

## **SDS signs another reseller microcredit agreement**

**SDS has signed a reseller microcredit agreement in yet another African country. The agreement has been entered into with Congo's leading mobile operator and means, among other things, that SDS charges a credit fee which is shared with the operator. This is the first time this type of service has been used in Congo and SDS will soon have the service installed at seven operators in different markets. The agreement is expected to make a positive contribution to SDS's recurring revenues from the fourth quarter of this year.**

The service is based on SDS's flagship platform, ERS 360°, and enables resellers to request a microloan for airtime stock. This way, the operator can always sell replenishment of airtime without any business interruption.

*"To sign an agreement in yet another country is strong evidence of the increased need for digitalization and microcredit services as a result of social distancing. The service increases the availability for resellers to continuously sell airtime by digitally replenishing their inventory without having to physically travel to do so, " says Tommy Eriksson, CEO of SDS AB.*

The service intelligently assesses and scores resellers based on their risk profile and sales patterns to offer customized stock loan for each individual, thereby, credit offered can vary based on advanced profiling and risk mitigation algorithms. This service allows resellers to continue selling and receive commissions even though their original stock has run out.

SDS acts as a virtual distributor for the telecom operator and has acquired stock credit at a discounted price for talk time, which will be disbursed to resellers who are out of stock and need to refill immediately. This service is extended for a fee that SDS shares with the mobile operator. SDS bears all credit risks and associated costs for the service. This means that the operator can improve and strengthen its offer to its distributors and resellers without any additional risks or costs.

The deal includes a discount on talk time credit to SDS and revenue sharing with the mobile operator and is expected to contribute to SDS's recurring revenues from the fourth quarter of this year.

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## **About Seamless Distribution Systems AB (SDS)**

*SDS is a Swedish software company group that provides solutions and services for digital sales and distribution to private consumers through mobile operators in emerging markets. The company offers its corporate customers a comprehensive solution for digital distribution and electronic transactions processing. SDS acquired eServGlobal in July 2019. The SDS Group now has customers in all parts of the world, with a footprint in more than 50 countries, reaching over 500 million mobile users through more than 2,000,000 active points of sale. SDS has approximately 220 employees in Sweden, France, Romania, Belgium, Ghana, Nigeria, USA, Pakistan, India, Indonesia, South Africa, Ecuador and the United Arab Emirates. With over 30 years of experience, SDS focuses on high-level customer satisfaction and efficient operations. SDS manages over 15 billion transactions annually, worth more than 14 billion US dollars and enables the growing populations in emerging markets to become part of the mobile revolution.*

*SDS shares are listed on Nasdaq First North Premier.*

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