



Interim report

Q1 2021

Seamless
Distribution Systems

Interim report Q1

January - March 2021

KSEK	2021 JAN-MAR	2020 JAN-MAR	2020 JAN-DEC
Net sales	61,488	85,193	295,609
Operating profit	5,573	6,035	21,458
Operating margin	9.1%	7.1%	7.3%
EBITDA result	13,926	12,896	50,116
EBITDA margin	22.6%	15.1%	17.0%
Profit for the period after tax	3,594	3,303	12,517
Total cash flow	942	-2,147	-2,429
Earnings per share, before and after dilution	0.40	0.43	1.50
Solidity	38.6%	23.5%	37.2%

MATERIAL EVENTS DURING THE FIRST QUARTER

- On March 17, 2021, Seamless (SDS) signed a conditional agreement to acquire all shares and assets in Real Impact Analytics S.A. ("Riaktr"). Riaktr is a global provider of systems for Business Intelligence (BI) and Big Data Analytics (BDA), primarily to the telecom sector, headquartered in Brussels, Belgium. The purchase price on a cash and debt-free basis amounts to EUR 10.4 million. The acquisition is conditional on financing through a bond issue and in connection with this, existing shareholder loans of SEK 44.2 million will also be converted into shares, which requires a general meeting resolution. Completion of the acquisition is expected to take place no later than May 3, 2021.
- During the first quarter, SDS received another order, worth SEK 1.5 million, from an operator in Saudi Arabia in the Middle East's largest market. The order, which relates to software with new functionality after the customer migrated to the SDS platform, was received from an existing customer to eServGlobal and is the third order from this customer.

Seamless
Distribution Systems

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FINANCIAL CALENDAR 2021

Interim report Q1 2021	2021-04-22
Annual General Meeting 2021	2021-04-22
Interim report Q2 2021	2021-07-22
Interim report Q3 2021	2021-10-21

CEO's comments

The first quarter has been intense for SDS. One reason for this is the acquisition of Riaktr, which we announced at the end of the quarter. The acquisition is our third and complements SDS' offer and customer base almost perfectly. Riaktr specializes in business analysis of gigantic amounts of data in the telecom sector with a focus on increasing operators' sales, but they also have products for optimizing investments in infrastructure that help customers reduce costs when the networks are to be expanded. With Riaktr, we thus get two new, real value drivers in our portfolio, at the same time as the customer base is supplemented with ten markets. The acquisition also means that we can add the French operator giant Orange to our customer base. In addition, our European operations are growing through the Belgian operator Proximus.

During the first quarter, the market continued to be affected by the pandemic. Operators have shown a somewhat more restrictive approach to investments with tighter budgets. In the short term, it has also affected our business, but in the long run our assessment is that it will not affect our business-critical business for the customer. We do not see any major changes over the year, but we do see that customers have held back their decisions in the short term, which has partly reinforced the normal difficulty for us to control when the customer places their order, especially when it comes to new systems.

In the first quarter, total revenues amounted to SEK 65 million, which is a decrease from the fourth quarter last year. The decrease is explained, among other things, by the fact that our Nordic distribution operations within SDD, just like other store sales, were affected by the pandemic. Because we within the Group have great flexibility in our outsourced workforce, we have been able to adjust our costs structure and land with an EBITDA of SEK 14 million, which is better than the fourth quarter and it takes us to an EBITDA margin of 23 percent, a level we never before achieved.

On the positive side, a slightly changed work situation has meant that our developers have now been able to accelerate our R&D. During the quarter, we further developed our cloud-based architecture, which is now starting to roll out more widely to customers. The advantages of the so-called micro-services architecture are several, but much is about shorter lead times for rollout and updating as well as greater flexibility in terms of scalability. All these advantages have a direct positive effect on the operators' management costs and give us advantages over our competitors who are not able to keep up with technological developments.

Our acquisition operations have had a very intensive period in connection with the negotiations with Riaktr's owners, but from the time the company is taken over at the beginning of May, we expect a relatively short and simple integration process of the well-functioning Riaktr compared with our previous acquisition. Initially, we focus on identifying growth opportunities in both companies' customer base, as well as identifying opportunities for increased innovation in AI and Business Intelligence. The feedback from both Riaktr's and SDS's customers has been very positive throughout.

