

## **Seamless Distribution Systems AB reports a financial covenant breach and a standstill agreement with bondholders, enabling the company to continue cost-saving efforts**

Seamless Distribution Systems AB ("SDS") announced today that one of the company's financial covenants has been breached. According to the terms of the company's agreement with the bondholders, SDS shall hold at least SEK 10 million in cash and cash equivalents as of 31 of August 2025. The company's cash and cash equivalents at this date amounted to SEK 1.5 million, which constitutes a violation of this requirement.

SDS has entered a standstill agreement with its bondholders to address the breach. This agreement provides a standstill until December 31, 2025, regarding the two financial covenants: the Maintenance Test Covenant (maintaining a leverage ratio of less than 6.00:1 each quarter) and the Liquidity Test Covenant (maintaining a minimum cash balance of SEK 10 million each calendar month). The standstill aims to avoid a written procedure and a bondholder vote, preventing the acceleration of the bond's repayment.

Bondholders representing more than 2/3 of the bonds have agreed to this standstill. This commitment includes an undertaking to not vote for any acceleration of the bonds due to a breach of these two specific covenants before December 31, 2025.

The standstill agreement provides crucial support for the company's ongoing turnaround efforts, which are anchored by a successful efficiency optimization program. This program has already achieved SEK 66 million in annual savings, significantly exceeding the initial projection of SEK 35-40 million. These savings are expected to be fully reflected in SDS's financial results from January 1, 2026 when the company is expected to have recurring revenues covering the company's operational and financial costs, regardless of new sales

### **For more information, please contact:**

Jens Ålander

CFO

+46 73 095 8269

**[jens.alander@seamless.se](mailto:jens.alander@seamless.se)**

## **About SDS**

*SDS is a Swedish international software company specializing in mobile payment services for mobile operators, distributors, retailers and consumers. SDS ensures that telecom operators can sell talk time, data and ancillary services where SDS products and services handle up to 90% of the telecom operator's sales. Today, SDS has implemented solutions in fintech, advanced analytics and Retail Value Management, and where these products have succeeded, they are transformed into so-called SaaS solutions.*

*SDS has approximately 200 employees in Sweden, France, Belgium, Romania, South Africa, Ghana, Nigeria, the United Arab Emirates, Pakistan and India. SDS handles more than 15 billion transactions worth over \$14 billion annually. Via over 3 million*

*Monthly active retailers of digital products serve, indirectly, more than 1100 million consumers globally.*

*SDS's share is listed on Nordic SME on the Nordic Growth Market.*