

SEAMLESS INTERIM REPORT SECOND QUARTER OF 2016

Seamless

Distribution AB (publ)
Corp. id. no: 556610-2660

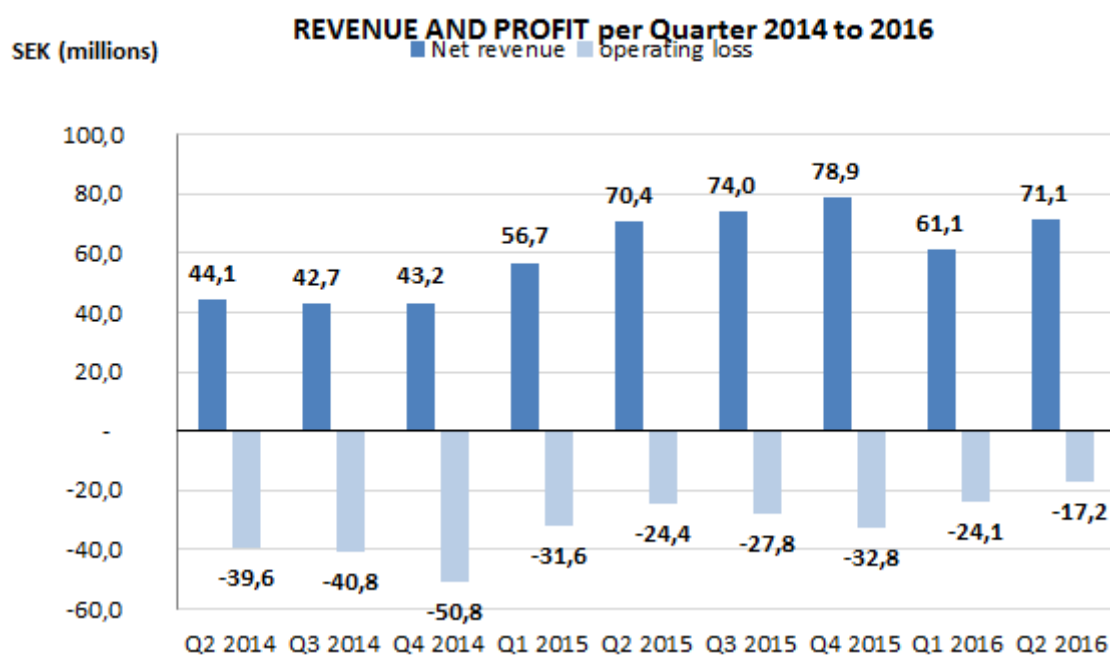


INTERIM REPORT, SECOND QUARTER OF 2016

April – June 2016

- Net sales increased 1 % to SEK 71.1 million (70.4)
- Operating loss for the period SEK -17.2 million (-24.4), an improvement of 30 percent
- Loss after tax for the period SEK -17.3 million (-24.5)
- Earnings per share SEK -0.36 (-0.58)
- Cash flow before changes in working capital improved with 4.8 MSEK to -14.1 (-18.9), an improvement of 25 percent

Overview	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full-Year
SEK thousand	2016	2015	2016	2015	2015
Net sales	71 145	70 411	132 208	127 090	279 997
Operating result	-17 202	-24 422	-41 337	-56 073	-116 637
Financial net and taxes	-107	-79	-1 538	-223	-2 671
Loss for the period	-17 309	-24 501	-42 875	-56 296	-119 308
Balance sheet total	212 144	198 590	212 144	198 590	205 332
Earnings per share, basic and diluted*	-0.36	-0.58	-0.91	-1.34	-2.84
Operating margin	neg	neg	neg	neg	neg
Equity ratio	39%	67%	39%	67%	50%
Capitalized development costs	6 537	5 126	13 073	7 887	18 244
Depreciation	-4 205	-6 086	-8 125	-12 085	-20 780



Significant events during the period April – June 2016

- Seamless has signed an agreement with Wayne's Coffee via its SEQR subsidiary. The agreement marks an initial step by Wayne's Coffee in offering its customers in Sweden the possibility of paying in store with the SEQR Seamless mobile payment solution.
- Seamless has signed an agreement with the fast growing UK based payments network GoCardless, that offers direct debit services in the United Kingdom. The GoCardless cooperation will enable all SEQR customers to link their bank account to the Seamless mobile payment solution, SEQR, regardless of who they bank with.
- An agreement has been signed with Raiffeisen Bank via the company's SEQR subsidiary. The agreement marks an initial step by the bank in offering its customers in Romania the possibility of connecting the SEQR Seamless mobile payment solution to their bank accounts.
- Seamless has been granted authorization by Sweden's financial supervisory authority, Finansinspektionen, to issue electronic money. This means that SEQR users can send and receive money, worldwide, in real time. Under the terms of the authorization, SEQR can also be used by minors. Money received can be accessed instantly to make payments anywhere in the world where NFC (contactless) payments are accepted. This service will be available to all SEQR users after the launch.