The migration of eServGlobal's platforms has continued and during the quarter we were able to press another deal. I estimate that we will see more of these additional orders in the future. On the whole, the acquisition has developed in line with our plan, but we believe that there are additional synergies to pick up as the migration of customers continues.



We are now looking ahead with great confidence. We have a significantly lower cost level, which we believe will be lasting, while despite somewhat lower sales, we have been able to deliver the best EBITDA margin in the company's history. However, it is worth repeating that it is difficult for us to get an overview of exactly when our customers place their deals, which means that the order volume will vary over time.

We have continued to build our pipeline in line with our ambitions and that work will take us to higher levels. We know that we are sitting on one of the market's sharpest offerings, where development is constantly advancing.

Developments in SDD are expected to normalize as soon as the climate improves and the effects of the pandemic subside.

The acquisition of Riaktr has led us into new operator groups and broadens the SDS offering, while at the same time making our technology development in business analysis of big data a major step forward. We will now gradually roll out an even stronger offer to our customers and thus become a natural partner to more customers.

Tommy Eriksson
CEO, Seamless Distribution Systems AB

Financial overview

January - March 2021

NET SALES

Net sales during the first quarter amounted to SEK 61,488 (85,193) thousand, a decrease of 27.8% compared with the same period last year. Other operating income amounted to SEK 3,044 (1,372) thousand.

The decrease during the quarter is partly a result of SDD's sales loss of approximately SEK 9 million compared with the same quarter last year, due to the current external situation. The reduction is also an effect of a number of orders being postponed, and the fact that two further major negotiations have been delayed and thus were not closed during the quarter.

The company's business model means that major projects affect revenues and earnings between quarters.

OPERATING EXPENSES

Operating expenses during the first quarter amounted to SEK 58,959 (80,529) thousand, a decrease of 26.8% compared with the same period last year.

The decrease is a consequence of SDD's material costs declining in line with the decrease in sales during the quarter. The decrease is also explained by lower third-party costs during the first quarter, and that the Group was positively affected by the weak krona against the dollar.

OPERATING PROFIT

EBITDA profit for the first quarter amounted to SEK 13,926 (12,896) thousand.

Net financial items for the quarter amounted to SEK -1,156 (-1,914) thousand.

Profit before tax amounted to SEK 4,057 (4,121) thousand.

Earnings per share amounted to SEK 0.40 (0.43).

INVESTMENTS

During the first quarter, investments were made in product development to a value of SEK 6,788 (5,631) thousand. Amortization of intangible assets amounted to SEK -7,034 (-5,602) thousand. Investments in tangible assets amounted to SEK 1,179 M (1,622) for the quarter. Depreciation of tangible assets amounted to SEK -658 (-666) thousand.

Leasing (IFRS 16)

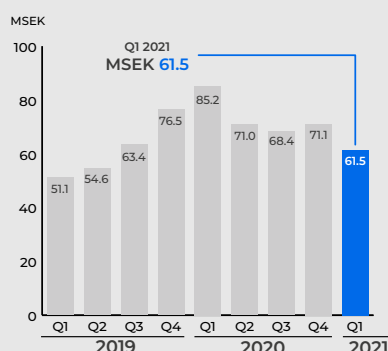
According to that standard, an asset (the right to use a leased asset) and a financial liability relating to the obligation to pay leasing fees must be reported.

A right of use of SEK 10,366 thousand has been booked in the Group with depreciation of SEK -661 thousand, and an interest expense of SEK -143 thousand, both of which have reimbursed the rental cost. The financial debt as of the end of March amounts to SEK 10,357 thousand.

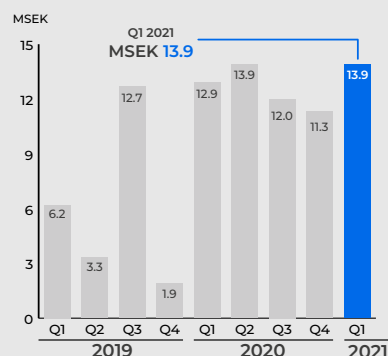
NUMBER OF EMPLOYEES

The number of employees in the Group at the end of the period was 127 (132). The majority of the employees are software developers. In addition, SDS has approximately 147 (90) consultants, mainly in Pakistan and Ghana.

