

Seamless
Distribution Systems

Interim report Q1

2023

INTERIM REPORT Q1

JANUARY - MARCH 2023

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- Net sales amounted to SEK 69.4 (63.1) million and an increase of 10.0% compared to the same period last year.
- The EBITDA result amounted to SEK 13.8 (9.3) million, an increase of 48.4% compared to the same period last year.
- The EBITDA margin amounted to 19.9% (14.8%).
- Profit after tax amounted to -SEK 4.8 (-7.9) million.
- Earnings per share amounted to SEK -0.5 (-0.8).
- The period's cash flow amounted to SEK 5.4 (4.4) million.

KSEK	2023 JAN-MAR	2022 JAN-MAR	2022 JAN-DEC
Net sales	69,397	63,067	245,412
EBITDA result	13,836	9,323	9,801
EBITDA margin	19.9%	14.8%	4.0%
Operating profit	2,480	-2,647	-48,586
Operating margin	3.6%	-4.2%	-19.8%
Profit for the period after tax	-4,796	-7,925	-75,415
Cash flow for the period	5,390	4,365	-10,619
Earnings per share, before and after dilution	-0.46	-0.80	-7.30

MATERIAL EVENTS DURING THE REPORTING PERIOD

FEBRUARY

SDS announced via a press release on February 8, 2023 that it is likely to breach its covenant in the terms of its issued bonds due to negative organic growth in the group. This is primarily due to delays in projects that, according to previous forecasts, would have been completed during the fourth quarter, as well as two projects that were recognized as revenue earlier in 2022 being terminated by the customer. In order to drive efficiency, margin and cash flow improvements going forward, SDS has decided to launch a cost reduction program. Due to the deterioration of EBITDA for the fourth quarter of 2022 and breach of covenant, SDS has engaged Pareto Securities and Gernandt & Danielsson to conduct a dialogue with the largest bondholders, with the aim of handling the situation in an appropriate way through changes in terms.

MARCH

On March 1, 2023, SDS could announce that it has an agreement regarding certain changes in the bond terms with bondholders who together hold approximately 65.6% of the outstanding nominal amount of SEK 200 million. The bondholders in question have, on customary terms, undertaken to vote for these changes in a written voting procedure (written procedure) and not to vote for early repayment of the Bonds. In parallel to the above dialogue, SDS has held discussions with certain shareholders. In doing so, the company has secured a capital injection of at least SEK 40 million from certain shareholders, including the board and management team, on the condition that the above-described changes in conditions come into force and that the required approvals are obtained by the general meeting.

MARCH

On March 8, 2023, SDS instructed the bondholders' agent, Nordic Trustee & Agency AB (publ) (the "Agent"), to send out a notice of written procedure to directly registered owners of bonds in the debt book maintained by Euroclear Sweden as of March 7, 2023, regarding requested changes to the bond terms.

MARCH

On March 27, 2023, SDS was able to announce via a press release that it has received approval for changes to the bond terms. A sufficient number of votes have been obtained to achieve a quorum and majority for the requested changes to the terms. The bondholders have thus approved the changes to the terms. The changes to the conditions, which appear in the invitations to the written voting procedure that are available on the SDS website, are expected to come into force after the proposed directed new issue of shares has been decided at the extraordinary general meeting on March 30, 2023 (see press release on March 13, 2023) and has been implemented.

MARCH

At an extraordinary general meeting in SDS on March 30, 2023, a directed new share issue was decided. The extraordinary general meeting decided in accordance with the board's proposal for a decision on a directed new issue of a maximum of 2,352,942 shares, meaning an increase in the share capital by a maximum of SEK 235,294.20. The subscription price was set at SEK 8.50 per share, which corresponds to a premium of 18 percent in relation to the closing price of the company's share on the Nasdaq First North Premier Growth Market on March 1, 2023. Subscribed shares must be paid in cash or by set-off, whereby set-off of subscription proceeds can take place to a maximum of the amount that corresponds to certain subscribers' claims on the company of a total of SEK 5.4 million.

MARCH

SDS received a new order from an existing customer, which is one of the leading mobile operators in Oman, worth SEK 4.2 million. The order concerns a development team that will work dedicatedly for the customer.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

APRIL

The amendments to the terms of the SDS bonds, which have previously been approved by the bondholders, became effective on April 11, 2023. The full bond terms, as amended by the terms and conditions, are available on the SDS website.

APRIL

In accordance with one of the conditions for SDS bonds, the Company has, through a directed new issue of shares decided at an extraordinary general meeting on March 30, 2023, received SEK 20 million in April 2023 and associated shares have been registered.