Significant events after the close of the reporting period

- Seamless Distribution AB (publ) ("Seamless") acquires the Norwegian technology company MeaWallet AS ("MeaWallet"). Through the acquisition Seamless controls important technology in the rapidly growing field of contactless payments. At the same time the company has carried out a direct issue of new shares in a private placement of approximately SEK 50 million to private and institutional investors.
- SEQR is launching contactless payments in Sweden using NFC technology (Near Field Communication). Contactless makes it possible to pay with SEQR at point of sale (POS) terminals that support NFC which is featured on almost all modern terminals, Consequently it is now possible to pay with SEQR in any store that supports the functionality in Sweden or abroad, even if a retailer has no private agreement with SEQR.
- Seamless's mobile SEQR payment solution launches its recently announced international remittance service. SEQR users can now make international money transfers – or "remittances" – to non-SEQR users. Transfers from Sweden directly to India and Thailand will be the first deployment of the service.
- SEQR launches in Austria, Ireland, Malta and Luxembourg. The company's rapid expansion means that consumers from 16 countries now can use SEQR globally.



CEO's COMMENT

Improvement in financial results

After closing the books for the second quarter, it is apparent that both our business and our finances are moving in a positive direction. Revenues in the second quarter were 71 MSEK which is unchanged compared to last year. Our net result, however, shows a strong improvement. We show a loss of 17 MSEK which is 30% better compared to the second quarter 2015 and moves us closer towards break-even. Our cashflow situation is also showing a strong improvement which lowers our need for external financing.

Breaking down our numbers further, an interesting picture emerges. SEQR, our mobile payments division shows a nice revenue increase of 36% compared to the second quarter 2015. We believe that this business division will continue to develop in a favorable direction, especially because of the introduction of contactless payments in the beginning of July, which I will discuss more below

The Seamless Distribution Systems (SDS) business division shows a strong second quarter with revenue growth of 10 percent to 25,6 MSEK. This revenue comes with a nice profit margin as the net result was 9,8 MSEK.

The Eproducts/Distribution division showed a revenue of 43,1 MSEK and a small profit. We expect this business to continue to grow with positive cashflow and net results.

Contactless and remittances introduced this quarter

Seamless is continuing to invest in its technological advantage and leadership. Our ambition is to defend and strengthen our position as the standard for mobile payments. During the second quarter we launched some very important functions which create a solid base for continued and rapid growth.

The most important development during the quarter was our launch of contactless payments. This makes it possible for SEQR users to use their phone to pay at all modern card terminals that accept payments via NFC (Near Field Communication). This means that SEQR users can pay at stores without SEQR having to have a bilateral agreement with the merchant. Our acceptance network (stores where SEQR users can pay) has become global and has now reached about 35 million stores overnight. With this development we have removed SEQR's biggest bottleneck which has been the time it takes to negotiate individual agreements with merchants, resulting in a limited number of merchants that accept SEQR payments.

Swedish merchants have been slow to accept contactless payments, but this is about to change because the large merchants and banks have already decided to introduce contactless technology during 2016. ICA, the largest Swedish merchant is already accepting contactless payments which means that SEQR users already today can pay at ICA. Internationally, contactless technology has become standard and all new terminals installed include NFC technology.

Another important area for SEQR is money transfers. Transfers can be done in two ways within the SEQR infrastructure. SEQR users have long since been able to transfer money nationally and internationally between each other, so called peer-to-peer transfers. During the quarter we also introduced remittance services where a SEQR user can transfer money internationally to a non-SEQR user. This business, called remittance, is very large; the market size is about 600 billion USD. The average fee outtake from this market is around 7,5 % which makes it very profitable to the market participants. We feel that we have a very good position in this market where we can compete on price due to our infrastructure efficiency. The individuals that traditionally use remittance services are very price sensitive but have up to now, largely, been forced to use the traditional expensive methods of remittance.

So as I look forward to the rest of the year, I expect it to be as interesting as the first half. Seamless/SEQR is very well positioned in the fintech industry and is poised to capitalize on our technological advantages.

Have a very pleasant summer!

Peter Fredell

CEO

CONSOLIDATED

Revenue and result

Seamless' revenues increased during the second quarter by 1 percent to SEK 71 145 thousand (70 411). The sales are distributed between the various business segments, with 36 percent (33) from the Transaction Switch business segment, 61 percent (64) from the Distribution business segment, and 3 percent (3) from the SEQR business segment.