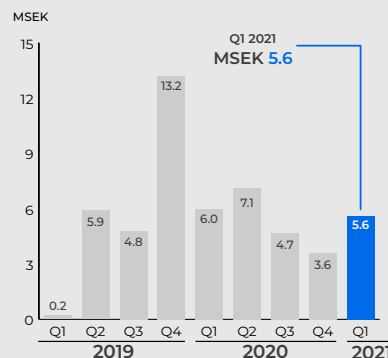
Net sales MSEK 61.5



EBITDA result MSEK 13.9



EBIT result MSEK 5.6



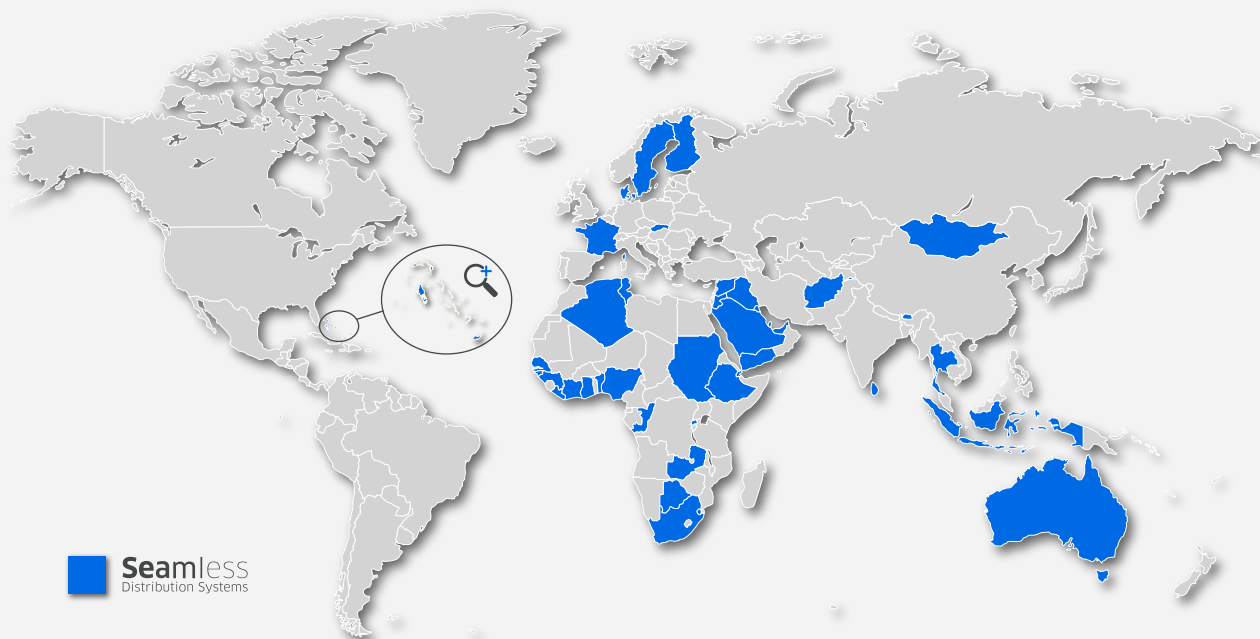
CASH FLOW AND FINANCIAL POSITION

Cash and cash equivalents at the end of the period amounted to SEK 12,957 (13,006) thousand. Of the total overdraft facilities of SEK 10,000 thousand, SEK 9,751 thousand was utilized.

SDS has four interest-bearing liabilities totaling SEK 68.7 million. The oldest debt is SEK 35 million and carries 10% interest. The debt, as well as accrued interest, will be repaid in May 2022. The second loan is originally SEK 10 million from Handelsbanken and EKN and runs for two years with 6.62% interest. The loan is repaid quarterly and as of the end of March, the loan amounts to SEK 3.1 million. Interest is paid quarterly. In January 2020, the company took out a loan to increase working capital of SEK 9.2 million from major shareholders. The loan ran for 6 months with 15% interest. The company's CEO and chairman of the board were among the lenders. In July 2020, the loan was extended by 12 months, at the same time as the interest rate was reduced to 10%. The company's CEO remains as a lender. In addition, in July the company secured a loan of just under 4% interest from Almi of SEK 7 million backed by a loan of SEK 3 million at 4% interest from private investors. The company's CEO and chairman of the board are among the lenders. The loan runs for 12 months and the loan plus interest must be paid at the time of repayment.