MAY

SDS is delighted to announce that Eddy Cojulun has been appointed as the company's new CEO and will assume his new position on June 1, 2023. Eddy brings over 25 years of experience in technology and telecommunications, having served as the sales manager at Envirotainer in recent years until the company was successfully sold to new owners following a period of strong growth. Eddy will be succeeding Martin Schedin, who is stepping down after one year of service as interim CEO. Martin will continue in his role as CFO of the company, which he has held concurrently with the interim CEO position for the past year. In conjunction with his appointment, Eddy has also agreed to purchase 250,000 shares from major existing shareholders at a price of 9.50 SEK. Additionally, upon assuming his new role, Eddy has decided to withdraw his nomination for the company's board of directors.

CEO'S COMMENTS

I am delighted to report that Seamless Distribution Systems AB has had a significantly improved first quarter of 2023, where we once again are demonstrating growth and a positive operating result.

Despite the negative impact of a strengthened Swedish Krona during the first quarter, we are still on track with our projected forecast. Our revenue reached SEK 69.4 (63.1) million, with an EBITDA of SEK 13.8 (9.3) million.

Throughout the quarter, we have implemented several crucial initiatives that will position us well for continued growth and profitability. I want to highlight our strong growth in recurring revenues, with SEK 35 million generated during the quarter, an 18% increase compared to the same quarter in 2022 and a 17% increase compared to Q4 2022.

The cost-saving program launched during the quarter has reduced our expenses by 3.6% compared to the same quarter last year, despite significant inflation in our core markets. The program is progressing as planned and is expected to generate further savings in the future. Additionally, we have reorganized to enhance our efficiency and strengthen our customer and product focus. In the new structure, Olivier Moisse has been appointed as Product Manager, Sandipan Mukerjee as Technology and Development Manager, and Tommy Eriksson has returned to our management team with responsibility for implementation and customer support. We are already experiencing positive effects from this reorganization. We now work more agilely with clear responsibilities, which has yielded noticeable results.

During the quarter, we have also worked diligently on our transition to productize our offering. This ongoing effort is expected to result in more efficient business processes, reduced risks, and improved cash flow.

The refinancing of the bond has been another important step in strengthening our financial position. Through financial restructuring, we have increased



our financial flexibility and ensured that we have the necessary resources to invest in growth. After the reporting period, SEK 20 million was added to the company through a directed share issue, as decided at the extraordinary general meeting in March.

We are also delighted to have received a significant additional order from one of our customers in Oman. This order is recognition of our ability to deliver high-quality solutions to our customers and represents an important step in our continued growth strategy, with an increased focus on cash flow and risk management.

I am proud and satisfied with our work during the first quarter of 2023 and look forward to delivering further operational improvements that create value for our customers and shareholders. We hope to soon return the company to a positive net income.

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

A handwritten signature in black ink, appearing to read 'Martin Schedin'. The signature is fluid and cursive, written over a white background.

Martin Schedin
Acting CEO, Seamless Distribution Systems AB

FINANCIAL OVERVIEW

JANUARY - MARCH 2022

NET SALES

Net sales for the first quarter amounted to SEK 69,397 (63,067) thousand, representing a 10.0% increase compared to the same period of the previous year. Other operating income amounted to SEK 1,543 (5,317) thousand.

The increase can be attributed to the company carrying forward a backlog of new sales orders from 2022 and being able to initiate work on orders that were previously postponed. The company's business model entails that larger projects impact revenue and results between quarters.

OPERATING EXPENSES

The operating costs for the first quarter amounted to SEK -68,461 (-71,031) thousand, representing a decrease of -3.6% compared to the same period last year.

During the quarter, the Company initiated its cost reduction program in order to drive efficiency, margin improvements, and cash flow enhancements, as communicated through a press release on February 8, 2023.

OPERATING PROFIT

The EBITDA result for the first quarter amounted to SEK 13,836 (9,323) thousand.

The EBIT result for the quarter was SEK -2,480 (-2,647) thousand.

The net financial result for the quarter was SEK -6,581 (-4,851) thousand. Associated bond expenses of SEK -11,101 thousand are accrued over the loan's duration and recorded as interest costs. The bond loan carries a variable interest rate of 3-month STIBOR plus 875 basis points, explaining the increase between quarters.

The profit before tax was SEK -4,102 (-7,499) thousand.

The earnings per share amounted to SEK -0.46 (-0.80).

INVESTMENTS

During the first quarter, investments in product development amounted to SEK 7,498 (11,400) thousand. Depreciation of intangible assets was SEK -9,476 (-10,330) thousand. Investments in tangible assets amounted to SEK 468 (777) thousand for the quarter. Depreciation of tangible assets was SEK -967 (-765) thousand.