The consolidated operating loss amounted to SEK -17 202 thousand (-24 422) in the second quarter. Financial items for the second quarter amounted to SEK -608 thousand (-38). Earnings per share amounted to SEK -0.36 (-0.58) SEK for the quarter.

Personnel

The Group had a total of 161 (131) employees at end of the quarter. In addition to this, Seamless has retained approximately 100 consultants – primarily in India, Ghana and Pakistan.

Investments

During the quarter, investments have been made in a total amount of SEK 6 244 thousand (6 811). Product development costs have been capitalized at a value of SEK 6 537 thousand (5 126), while depreciation taken and amortization amounted to SEK -4 205 thousand (-6 086).

Cash flow and financial position

Cash flow from operating activities amounted to SEK -21 336 thousand (-30 345) for the second quarter. Bank deposits and cash equivalents at the end of the quarter amounted to SEK 8 629 thousand (21 019). The company needs a liquidity fund of 2 MSEK in the Swedish operations to maintain its money transmitter license from the Financial Supervisory Authority. Corresponding liquidity base for the US market is appr. \$ 1 million when starting up the business. A total of appr. 8.3 MSEK.

The Group has interest bearing liabilities in the form of leases for hardware amounting to SEK -844 thousand (-2 005), divided between long-term debt of SEK -499 thousand (-607) and short-term debt of SEK -345 thousand (-1 398). An interest-bearing liability in the form of a convertible loan amounts to SEK 28 million with an annual interest rate of 7 percent. The interest during the quarter amounted SEK 489 thousand. The convertible loan will mature in 364 days after the date of issue, on July 16, 2016.

The Company has no interest-bearing liabilities to banks or other credit institutions apart from the convertible loan.

The board continually assesses the funding situation for the group and can use various methods for financing the current negative cash flow. Although the cash flow is continually improving, the group will be in need of further funding during the year ahead. Seamless raised capital by a private placement of approximately 24.6 MSEK in February 2016.

Seamless has an equity ratio of 39 (67) percent.

Parent Company

The parent company's net sales for the quarter amounted to SEK 591 thousand (1 959) and net financial result amounted to a loss of SEK -23 405 thousand (-2 231). Net gains/losses in the parent company from financial items amounted to SEK -19 689 thousand (0). A write-down of shares in subsidiaries have had a one-time effect of SEK -19.2 million and the parent company had bank deposits/cash on hand in the amount of SEK 602 thousand (736). The parent company had 2 (5) employees at the close of the quarter.

Transactions with closely related parties

Seamless has not engaged in any transactions with closely related parties.

OTHER

Accounting Policies

This quarterly report has been prepared in accordance with IAS 34, Interim Financial Reporting, which is consistent with Swedish law via the application of the Swedish Financial Reporting Board's Recommendation RFR 1, Supplementary Accounting Policies for Groups, and RFR 2, Accounting for Legal Entities, in regard to the parent company. The same accounting policies, definitions of key figures, and methods of computation have been applied as in the most recent annual report for both the Group and the Parent Company, unless otherwise noted below.

Significant risks and uncertainties in the business activities

Seamless' business operations are affected by a number of external factors where various risk factors may have an impact on the Company. These risk factors may result in an impact on the Company's ability to achieve its business objectives or targets. Seamless is in need of additional liquidity. The board continually assesses the funding situation for the group and can use various methods for financing the current negative cash flow. Although the cash flow is continually improving, the group will be in need of further funding during the year ahead. Seamless raised capital by a private placement of approximately 24.6 MSEK in February 2016.

This report contains forward looking statements that are based on Seamless' management's current expectations. Even though management believes that the expectations which are stated in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Accordingly, future results could materially differ from those stated or implied in the forward-looking information due to, among other things, changes in economic, market and competitive conditions, changes in the regulatory environment and other political or governmental measures, fluctuations in exchange rates, and other factors. For further reference, please refer to the statement in the latest Annual Report on its pages 20-22.