Cash flow during the first quarter from operating activities amounted to SEK 6,857 (-3,569) thousand. The total cash flow amounted to SEK 942 (-2,147) thousand.

SDS customers in the world



Acquisitions

Riaktr

Real Impact Analytics S.A. ("Riaktr") was founded in 2009 with the goal of contributing to the digital transformation within telecommunications companies by offering customized data and analysis solutions (within BI and BDA). Today, Riaktr has two proprietary analysis tools, **Smart Sales & Distribution**, a market-leading recommendation engine for sales and distribution teams, and **Smart Capex**, a software solution for optimizing network investment planning for 5G and Fiber, among others.

Riaktr is a reliable partner for approximately 1,500 users of world-leading telecom operators. With the acquisition of Riaktr, Orange, one of the world's largest telecom operators, will be part of the customer base with ten active regional contracts.

Just over 80 percent of Riaktr's revenues come from telecom operators in Africa, which fits in perfectly with SDS 'existing customer base. Riaktr has preliminary unaudited sales of EUR 4.9 million, of which EUR 2.6 million is recurring SaaS revenue, and an adjusted EBITDA result of EUR 1.6 million. The purchase price corresponds to approximately 6.5x Riaktr's preliminary unaudited EBITDA for 2020.

The acquisition strengthens SDS's operational efficiency by Riaktr adding complementary products, as well as a major development and technology center in Belgium focused on BI and BDA.

The acquisition expands SDS 'geographical coverage and customer base with, among other things, several large, global and regional telecom operators such as the previously mentioned Orange, Glo and Proximus, where the latter means that SDS receives customers in Europe.

The joint operations are expected to be able to achieve significant synergies through higher efficiency in product development as well as economies of scale in sales, support and administrative units. The synergies in this business, in terms of profitability and growth, are expected to emerge as early as 2021, but full effect is expected in 2022.



"This is a big step to further develop SDS as a company. It moves us faster to a new strategic level in terms of the Group's value chain, technology, customer base and geographical coverage. SDS and Riaktr together have over 35 years of experience in the development, delivery and operation of large-scale systems with operational activities in over 60 countries. With this acquisition, we further strengthen our presence in Africa and also reach additional new customers in Europe and South America.", says Tommy Eriksson, CEO of SDS.

"The acquisition means that we continue to deliver on our planned growth and profitability journey. In addition, the acquisition will provide improved efficiency and increased visibility. Following the implementation of SDS 'acquisition of Riaktr and the conversion of shareholder loans into newly issued shares, the Group can demonstrate a significantly stronger financial structure. We expect to be able to increase the company's operations in additional markets in the medium term.", concludes Tommy Eriksson, CEO of SDS.

RIAKTR

Smart Sales & Distribution



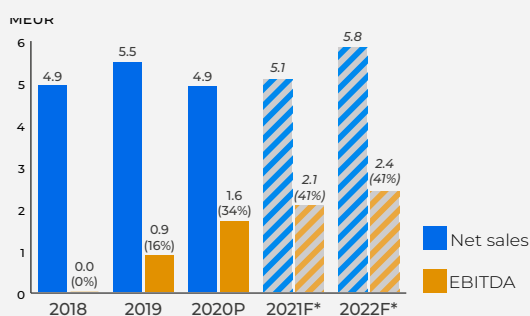
- ✓ Track all KPIs in one platform
- ✓ Real-time visibility on field agents
- ✓ Low inventory alerts
- ✓ Impact measurement of action plans
- ✓ Easy integration with other data sources

Smart Capex



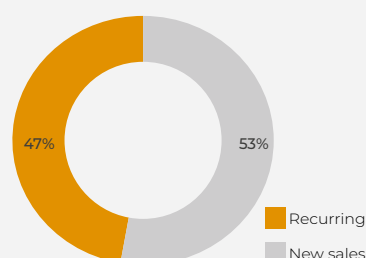
- ✓ Define investment candidates to feed the network capex allocation process
- ✓ Investment evaluation tool
- ✓ Rapid iteration over investment scenarios using present data and insights
- ✓ Monitor investment plan results
- ✓ Facilitated collaboration between teams

Key financials

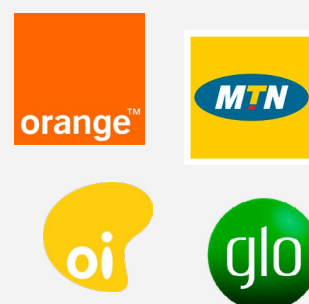


*Baserat på Riaktr:s egna prognoser

Recurring revenues



Selected customers



Marketing and sales

During the first quarter of 2021, SDS's order intake deteriorated compared with the same quarter last year, partly due to a number of orders being postponed, and two more major negotiations being delayed and thus not being closed during the quarter.