Leases (IFRS 16)

According to the standard, an asset (the right to use a leased asset) and a financial liability related to the obligation to pay lease payments should be recognized.

A right of use of SEK 6,626 thousand has been booked in the Group, with a depreciation of SEK -914 thousand and an interest expense of SEK -80 thousand for the quarter, both of which have replaced the lease cost. The financial liability amounts to SEK 6,620 thousand as of the end of March.

NUMBER OF EMPLOYEES

The number of employees in the Group at the end of the period was 142 (146). The majority of employees are software developers. In addition to this, SDS has approximately 143 (179) consultants primarily located in Pakistan and Ghana.

CASH FLOW AND FINANCIAL POSITION

The cash and cash equivalents at the end of the period amounted to SEK 11,185 (21,373) thousand.

The cash flow from operating activities during the first quarter was SEK 19,765 (19,863) thousand.

The period's cash flow amounted to SEK 5,390 (4,365) thousand.

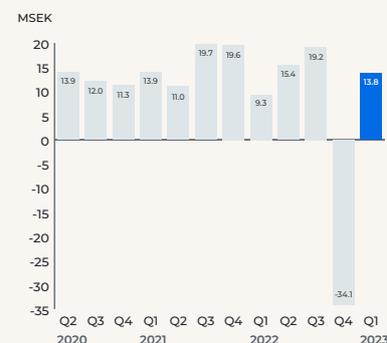
Net sales

MSEK 69,4



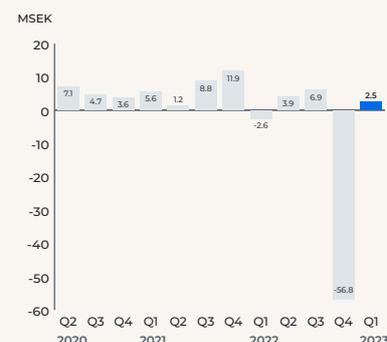
EBITDA result

MSEK 13,8

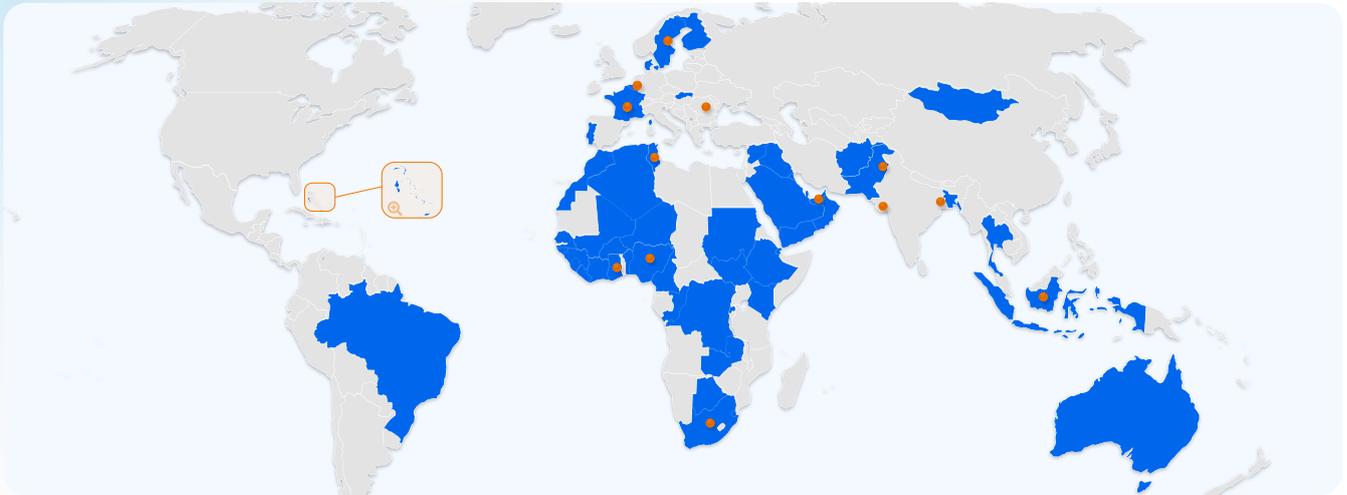


EBIT result

MSEK 2,5



MARKET PRESENCE



● 13 offices 🇺🇸 72 customers



Africa
32 countries
39 customers
4 offices



Asia
14 countries
17 customers
5 offices



Europe
7 countries
12 customers
4 offices



North America
1 country
1 customer



Australia
1 country
2 customers



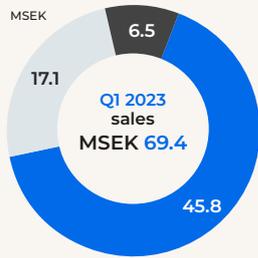
South America
1 country
1 customer

SHARE PERFORMANCE



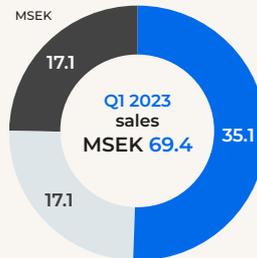
REVENUE