BUSINESS SEGMENTS

	Net Sales, SEK thousand					Growth, Net Sales compared to last year				
	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full-Year 2015	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full-Year 2015
Transaction Switch	25 559	23 186	44 385	38 814	90 486	10%	112%	14%	93%	136%
eProducts	43 123	45 419	83 676	84 589	181 982	neg	45%	neg	38%	46%
SEQR	2 457	1 806	4 141	3 686	7 529	36%	2%	12%	0%	neg
Group functions	6	-	6	-	-	-	-	-	-	-
Seamless group	71 145	70 411	132 208	127 089	279 997	1%	60%	56%	neg	64%

	Operating Result, SEK thousand					Operating Margin				
	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full-Year 2015	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full-Year 2015
Transaction Switch	9 766	10 280	16 068	18 484	27 254	38%	44%	36%	48%	30%
eProducts	109	1 756	-1 328	-405	-4 827	0%	4%	neg	neg	neg
SEQR	-18 027	-35 504	-37 485	-64 337	-119 888	neg	neg	neg	neg	neg
Group functions	-9 050	-954	-18 592	-9 815	-19 176	neg	neg	neg	neg	neg
Seamless group	-17 202	-24 422	-41 337	-56 073	-116 637	neg	neg	neg	neg	neg



SEQR

The SEQR business segment encompasses a payment platform with a financial ecosystem that among other things enables payments in physical checkouts, online and on mobile devices, money transfers between users domestically and internationally, as well as an advertising platform and sales channel. The technology is a development of the Transaction Switch platform and has operations in Sweden, Finland, Romania, Belgium, the Netherlands, Germany, Portugal, Spain, France, Italy, the USA and UK.

Financial Results

It was another impressive quarter for SEQR with double-digit growth versus Q1 showing in key metrics of transaction volume, customer registrations and Shop on the Spot sales. Transaction volume increased 17% compared to Q1 2016 and 60% versus Q2 2015. Shop on the Spot sales and customer registrations were up 21% and 15% respectively versus Q1.

There was also a significant uptick in number of new resellers (SEQR integrated merchants) in the quarter with over 400 new resellers onboarded. An increase of 75% on Q1.

These increases in key metrics have enabled SEQR to deliver a record quarter in regard to revenue at 2.457 MSEK. This is an increase of +35% versus the same period last year (Q2 2015).

Activities and Market Outlook

During the reporting period we announced completion of several exciting new partnerships and regulatory & product developments, which will have a major impact on several SEQR markets over the remainder of the year.

In May Seamless was granted an eMoney License by the Swedish Supervisory Authority enabling SEQR to issue electronic money. In practical terms, this means that all SEQR users will soon by default have access to a prepaid account in which they can hold money. With the prepaid account SEQR users can transfer money to each other, domestically and internationally, in real time. Together with the launch of SEQR NFC (contactless) payments, SEQR users can now receive money in real time and spend instantly in NFC enabled stores. This is a truly unique proposition which will be available across all European markets where SEQR is available.

Closely following the issuance of the eMoney License, SEQR signed an agreement with Gocardless, a UK payments network offering direct debit services. The agreement enables any SEQR customer in the UK to quickly and simply connect their bank account to the SEQR platform without the need for direct bank integration. Customers will use the Gocardless service for direct purchases or to top up their SEQR pre paid account. With the UK being a very mature market for NFC adoption, all the factors are now in place for the UK to become a huge market for SEQR in the second half of 2016.

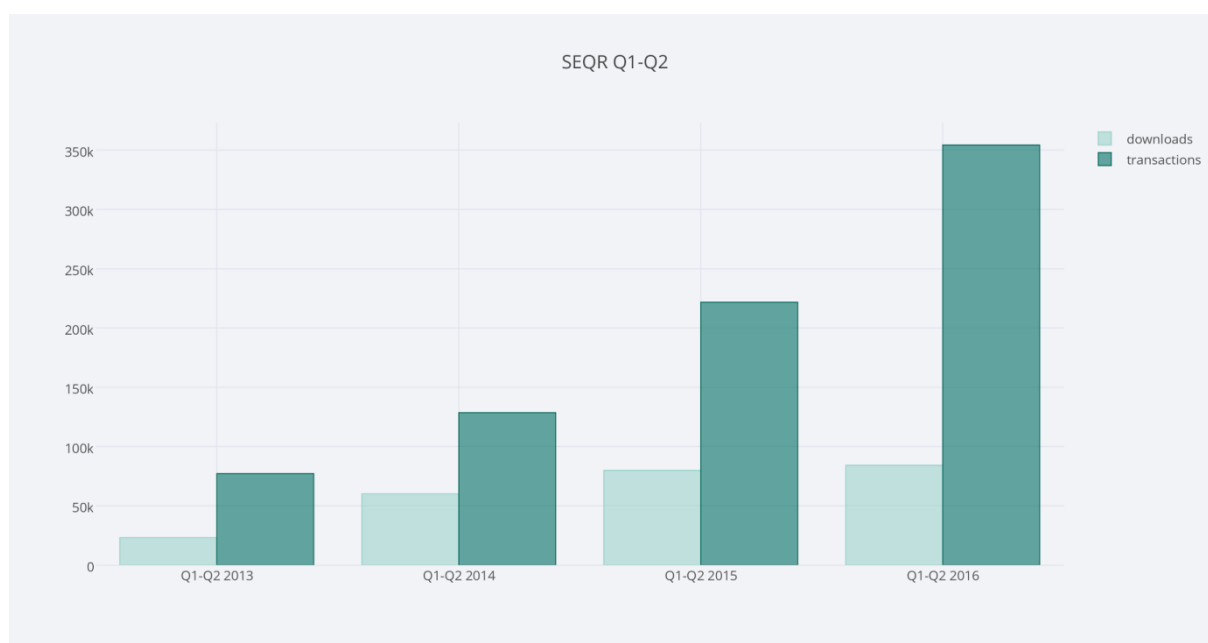
Also in the quarter SEQR signed an agreement with Raiffeisen Bank in Romania. Following launch of the service all Raiffeisen customers in Romania will have the opportunity to connect their bank account to the SEQR platform. With direct access to Raiffeisen's 2 million banking customers, this represents a major opportunity to significantly grow the SEQR customer base in Romania.