The company's product portfolio is high-tech, well-developed and continues to broaden according to customer and market needs. Of particular interest is the company's product family for digitization of sales and distribution of physical products, which has attracted great interest from both existing and new customers. Most of SDS's customers' goal is for all their sales to take place digitally, which paves the way for continued growth for existing customers.

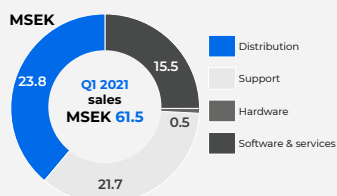
With the new acquisition of Riaktr, SDS's offering will be further broadened and the acquisition strengthens SDS's operational efficiency through complementary products in the value chain, as well as a major development and technology centers in Belgium focused on BI and BDA. The joint operations are expected

to be able to achieve significant synergies through higher efficiency in product development, as well as economies of scale in sales, support and administrative units. The synergies in this business, in terms of profitability and growth, are expected to emerge as early as 2021, but full effect is expected in 2022.

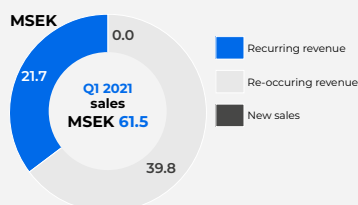
Through the acquisition, SDS also expands its geographical coverage and customer base with, among other things, several large, global and regional telecom operators. SDS will strengthen its presence in Africa and will also reach additional new customers in Europe and South America, which will give the Group improved efficiency and increased visibility.

For SDD, the Group's distribution operations in the Nordic region, the sales loss continued during the first quarter from the previous year, despite the fact that no existing customer was lost. On the other hand, the first successful sale of the newly launched marketing solution offered via both the app and the terminal was gratifying.

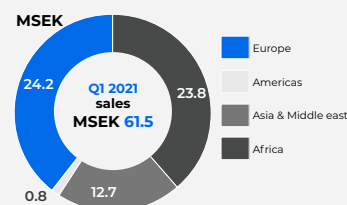
Product offering



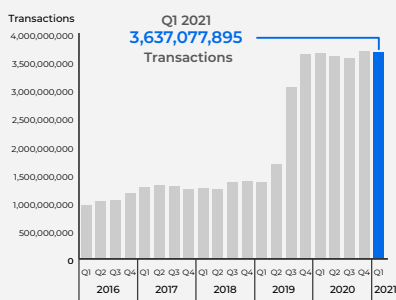
Sales distribution



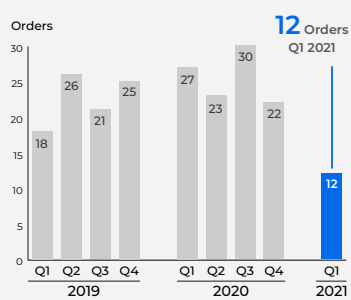
Geographic sales



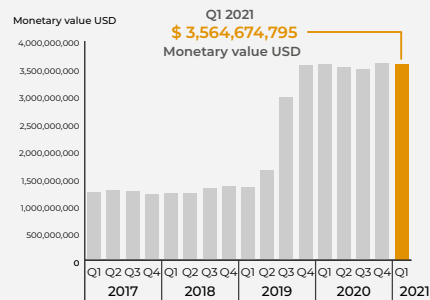
Number of transactions handled by ERS 360 per quarter