Product offering



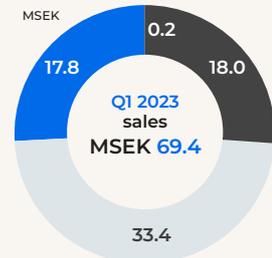
MSEK		
Riaktr	6.5	9%
SDD	17.1	25%
SDS	45.8	66%

Revenue types



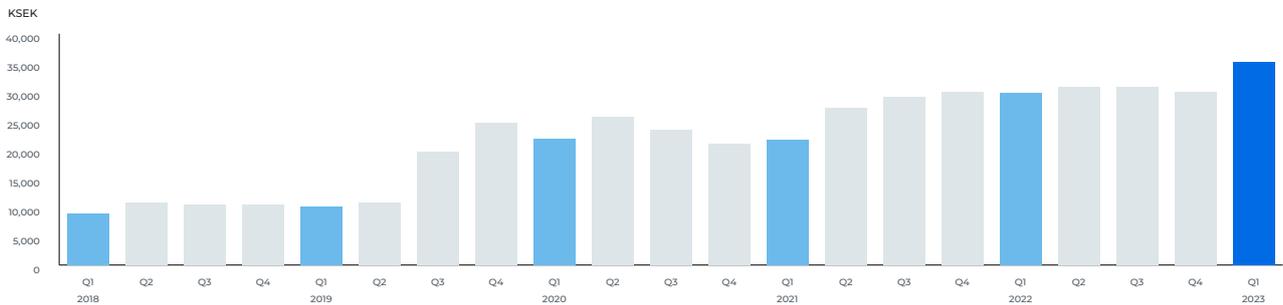
MSEK		
New sales	17.1	25%
Re-occurring revenue	17.1	25%
Recurring revenue	35.1	51%

Geographic sales



MSEK		
Europe	17.8	26%
Africa	33.4	48%
Asia / Middle East	18.0	26%
Americas	0.2	0%

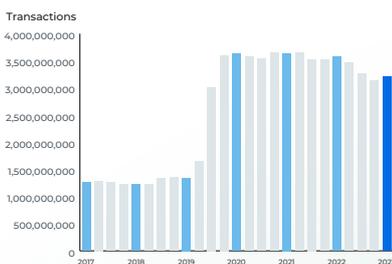
RECURRING REVENUE



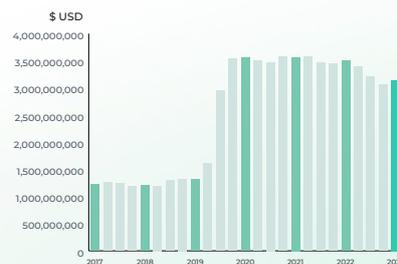
* Reported figures are not FX-adjusted.

TRANSACTIONS

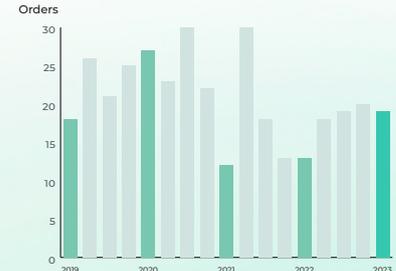
Number of transactions handled by ERS 360 per quarter



Monetary value managed by Seamless system per quarter



Number of orders won per quarter



THE SEAMLESS ADVANTAGE

SDS works with the digitization of large-scale sales and supply chain networks. The company has developed software and processes for handling large amounts of transactions with financial, logistical or other information. With its experience, SDS has developed a system through which the Company collects and analyzes data generated

Over the years, SDS has become more than just a technology supplier and has a self-developed software platform, which is now in its fourth generation. We have spent 30+ years helping 50+ MNOs create and maintain a successful sales and distribution chain across multiple markets with a homogeneous product portfolio that grows with them:

in transaction systems and makes recommendations to customers to achieve operational efficiency. The software can be easily integrated with most solutions, such as payment solutions such as payment methods for products and services.