SEQR continued see strong demand from merchants for the fully integrated solution, with new merchants contracted and store roll outs completed. Examples of these through the quarter include Wayne's Coffee,

Barista, Stockholm Parking, Gulf (Sweden), Rocca, Quik Park (Italy), Almedina, Americana, Noor (Portugal), MOL Group (Romania), M-Room (Finland), Spar, Kreatos (Belgium) as well as many independent stores.

The agreement with Rocca supermarkets in Italy is significant in that they are the first merchant paying a monthly subscription fee for the SEQR service. A subscription pricing model enables SEQR to recognize revenue immediately, irrespective of speed of uptake of SEQR users or transaction volume growth. We will assess the success of this pricing model and look to deploy further in the second half of 2016.

Finally, in the quarter SEQR launched its peer-to-peer money transfer service in the USA, enabling SEQR users to transfer money to each other simply and without cost. This additional service was launched in conjunction with Dwolla and broadens the SEQR customer proposition, a significant step in helping to drive customer adoption of SEQR in the US.



The figure show the number of downloads of the SEQR apps (for the iOS and Android platform), and transactions within the SEQR platform in the first two quarters 2013 – 2016.

Transaction Switch

Seamless Distribution Systems, also referred to as Transaction Switch, supplies the system for the management of the distribution network of adding of funds (primarily electronically) to prepaid value cards/SIMs, along with other eProducts extending from gift cards to prepaid debit cards to mobile banking. The system increases the range of products the reseller has to offer, without taking up valuable shelf space, and facilitates a much more rapid distribution in the marketplace. The hub of the operations is the internally developed proprietary ERS 360° platform, which remains continually under further development in order to respond to the needs of the market since its initial installation some 15 years ago. Our clients can be found all over the world, but are mainly in Africa and the Middle East, where telecommunications companies constitute our largest group of customers. Currently, the platform handles 3.9 billion transactions annually with a total value of 6 billion dollars (U.S.), divided among 19 markets.

Financial Results

For a change, the second quarter intake was not in line with our aggressive sales plan. The risk we saw with the currency turmoil in the markets also affected us, in that a large order was not fulfilled before June. We are waiting until things pick up early in the third quarter, when we will be able to do business in certain local currencies.

Nevertheless, we were able to receive some very good supplementary orders, partly in the form of a larger license upgrade, but also orders for increased functions that strengthen the platform’s competitiveness against our main competitors.