Number of orders won per quarter



Monetary value managed by Seamless system per quarter



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

KSEK	2021 JAN-MAR	2020 JAN-MAR	2020 JAN-DEC
Operating revenue			
Net sales	61,488	85,193	295,609
Other operating revenue	3,044	1,372	8,819
Total operating revenue	64,532	85,564	304,428
Operating expenses			
Material expenses	-25,545	-39,594	-132,684
Other external expenses	-10,463	-15,518	-56,022
Personnel costs	-13,660	-18,414	-54,333
Depreciation and amortization	-8,353	-6,861	-28,658
Other operating expenses	-939	-143	-11,273
Total operating expenses	-58,959	-80,529	-282,970
Operating profit/loss	5,573	6,035	21,458
Financial items			
Financial income	1	2	5
Financial expenses	-1,517	-1,917	-6,367
Net financial items	-1,516	-1,915	-6,362
Profit/Loss before tax	4,057	4,121	15,096
Income tax	-463	-818	-2,579
Profit for the year attributable to the Parent Company's shareholders	3,594	3,303	12,517
Other comprehensive income			
<i>Items that may be reclassified to profit for the year:</i>			
Translation differences	880	1,818	-2,924
Total comprehensive income attributable to Parent Company's shareholders	4,474	5,121	9,593

CONSOLIDATED BALANCE SHEET

KSEK	2021-03-31	2020-03-31	2020-12-31
Assets			
Intangible assets	82,536	84,979	81,961
- IP rights	14,416	17,084	15,083
- capitalized development costs	68,120	67,895	66,878
Tangible fixed assets	14,838	16,298	15,126
Financial assets	762	931	843
Inventories of finished goods	2,037	2,284	1,939
Accounts receivable	26,967	45,008	35,759
Other receivables	17,296	15,435	15,137
Prepayments and accrued income	66,109	45,746	57,285
Cash and cash equivalents	12,957	13,006	11,776
Total assets	223,502	223,687	219,827
EQUITY AND LIABILITIES			
Equity	86,184	52,581	81,710
Other long-term liabilities	55,925	53,529	55,510
Overdraft	9,751	9,432	7,191
Trade payables	20,012	31,543	21,097
Current tax liabilities	387	724	628
Other current liabilities	33,417	47,777	33,959
Accrued liabilities and deferred income	17,826	28,101	19,732
Total equity and liabilities	223,502	223,687	219,827

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

KSEK	2021 JAN-MAR	2020 JAN-MAR	2020 JAN-DEC
At beginning of period	81,709	27,770	27,770
Comprehensive income for the period	4,474	5,121	9,593
Offsetting share issue	-	19,689	19,689
Shareholder contribution	-	-	24,657
At end of period	86,183	52,580	81,709

CONSOLIDATED CASH FLOW STATEMENT

KSEK	2021 JAN-MAR	2020 JAN-MAR	2020 JAN-DEC
Cash flow from operating activities before change in working capital	11,518	9,893	42,109
Change in working capital	-4,661	-13,462	-57,406
Cash flow from operating activities	6,857	-3,569	-15,297
Cash flow from investing activities	-8,165	-7,920	-29,386
Cash flow from financing activities	2,250	9,342	42,254
Cash flow for the period	942	-2,147	-2,429
Cash and cash equivalents at beginning of period	11,775	14,851	14,850
Exchange rate differences in cash and cash equivalents	239	302	-646
Cash and cash equivalents at end of period	12,957	13,006	11,775

KEY RATIOS AND FIGURES

	2021 JAN-MAR	2020 JAN-MAR	2020 JAN-DEC
Return on equity	4.3%	8.7%	22.9%
Earnings per share SEK before and after dilution	0.40	0.43	1.50
Operating profit/loss, KSEK	5,573	6,035	21,458
Growth in net sales	-27.8%	66.7%	20.4%
Operating margin (EBIT)	9.1%	7.1%	7.3%
Average number of shares before and after dilution	8,908,970	7,770,762	8,340,501
Number of shares outstanding at end of reporting period	8,908,970	8,341,355	8,908,970
Quick ratio	172%	110%	159%
Equity/assets ratio	38.6%	23.5%	37.2%
Equity, KSEK	86,183	52,580	81,710
Equity per share	9.67	6.77	9.20
Number of employees at end of period	127	132	108



PARENT COMPANY INCOME STATEMENT

KSEK	2021 JAN-MAR	2020 JAN-MAR	2020 JAN-DEC
Net sales	25,331	40,053	130,301
Other operating revenue	3,036	786	8,737
Operating expenses	-25,423	-28,934	-125,904
Operating profit/loss	2,944	11,905	13,134
Net financial items	-1,370	-2,006	-5,272
Profit/Loss after financial items	1,574	9,899	7,862
Income tax	-97	-52	-746
Net profit/loss for the period	1,477	9,847	7,116