Cost optimization through our cohesive products

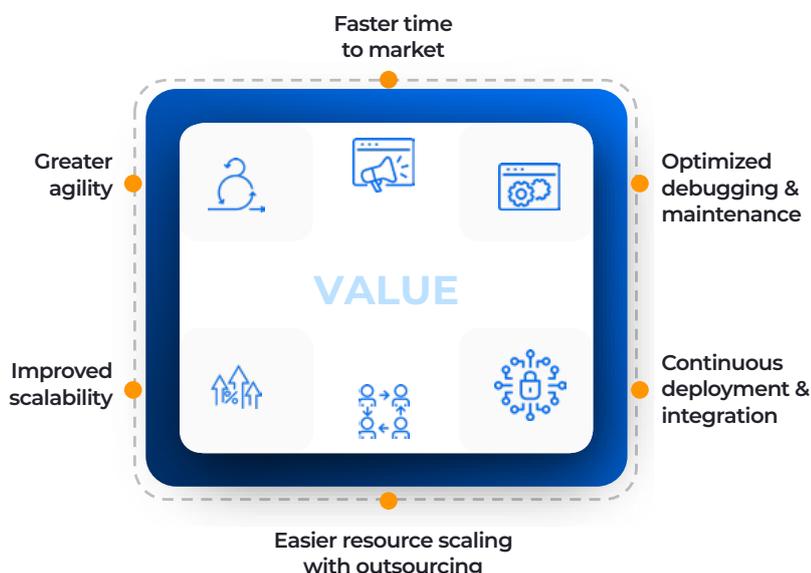
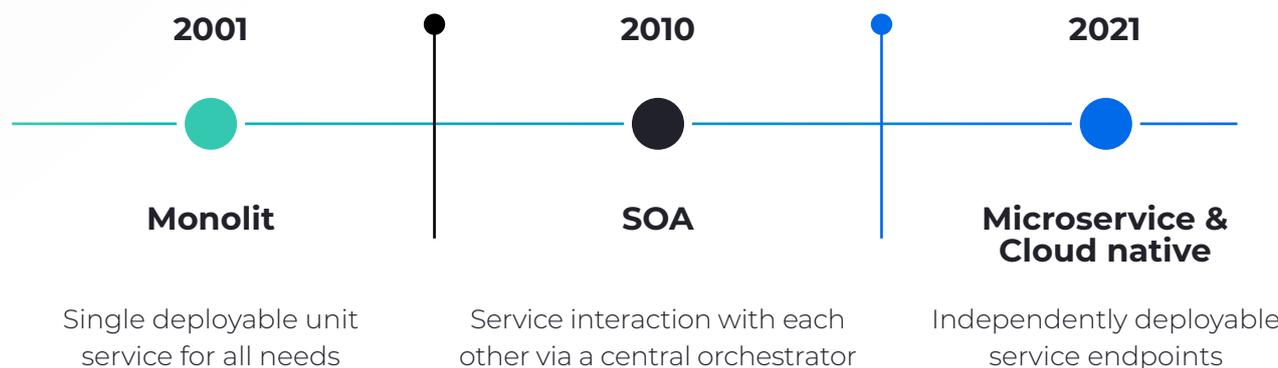
Unmatched business efficiency through our insight-driven portfolio

Sustainable competitive advantage with future-ready technology (SaaS & cloud native)

Our cloud native tech stack

With our technical leap, from a monolith platform to a microservice and cloud native, we have moved from a one product company to several new products. With our new product suite our market attractiveness has substantially increased. The new architecture enables plug & play across a portfolio that works seamlessly together.

We experience a greater stickiness with customers, meetings at customers' highest level of management, joining the discussion earlier in the process and expanding from a pure transaction system to next generation and exciting offer.



Key factors

Our Microservices-backed product portfolio:

Reduces hardware and capital expenses

Reduces fragmented operations and offers multi country adoption

Champions modularity with API-based seamless integrations & SDK's (Software Development Kit).

Promotes agility and quick turnaround with on-demand scaling with fault tolerance

Offers a future-proof and resilient architecture

OFFERING

SDS considers itself to have a unique position in the market, as the SDS platform is the backbone of a mobile operator's sales operations. Through its long experience, SDS has a deep understanding of how the retail infrastructure works for mobile operators. The product portfolio is focused on supporting and digitizing every step of the sales process with the goal of providing the opportunity to sell any product, at any time and through any channel. Channels in this context can be anything from a simple terminal to a company-wide cash terminal system.

The systems and solutions provided by SDS are business-critical platforms that handle a large number of transactions and large monetary flows. This puts a high demand on the platform being flexible and having high performance, as well as accessibility. As SDS customers operate in competitive markets, there is also an expectation of the amount of features and services that can be managed with the same technology platform. Furthermore, there are requirements for the platform to have an open architecture and thus offer the opportunity to easily integrate the platform with other systems. SDS technology and platforms meet these expectations and are supported by a team 24/7, who are well aware of the need for the technical and operational expectations, both for the business and for the

Company's customers. SDS has the organizational structure required to develop, deliver, transfer knowledge and perform technical support as well as manage and maintain the operational operation of all delivered platforms.

