

Dear Shareholders and Partners,

I am pleased to present a fourth quarter where the organization's hard work and teamwork have begun to yield results, a quarter where we turn to a small net profit. We ended the year with \$9 million USD and six strategic contracts in new sales, which was nearly \$1 million USD better than the ambitious three-year plan we set earlier this year. This provides us with confidence in our journey toward profitable and sustainable growth.

Revenue from our core business reached SEK 226.4 million (208.3) for the full year, with an EBITDA of SEK 75.5 million (63.2). Total revenue amounted to SEK 226.4 million (264.7), with an EBITDA of SEK 73.1 million (61.9). The decline in

total group revenue is solely due to the discontinuation of our SDD operations, which will result in cost savings and improved cash flow for 2025. Revenue from SDD has decreased from SEK 56.4 million in 2023 to SEK 6.5 million in 2024. The impact of this revenue decline on our results has been marginal.

In line with our strategy of hiring close to our customers and continuously optimizing productivity, we have opened new offices in Algeria and Bangladesh. Additionally, in the fourth quarter, we strengthened our sales team with more resources and expertise, positioning us well to expand into new markets and operator groups.

Our efforts to strengthen the balance sheet have also borne fruit. We recently reached an agreement with bondholders to reduce the bond interest rate from 12.8% to a fixed rate of 9%, a measure that will significantly lower our interest expenses. In 2024, we reduced our capitalizations for the second consecutive year as we work more efficiently in the development of our products. This will lead to declining depreciation expenses over the coming years, an effect already visible in this year's fourth quarter. The interest rate reduction, along with lower depreciation, is expected to improve our bottom line by approximately SEK 20 million in 2025, in addition to our ambition to continue growing.

Looking ahead, we enter 2025 with an order book of \$2.8 million USD and a clear objective to achieve milestone 2 in our three-year plan by surpassing the 2024 order intake in new sales during 2025. Our pipeline for the first two quarters looks strong, and it will be exciting to see the impact of our newly strengthened and more experienced sales team.

The combination of strong order intake and a more efficient cost structure, with lower interest rates and reduced depreciation, will drive the company towards positive net results and positive cash flow.

With this solid foundation, strong order intake, and exciting opportunities ahead, we are well-positioned to continue delivering value to our shareholders and partners. I would like to thank you for your continued trust, and I look forward to reporting further successes in the coming year.

Thank you for your support and confidence in Seamless Distribution Systems AB.

Eddy Cojulun

CEO, Seamless Distribution Systems AB

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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 February 27, 2025, at 08.00 CET.

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