PARENT COMPANY BALANCE SHEET

KSEK	2021-03-31	2020-03-31	2020-12-31
Assets			
Fixed assets	72,258	71,910	71,621
Current assets	99,626	65,200	102,803
Total assets	171,884	137,110	174,424
Equity and liabilities			
Equity	65,778	42,376	64,302
Long-term liabilities	45,375	51,386	44,500
Current liabilities	60,731	43,349	65,622
Total equity and liabilities	171,884	137,110	174,424
Pledged assets	22,000	15,000	22,000
Contingent liabilities	None	none	none

Segment information

Seamless's operations consist of two business units –

Seamless Distribution Systems AB (SDS) and **Seamless Digital Distribution AB (SDD)**

Net sales

KSEK	2021 JAN-MAR	2020 JAN-MAR	2020 JAN-DEC
SDS	38,167	52,973	181,419
SDD	23,864	32,844	116,622
Intra-Group support fee ¹⁾	-543	-622	-2,432
Seamless Group	61,488	85,193	295,609

Operating profit

KSEK	2021 JAN-MAR	2020 JAN-MAR	2020 JAN-DEC
SDS	5,998	5,749	20,164
SDD	118	908	3,726
Intra-Group support fee ¹⁾	-543	-622	-2,432
Seamless Group	5,573	6,035	21,458

1) SDS invoices a monthly market support fee of USD 21,750 to SDD

Seamless
Distribution Systems

Seamless
Digital Distribution

ABOUT SEAMLESS DISTRIBUTION SYSTEMS (SDS)

SDS is a Swedish software company with solutions for electronic distribution of services to private consumers via mobile operators in emerging countries. The company offers its corporate customers a complete solution for digital accounts and transactions.

Following the acquisition of Riaktr, SDS has approximately 300 employees in Sweden, France, Belgium, Romania, South Africa, Ghana, Nigeria, Ivory Coast, the United Arab Emirates, Pakistan, India and Indonesia.

Following the acquisition of Riaktr, SDS will annually handle more than 15 billion transactions worth over 14 billion US Dollars. Via over 3 million monthly active resellers of digital products, more than 700 million consumers are served globally.

SDS share is listed on Nasdaq First North Premier.

ABOUT SEAMLESS DIGITAL DISTRIBUTION (SDD)

SDD distributes electronic products via retail, such as mobile prepaid card charges and online payment methods. SDD uses SDS's proprietary ERS 360 platform for digital delivery. SDD also delivers the technical platform that enables TopUp via the largest banks in Sweden. SDD's ERS platform handles approximately six million transactions worth SEK 500 million annually in the two markets in which SDD is active, Sweden and Denmark. SDD has one employee and serves just over 2,500 points of sale.

In 2020, SDD has continued with the development of the App and web portal, which was launched in 2019 and which enables direct communication between retailers and mobile operators, to which both customers and suppliers have reacted very positively.

Notes

Seamless Distribution Systems AB (publ) is a Swedish public company, (corporate identity number 556979-4562) based in Stockholm, Sweden. The SDS shares are listed on Nasdaq Stockholm, First North Premier.

NOTE 1 - RISKS AND ACCOUNTING PRINCIPLES

RISKS AND UNCERTAINTIES

Seamless operations are affected by a number of external factors where different risk factors can affect the company. These risk factors can have an impact on the company's ability to achieve business goals and financial goals. The risks SDS identified as significant for the business are as follows: Market risks include political risks and the dependence of a few large customers. Operational risks include increased competition, changes in laws and regulations, the ability to retain and attract key employees, technological development, the ability to retain and attract customers, corruption and unethical business practices. Financial risks: includes financing, liquidity, credit, interest rate and currency risks.

For a detailed description of the risk factors that are deemed to be of significant importance for the Group's future development, please refer to the annual report for 2020, pages 27-28. Management's assessment is that there are no significant changes in the risk assessment made in the annual report for 2020.

ACCOUNTING PRINCIPLES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as presented in the consolidated financial statements for 2020. The Group's functional currency is Swedish kronor, which is also the reporting currency. This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The parent company's summary financial statements have been prepared in accordance with the Annual Accounts Act, as well as RFR 2 Accounting for Legal Entities. The IASB has published amendments to standards effective from 1 January 2021 or later. These additions have not had any significant impact on SDS's financial reports.