In addition to the technical platform and operational capacity, important attributes such as sustainability, high availability and business continuity are necessary for SDS to easily provide its customers with optimal operational capability. The information that SDS provides its customers access to is necessary for the customer to understand their business results, as well as the dynamics of the business. With the information, the customer receives the material required for the customer's board and management to be able to make informed decisions for their business.

The Group's product portfolio, which is illustrated below, brings together our offering under what we call the RVM suite. It includes solutions for planning, onboarding, growth and optimization for mobile operators throughout the retail journey, from Capex investments to optimization of the sales force.

The Seamless RVM Suite

Turning telecom S&D into a revenue-generating engine



CONSOLIDATED REPORT ON TOTAL RESULTS

KSEK	2023 JAN-MAR	2022 JAN-MAR	2022 JAN-DEC
Operating revenue			
Net sales	69,397	63,067	245,412
Other operating revenue	1,543	5,317	33,837
Total operating revenue	70,940	68,384	279,249
Operating expenses			
Material expenses	-20,672	-22,664	-96,846
Other external expenses	-13,967	-13,531	-63,735
Personnel costs	-19,370	-18,523	-84,405
Depreciation and amortization	-11,356	-11,970	-58,387
Other operating expenses	-3,095	-4,343	-24,462
Total operating expenses	-68,461	-71,031	-327,835
Operating profit/loss	2,480	-2,647	-48,586
Financial items			
Financial income	10	1	29
Financial expenses	-6,591	-4,852	-23,538
Net financial items	-6,581	-4,851	-23,509
Profit/Loss before tax	-4,102	-7,499	-72,096
Income tax	-694	-427	-3,319
Profit for the year attributable to the Parent Company's shareholders	-4,796	-7,925	-75,415
Other comprehensive income			
<i>Items that may be reclassified to profit for the year:</i>			
Translation differences	684	1,293	9,145
Total comprehensive income attributable to Parent Company's shareholders	-4,112	-6,632	-66,270

CONSOLIDATED BALANCE SHEET

KSEK	2023-03-31	2022-03-31	2022-12-31
Assets			
Intangible assets	221,975	216,750	221,631
- of which IP rights	9,083	11,751	9,750
- of which Capitalized development costs	104,749	105,848	105,154
- of which Goodwill	108,143	99,151	106,727
Tangible fixed assets	11,226	15,122	12,567
Financial assets	1,040	1,176	1,115
Inventories of finished goods	1,863	1,649	1,951
Accounts receivable	57,277	71,479	64,058
Other receivables	43,803	34,179	35,987
Prepayments and accrued income	53,703	68,048	43,296
Cash and cash equivalents	11,185	21,373	7,234
Total assets	402,072	429,775	387,839
Equity and liabilities			
Equity	78,166	122,016	82,278
Other long-term liabilities	202,131	205,907	3,925
Overdraft	9,114	-	9,109
Trade payables	37,744	27,589	40,247
Current tax liabilities	364	640	359
Other current liabilities	17,075	10,358	220,742
Accrued liabilities and deferred income	57,479	63,263	31,180
Total equity and liabilities	402,072	429,775	387,839

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

KSEK	2023 JAN-MAR	2022 JAN-MAR	2022 JAN-DEC
At beginning of period	82,278	128,648	128,648
Comprehensive income for the period	-4,112	-6,632	-66,270
New share issue	-	-	19,900
At end of period	78,166	122,016	82,278

CONSOLIDATED CASH FLOW STATEMENT

KSEK	2023 JAN-MAR	2022 JAN-MAR	2022 JAN-DEC
Cash flow from operating activities before change in working capital	1,173	4,107	-31,078
Change in working capital	18,591	15,756	43,516
Cash flow from operating activities	19,765	19,863	12,438
Cash flow from investing activities	-10,284	-15,186	-48,509
Cash flow from financing activities	-4,091	-312	25,452
Cash flow for the period	5,390	4,365	-10,619
Cash and cash equivalents at beginning of period	7,234	16,698	16,698
Exchange rate differences in cash and cash equivalents	-1,439	309	1,155
Cash and cash equivalents at end of period	11,185	21,373	7,234