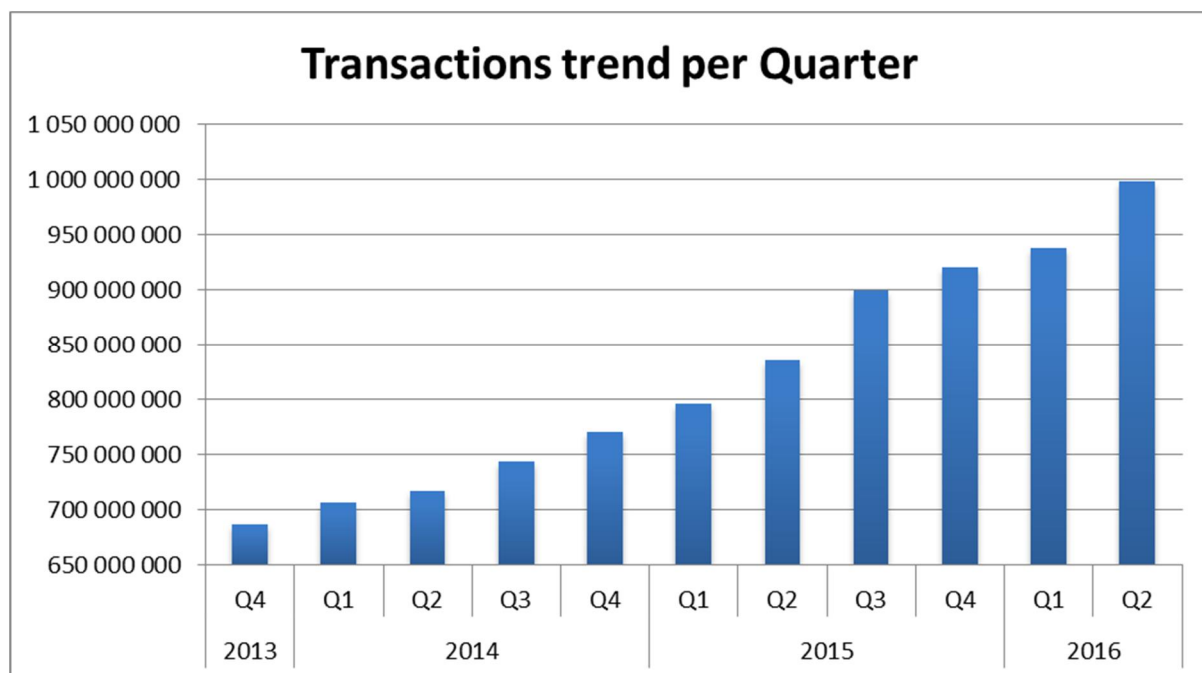
Revenue in the second quarter was according to plan, with an increase from the previous quarter as well as an improvement over the second quarter of the previous year, due to our good order book. The results are also in line with expectations, and in addition they are very satisfactory.

Activities and Market Outlook

Our business development efforts and our newly established marketing department have now started to deliver concrete results in the business area. This is partly in the form of some very successful workshops with customers and partly in the form of a customer survey in which we found that we have a satisfied customer base, with an average of 8 out of 10 on the question “How satisfied are you with your experience with SDS?”.

In the coming quarters, the resources that we have recruited will be productive for investing in development efforts for new but related business opportunities and further enhancing our delivery speed. We will have the occasion to communicate more details about the news when it is time for the launch later this year.

We are working very actively to broaden our customer base in existing and new territories in order to build a base for future growth. We have conducted a number of activities organized by Business Sweden. Therefore, we have been able to establish that our offerings are highly relevant in most of the markets we have visited.



eProducts/Distribution

Seamless eProducts Sweden (with its subsidiaries Seamless eProducts Latvia and Seamless eProducts Denmark) encompasses physical and electronic distribution of eProducts such as TopUp (adding funds/voucher codes for mobile devices) and other digital products (gift cards/prepaid cards) via merchants, banks and online channels.

Seamless connects together all wireless carriers and banks so that the consumers will be able to add additional funds to their stored-value card or mobile wallet via the bank's channels: mobile device banking, Internet banking, and telephone banking.

Globally, there are two distribution technologies for adding funds to mobile devices: eVoucher* and Direct TopUp* - where Seamless offers both in one technical platform.

Financial Results

Sweden

The number of contracted stores has continued to increase, albeit at a slower pace than in previous quarters, and now takes place through organic growth. The volume of transactions is stable with normal seasonal variation.

Denmark

The Danish subsidiary became operational in 2015 and the establishment in the market of Seamless distribution of eProducts is progressing according to plan. Negotiations are underway with several chains. Contracts have been signed with TeleGreenland, TelePost and Expert.

Latvia

Transaction volumes are lower than for the corresponding period in 2015, but show some increase during 2016.

Bank Top-up

The partnership with Mobile Carriers and Banks in the Swedish market, where Seamless ties together all mobile carriers and banks so that the consumer will be able to add additional funds to their stored-value card/mobile wallet via the bank's channels (mobile device banking, Internet banking, and telephone banking). The volume of transactions via the banks is stable.

Activities and Market Outlook

In Sweden, the on-going work with stores and other outlets, as well as a general effort with automating processes, continues. Changes that see breakthroughs first in Sweden, and then in other markets. A new distribution agreement has been signed with the mobile operator Hallon.

*"eVoucher" – where a voucher with a unique code is distributed electronically and where this voucher code is printed out from the reseller's card terminal or directly via the checkout register.

*"Direct TopUp" – where funds are added to the consumer's prepaid SIM via that the telephone number and the desired amount to be credited is stated. Adding funds to a pre-paid cellular phone account takes place directly at the wireless carrier and the consumer receives an SMS confirming the transaction.

In Latvia, we see again a negative impact on the distribution of TopUp and prepaid cards from the Mobile carrier's price competition within the subscription section. This clearly benefits the consumer, as they receive more calls/data time for money, but disadvantages other parties. Non carrier-related products/services are in development in order to create alternative stable revenue.