NOTE 2 - DISTRIBUTION OF NET SALES

KSEK	SDS	
	2021 JAN-MAR	2020 JAN-MAR
Professional services/software	15,408	26,167
Licences	-	756
Support	21,655	21,856
Hardware	460	3,264
Other	101	305
SDS total	37,624	52,348

KSEK	SDD	
	2021 JAN-MAR	2020 JAN-MAR
Etop-up	23,188	32,040
Bank systems	516	463
Other	160	341
SDD total	23,864	32,844

NOTE 3 - NET SALES BY GEOGRAPHIC AREA

KSEK	SDS	
	2021 JAN-MAR	2020 JAN-MAR
Africa	23,816	36,916
Middle East and Asia	12,640	14,316
Other	1,168	1,116
SDS total	37,624	52,348

KSEK	SDD	
	2021 JAN-MAR	2020 JAN-MAR
Sweden	21,752	30,092
Denmark	2,112	2,752
Other	-	-
SDD total	23,864	32,844

NOTE 4 - TRANSACTIONS WITH RELATED PARTIES

For information on related parties, see the Group's annual report for 2020, page 62. In addition, the company received a working capital loan of SEK 9.2 million from major shareholders. The loan ran for 6 months with 15% interest. This loan was extended in July 2020 by 12 months and a new interest rate of 10%. The loan can be repaid in advance and interest must be paid at the time of repayment. SDS CEO is among the lenders. In addition, in July 2020, the company took out a loan of just under 4 percent interest from Almi of SEK 7 million, backed by a loan of SEK 3 million at 4% interest from private investors. The company's CEO and chairman of the board are among the lenders. The loan runs for 12 months and can be repaid in advance. Loans plus interest must be paid at the time of repayment.

NOTE 5 - MATERIAL EVENTS AFTER THE REPORTING PERIOD

No material events have been reported after the reporting period.

Other information

AUDIT

This report has NOT been reviewed by the company's auditors.

ADVISERS

The company's Certified Adviser is FNCA Sweden AB.

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DISTRIBUTION OF INFORMATION

All information is published on the company website, www.sds.seamless.se, immediately after it has been made public.

Financial reports can also be ordered from SDS AB, Hangövägen 29, 115 41 Stockholm, or by e-mail to sds.info@seamless.se.

Seamless Distribution Systems' interim report for January to March has been approved for publication in accordance with the Board's decision of April 21, 2021. The Board of Directors and the CEO of Seamless Distribution Systems AB (publ) assure that the interim report provides a fair overview of the parent company's and the group's operations, position and results, material risks and uncertainties faced by the company and the companies included in the group.

Stockholm, April 21, 2021

Tomas Klevbo

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Chairman of the Board

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Financial definitions and alternative key ratios

Average number of shares	Weighted average number of shares outstanding during the period.
EBITDA	Operating profit/loss before depreciation and amortization of tangible and intangible assets and financial items.
EBITDA margin (%)	Operating profit/loss before depreciation and amortization of tangible and intangible assets and financial items as a percentage of revenue.
Equity/assets ratio	Equity including minorities in relation to balance sheet total.
Equity per share	Equity in relation to the total number of shares outstanding.
Earnings per share	Profit/Loss after tax in relation to the average number of shares.
Growth in net sales	Net sales for the period in relation to net sales for the preceding period.
Operating margin (EBIT) (%)	Profit/Loss before financial items and tax as a percentage of revenue.
Operating profit/loss (EBIT)	Profit/Loss before financial items and tax.
Profit/Loss after tax	Profit/Loss after financial items and tax.
Quick ratio	Cash and cash equivalents including current investments and current receivables in relation to current liabilities.
Return on equity	Profit after tax in relation to average equity.
Withholding tax	Local withholding tax on the sales of royalties, licenses and consulting services is charged in many of the countries where SDS has customers. Withholding tax varies between 10–20% depending on the country and is deducted from the invoiced amount before the customer pays the supplier. SDS reports net sales including withholding tax and books the withholding tax that can be deducted according to the double taxation agreements as a receivable from the tax authority. The withholding tax that cannot be deducted is booked as a tax expense in the income statement.