KEY RATIOS AND FIGURES

KSEK	2023 JAN-MAR	2022 JAN-MAR	2022 JAN-DEC
Return on equity	-6.0%	-6.3%	-71.5%
Earnings per share SEK before and after dilution	-0.46	-0.80	-7.30
Operating profit/loss, KSEK	2,480	-2,647	-48,586
Growth in net sales	10.0%	2.6%	-14.8%
Operating margin (EBIT)	3.6%	-4.2%	-19.8%
Average number of shares before and after dilution	10,462,924	9,922,383	10,327,789
Number of shares outstanding at end of reporting period	10,462,924	9,922,383	10,462,924
Quick ratio	136%	192%	51%
Equity/assets ratio	19.4%	28.4%	21.2%
Equity, KSEK	78,166	122,016	82,278
Equity per share	7.47	12.30	7.97
Number of employees at end of period	142	146	154



PARENT COMPANY INCOME STATEMENT

KSEK	2023 JAN-MAR	2022 JAN-MAR	2022 JAN-DEC
Net sales	33,081	21,869	102,760
Other operating revenue	1,352	5,112	29,147
Operating expenses	-34,732	-36,210	-182,852
Operating profit/loss	-299	-9,229	-50,945
Net financial items	-6,414	-5,086	-23,393
Profit/Loss after financial items	-6,713	-14,315	-74,339
Income tax	-380	-243	-970
Net profit/loss for the period	-7,093	-14,558	-75,309

PARENT COMPANY BALANCE SHEET

KSEK	2023-03-31	2022-03-31	2022-12-31
Assets			
Fixed assets	191,217	197,212	190,616
Current assets	138,152	161,878	129,981
Total assets	329,369	359,090	320,597
Equity and liabilities			
Equity	36,818	84,762	43,912
Long-term liabilities	199,150	195,740	-
Current liabilities	93,401	78,588	276,685
Total equity and liabilities	329,369	359,090	320,597
Pledged assets	22,000	22,000	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	2023	2022	2022
	JAN-MAR	JAN-MAR	JAN-DEC
SDS	52,954	42,909	163,659
SDD	17,121	20,757	84,362
Intra-Group support fee ¹⁾	-678	-599	-2,609
Seamless Group	69,397	63,067	245,412

Operating profit

KSEK	2023	2022	2022
	JAN-MAR	JAN-MAR	JAN-DEC
SDS	2,904	-2,776	-48,116
SDD	254	470	2,139
Intra-Group support fee ¹⁾	-678	-599	-2,609
Seamless Group	2,480	-2,647	-48,586

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

Seamless
Distribution Systems

 **Seamless**
Digital Distribution

OM SEAMLESS DISTRIBUTION SYSTEMS (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 talk time, data and additional 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 solutions have been successful, they are converted into so-called SaaS solutions.

SDS has approximately 285 employees in Sweden, France, Belgium, Romania, South Africa, Ghana, Nigeria, United Arab Emirates, Pakistan, and India. SDS processes over 15 billion transactions annually, worth over \$14 billion. Through more than 3 million monthly active resellers of digital products, indirectly, SDS serves over 1.1 billion consumers globally.

SDS shares are listed on Nasdaq First North Premier.

OM SEAMLESS DIGITAL DISTRIBUTION (SDD)

SDD sells airtime in the Nordic region to retailers in the retail industry, including major chains and smaller independent kiosks. SDD delivers complete end-to-end solutions that not only consist of the final digital product but also the technology that enables a simple and fast sales process for the retailer.

SDD's main offering includes electronic products such as prepaid mobile top-ups and payment solutions for online payments. The company's services are tailored and customized to meet individual customer needs, enabling sales through various channels such as the customer's own point-of-sale system or through a terminal or web solution provided by SDD. The core platform ERS360°, used in SDS offerings, is also utilized in SDD's offerings. The platform handles approximately three and a half million transactions annually, with an estimated value of SEK 450 million, in the two markets where SDD operates, Sweden and Denmark. SDD has one employee and serves over 2,000 sales points.

NOTER

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's operations are affected by a number of external factors where various 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 to the business are as follows: Market risks including political risks and the dependence on 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 2022, pages 35-36. Management's assessment is that there are no significant changes in the risk assessment made in the annual report for 2022.

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 2022. 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 2023 or later. These additions have not had any significant impact on SDS's financial reports.

NOTE 2 - DISTRIBUTION OF NET SALES

KSEK	SDS	
	2023 JAN-MAR	2022 JAN-MAR
Retail Value Management (RVM)	16,163	8,600
Mobile Financial Services (MFS)	6,451	9,751
Analytics	29,662	23,959
SDS total	52,277	42,310

KSEK	SDD	
	2023 JAN-MAR	2022 JAN-MAR
Etop-up	16,894	20,255
Bank systems	214	480
Other	12	23
SDD total	17,121	20,757

NOTE 3 - NET SALES BY GEOGRAPHIC AREA

KSEK	SDS	
	2023 JAN-MAR	2022 JAN-MAR
Africa	33,385	29,208
Middle East and Asia	18,019	11,726
Other	873	1,376
SDS total	52,277	42,310

KSEK	SDD	
	2023 JAN-MAR	2022 JAN-MAR
Sweden	14,231	18,509
Denmark	2,883	2,235
Other	7	13
SDD total	17,121	20,757

NOTE 4 - TRANSACTIONS WITH RELATED PARTIES

The company has no existing transactions with related parties.