As previously reported, the joint cooperation with mobile carriers and banks in the Swedish market has been expanded by including Danske Bank. Seamless' integration with Danske Bank is now complete, and sales in the bank's channels have commenced. Additional mobile carriers' products will now be added to the range of products Danske Bank offers to its customers.

eProducts

The concept eProducts includes a range of products such direct TopUp, voucher codes, adding funds to mobile wallets, and electronic gift cards/prepayments of various kinds. For merchants, eProducts provide the opportunity to increase sales and consumer inflows without the requirement of making a financial investment, tying up capital, needing to maintain an inventory or that the products would take up display space in the store. With the electronic distribution of these products, vouchers and stored value codes are delivered digitally, and the store does not incur any outlays until the product is sold.

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FINANCIAL INFORMATION - CONSOLIDATED

Group report over total earnings	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full-Year
SEK thousand	2016	2015	2016	2015	2015
Net Sales	71 145	70 411	132 208	127 090	279 997
Other operating income	52	562	111	1 415	538
Material costs	-47 825	-53 459	-92 339	-94 012	-220 573
Other external costs	-17 912	-15 822	-36 320	-37 189	-78 803
Personnel costs	-17 950	-19 874	-35 259	-40 985	-74 809
Depreciation	-4 205	-6 086	-8 125	-12 085	-20 780
Other operating costs	-507	-155	-1 613	-306	-2 207
Operating result	-17 202	-24 423	-41 337	-56 072	-116 637
Financial net	-608	-38	-1249	-75	-2 187
Profit before tax	-17 810	-24 461	-42 586	-56 147	-118 824
Income tax	501	-41	-289	-148	-484
Loss for the period	-17 309	-24 502	-42 875	-56 295	-119 308
OTHER COMPREHENSIVE INCOME					
Currency translation differences	316	345	-68	419	386
Total comprehensive income attributable to parent company shareholders	-16 993	-24 157	-42 943	-55 876	-118 922

Consolidated Balance Sheet	30 June	30 June	31 Dec
SEK thousand	2016	2015	2015
ASSETS			
Intangible assets	52 163	44 954	45 050
- of which goodwill	5 878	9 993	5 791
- of which capitalized development costs	44 053	32 698	36 760
- of which customer agreements	788	1 035	900
- of which other intangible assets	1 444	1 228	1 599
Tangible fixed assets	14 842	16 404	14 823
Deferred tax	27 792	27 809	27 846
Other long-term receivables	3 813	7 389	4 980
Inventories of finished goods	9 224	5 982	6 165
Accounts receivables	28 443	43 181	49 483
Other receivables	29 886	19 742	20 883
Prepaid expenses and accrued income	37 352	12 110	13 097
Cash and cash equivalents	8 629	21 019	23 005
Total assets	212 144	198 590	205 332
EQUITY AND LIABILITIES			
Equity	82 621	133 971	102 636
Appropriation	700	644	635
Other non-current liabilities	659	817	28 746
Deferred tax liability	294	339	336
Trade accounts payable	30 976	34 109	34 365
Current tax liability	992	363	945
Other current liabilities	42 363	4 265	3 390
Accrued expenses and deferred income	53 539	24 082	34 279
Total Equity and Liabilities	212 144	198 590	205 332

Consolidated statement of changes in equity, SEK thousand	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full-Year 2015
Balance at start of period	99 646	158 127	102 636	190 365	190 365
Comprehensive income for the period	-16 993	-24 156	-42 944	-55 877	-118 922
New share issue	-	-	24 608	-	32 790
Transaction costs	-32	-	-1 687	-	-1 080
Reclassification	-	-	8	-	-
Share repurchase	-	-	-	-517	-517
As per end of the period	82 621	133 971	82 621	133 971	102 636

Consolidated statement of cash flows, SEK thousand	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full-Year 2015
Cash flow from operations before changes in working capital	-14 184	-18 917	-35 949	-45 154	-99 413
Change in working capital	-7 152	-11 428	-720	-16 850	-14 670
Cash flow from operating activities	-21 336	-30 345	-36 669	-62 004	-114 083
Cash flow from investing activities	-6 244	-12 105	-14 033	-23 060	-28 025
Cash flow from financing activities	11 419	-216	36 408	90	59 121
Cash flow during the period	-16 161	-42 666	-14 294	-84 974	-82 987
Cash and cash equivalents at beginning of period	24 664	63 371	23 005	105 273	105 273
Exchange difference of cash and cash equivalents	126	313	-82	720	719
Cash and cash equivalents at end of period	8 629	21 019	8 629	21 019	23 005

