

Interim report for the period 1 January – 30 September 2024

July - September

- The net sales amounted to SEK 53.4 (64.2) * million, a decrease of 16.8% compared to the same period last year. Net sales in the core business, SDS, amounted to SEK 51.9 (49.3) million, an increase of 5.3%.
- EBITDA earnings amounted to SEK 14.4 (12.7) million, an increase of 13.4% compared to the same period last year.
- EBITDA margin amounted to 27.0% (19.8%).
- Profit after tax amounted to SEK -10.0 (-8.3) million.
- Earnings per share amounted to SEK -0.65 (-0.65).
- Total cash flow amounted to SEK -4.1 (-1.8) million.

January - September

- The net sales amounted to SEK 169.3 (206.3) * million, a decrease of 18.0% compared to the same period last year. Net sales in the core business, SDS, amounted to SEK 163.1 (157.5) million, an increase of 3.6%.
- EBITDA earnings amounted to SEK 56.3 (45.9) million, an increase of 22.7% compared to the same period last year.
- EBITDA margin amounted to 33.2% (22.3%).
- Profit after tax amounted to SEK -12.2 (-13.0) million.
- Earnings per share amounted to SEK -0.79 (-1.08).
- Total cash flow amounted to SEK 2.7 (5.4) million.

*The decline towards 2023 is explained by the company shifting focus away from SDD, and the impact on results from the decline is marginal.

CEO's comment

Dear shareholders and partners,
During the third quarter of 2024, Seamless Distribution Systems AB has taken further significant steps in our journey toward profitable and sustainable growth. We are well on our way to delivering on our strategic goals, and I would like to highlight some key milestones and progress that contribute to our positive momentum going forward.

Firstly, I want to mention that we anticipated two orders for projects planned to come in and boost revenue in the third quarter. These projects are now completed and are estimated to contribute approximately SEK 10 million to our revenue in the fourth quarter. Even without these two orders, SDS has

already achieved an order intake that, as of today, exceeds the full years 2022 and 2023, reinforcing our confidence in reaching our annual target of USD 9 million in new project orders.

Revenue for the core business amounted to SEK 163.1 million (157.5 million), with an EBITDA of SEK 57.9 million (46.9 million). Total revenue amounted to SEK 169.3 million (206.3 million), with an EBITDA of SEK 56.3 million (45.9 million). The drop in total group revenue is solely due to our decision to discontinue SDD. Revenue from SDD has decreased from SEK 48.8 million in 2023 to SEK 6.2 million in 2024. The impact on results from this revenue decline has been marginal.

We are also pleased to announce that SDS has recently won its largest contract ever from a customer in Bangladesh. This agreement represents a milestone for us and offers promising upselling opportunities that we look forward to realizing together with the customer. In addition, we have secured a new order for our Smart Capex solution from a customer in Saudi Arabia. Our presence in the Smart Capex market is further strengthened as we have been selected as one of three suppliers for MTN.

In line with our strategy to keep our cost base intact and close to our markets, we have opened a new office in Algeria. This enables us to work more closely with our customers in North Africa and promotes more efficient resource use.

Our efforts to strengthen the balance sheet have also paid off. We have recently reached an agreement with bondholders and received a capital injection of SEK 25 million. The bond interest rate has been reduced to a fixed rate of 9% from the previous 12.8%, a measure that will significantly reduce our interest expenses. By extending the bond loan to the end of 2027 and with the capital injection, we have created the space we need to continue our transformation toward profitable and cash-generating growth. This development benefits both our shareholders and bondholders and strengthens our position for the future.

With this solid foundation, strong order intake, and exciting opportunities ahead, we are well-prepared to continue delivering value to our shareholders and partners. I want to thank you for your continued trust, and I look forward to reporting more 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 October 31, 2024, at. 08.30 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