OTHER INFORMATION

NOMINATION COMMITTEE & AGM

SDS's nomination committee for the 2023 Annual General Meeting consists of John Longhurst (own shares), Lars Rodert (ÖstVäst Kapital), Tomas Klevbo (representing Veronica Wallman and Roland Wallman), and Martin Roos (Chairman of the Board of SDS AB). The nomination committee has appointed Fredrik Önnarfors as its chairman. Shareholders who wish to submit proposals to the nomination committee can do so by email to "valberedning@seamless.se" or by mail to "SDS Valberedning, Hangövägen 29, 115 41 Stockholm". The SDS Annual General Meeting is scheduled for May 30, 2023.

AUDIT

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

ADVISERS

The company's Certified Adviser is FNCA Sweden AB.

Telephone: 08-528 00 399

E-mail: info@fnca.se

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.

FINANCIAL CALENDAR

Planned date for the next AGM	2023-05-30
Interim report Q2 2023	2023-07-20
Interim report Q3 2023	2023-10-19

The interim report for January to March of Seamless Distribution Systems has been approved for publication according to a board decision on May 12, 2023. The Board of Directors and the CEO of Seamless Distribution Systems AB (publ) confirm that the interim report provides a fair overview of the parent company's and the Group's operations, financial position, and results, and describes the material risks and uncertainties that the company and the companies within the Group are facing.

Stockholm, May 12, 2023

Morten Karlsen Sörby

Martin Roos
Chairman of the board

Pia Hofstedt

Martin Schedin
Acting CEO

For further information, please contact:



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FINANCIAL DEFINITIONS AND ALTERNATIVE KEY RATIOS

Analytics	Collective name for Smart Capex and Smart Sales & Distribution.
Adjusted EBITDA margin, adjusted for acquisition costs	Operating profit before amortization of tangible and intangible assets and financial items as a percentage of income where acquisition costs for the period have been deducted.
Adjusted EBITDA result, adjusted for acquisition costs	Operating profit before amortization of tangible and intangible assets and financial items where acquisition costs for the period have been deducted.
Adjusted profit after tax, adjusted acquisition costs	Profit after financial items and tax where acquisition costs for the period have been deducted.
Average number of shares	Weighted average number of shares outstanding during the period.
Cash liquidity	Cash and cash equivalents including short-term investments and short-term receivables in relation to short-term liabilities.
Earnings per share	Profit after tax in relation to the average number of shares.
EBITDA	Operating profit/loss before depreciation and amortization of tangible and intangible assets and financial items.
EBITDA %	Operating profit/loss before depreciation and amortization of tangible and intangible assets and financial items as a percentage of revenue.
Equity per share	Equity in relation to the total number of outstanding shares.
EV/EBITDA	Enterprise Value / Profit before interest expenses, taxes, write-downs and depreciation. EV = Market capitalization + net debt. EBITDA = Profit before interest expenses, taxes, impairment losses and depreciation. Market value = Share price * Number of Shares.
MFS	Abbreviation for Mobile Financial Services. Refers to Microcredit and "Mobile wallet".
Microcredit	Mikrocredit is a value-added service that quickly and easily gives retailers and consumers access to talk time by the retailer borrowing talk time from SDS while waiting for the retailer's inventory balance to be replenished by the telecom operator.
Net sales growth	Sales for the period in relation to sales for the previous period.
Operating margin (EBIT)%	Profit before financial items and tax as a percentage of revenue.
Operating margin (EBIT)%, adjusted for acquisition costs	Profit before financial items and tax as a percentage of income where acquisition costs for the period have been deducted.
Operating profit (EBIT)	Profit before financial items and tax.
Operating profit (EBIT), adjusted for acquisition costs	Profit before financial items and tax where acquisition costs for the period have been deducted.
P/B	Share price / Equity per share
P/EBITDA	Share price / EBITDA = Profit before interest expenses, taxes, write-downs and depreciation.
P/S	Share price / Turnover Per Share
Profit after tax	Profit after financial items and tax.
Return on equity	Profit after tax in relation to average equity.
RVM	Retail Value Management is a suite of solutions all the way from planning and onboarding to solutions to ensure distribution, revenue streams, continuous growth and optimization.
Solidity	Equity including minority in relation to total assets.
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.