Key figures	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full-Year 2015
Return on equity	neg	neg	neg	neg	neg
Earnings per share, basic and diluted, SEK	-0.36	-0.58	-0.91	-1.34	-2.84
Operating income, SEK thousand	-17 202	-24 422	-41 337	-56 073	-116 637
Growth Net sales (compared to the same period last year)	1%	60%	4%	50%	64%
Operating margin	neg	neg	neg	neg	neg
Average number of shares, basic and diluted	48 635 421	41 910 274	47 370 857	41 910 274	42 001 501
Liquidity	82%	153%	82%	153%	146%
Equity ratio	39%	67%	39%	67%	50%
Equity, SEK thousand	82 621	133 971	82 621	133 971	102 636
Equity per share, SEK	1.70	3.20	1.70	3.20	2.25
Number of employees at end of period	161	131	161	131	158

Quarterly overview	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Net sales	44 104	42 662	43 214	56 679	70 411	74 034	78 873	61 063	71 145
Operating result	-39 502	-40 738	-51 312	-31 651	-24 422	-27 775	-32 789	-24 136	-17 202
Earnings per share, basic and diluted*	-0.95	-0.97	-1.21	-0.76	-0.58	-0.7	-0.8	-0.55	-0.36
Growth Net sales (compared to prev. quarter)	8%	-3%	1%	31%	24%	5%	7%	-23%	17%
Liquidity	504%	499%	248%	245%	153%	149%	146%	100%	82%
Equity ratio	84%	85%	74%	77%	67%	51%	50%	50%	39%
Equity, SEK thousand	294 692	253 998	190 365	158 127	133 971	105 738	102 636	99 646	82 621
Equity per share, SEK	7.03	6.06	4.54	3.77	3.2	2.52	2.25	2.05	1.7

FINANCIAL INFORMATION – PARENT COMPANY

Parent company income statement	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full-Year
SEK thousand	2016	2015	2016	2015	2015
Net sales	591	1 959	1 665	3 925	7 848
Other operating income	-330	-304	-3	-470	70
Operating expenses	-3 977	-3 886	-8 088	-9 157	-20 087
Operating result	-3 716	-2 231	-6 426	-5 702	-12 169
Net financial items	-19 689	-	-50 181	-	-95 892
Earnings before tax	-23 405	-2 231	-56 607	-5 702	-108 061
Income tax	-	-	-	-	-
Income for the period	-23 405	-2 231	-56 607	-5 702	-108 061

Parent company balance sheet	30 June	30 June	31 Dec
SEK thousand	2016	2015	2015
ASSETS			
Fixed assets	16 516	94 869	23 288
Total current assets	113 035	63 841	115 269
Total Assets	129 551	158 710	138 557
EQUITY AND LIABILITIES			
Equity	48 721	138 297	82 408
Long-term liabilities	-	-	28 000
Short-term liabilities	80 830	20 413	28 149
Total equity and liabilities	129 551	158 710	138 557
Pledged assets	-	-	-
Contingent liabilities	None	None	None



Seamless share Apr-Jun 2016

Price trend first quarter	+15.76%	FINANCIAL CALENDAR	
Ticker symbol	SEAM	17 Nov 2016	Interim report Q3
Market Cap (per 30 Jun)	SEK 464.47 million	9 Feb 2017	Interim report Q4
High	SEK 10.85	15 Mar 2017	Annual report 2016
Low	SEK 7.30		
Total no of shares (per 30 Jun)	48 635 421		

About Seamless

Seamless is one of the world's largest suppliers of payment systems for mobile phones. Founded in 2001 and active in 35 countries, Seamless handles more than 3.9 billion transactions annually through 585 000 active sales outlets. Seamless has three main business areas including the transaction switch, the technology provider for the distribution of e-products and the mobile payment platform SEQR. Seamless shares are traded on NASDAQ OMX Stockholm. www.seamless.se

The Seamless interim report for the period April – June 2016 has been approved for publication by the Board of Directors, by its decision on July 14, 2016. This financial report has not subjected to a review by the Company's auditors.

Certification

The Board of Directors and the CEO for Seamless Distribution AB (publ) declare that the interim report gives a true and fair view of the Company and Group's business operations, financial position and financial results in terms of net profits/losses, and describes the principal risks and uncertainties that the Company, and the companies included in the Group, face.

Stockholm July 14, 2016

Hein Pretorius
Chairman of the Board of Directors

Kristin Berdan
Member of the Board

Tomas Klevbo
Member of the Board

Peter Fredell
Member of the Board/
Chief Executive Officer

Robin Saunders
Member of the Board

Seamless Distribution AB (publ), Corporate identification no. 556610 – 2660
All information is published on www.seamless.se immediately after public release.

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