

Interim report, January – March 2021

Lime Technologies AB (publ)

First quarter

- Net sales MSEK 94.4 (85.0), rendering a sales growth of 11% (22%)
- Organic net sales growth 11% (15%)
- Recurring revenue MSEK 52.2 (46.9)
- The quarter was impacted by one-off items affecting comparison, amounting to MSEK 0.0 (0.0).
- EBITA MSEK 26.3 (23.5), rendering an EBITA margin of 28% (28%)
- Adjusted EBITA margin 28% (28%)
- Operating income, EBIT, MSEK 21.9 (19.1)
- Cash flow from current operations MSEK 24.9 (25.3)
- Net income MSEK 16.8 (14.2)
- Earnings per share SEK 1.26 (1.07) and diluted SEK 1.26 (1.07)
- Acquired 90% of Userlike UG after the end of the reporting period
- Lime has agreed on raising a new bank loan of SEK 250 million and repayment of an existing bank loan of SEK 50 million after the reporting period
- Decided to establish Lime in Germany

CEO's comments

Acquisition and establishment in Germany

During the first quarter, we have continued to apply our Tiger strategy – attack when the danger emerges through continued investment. In parallel with our usual operation, we have acquired the fast-growing SaaS company, Userlike, and decided to establish our business in Germany.

Growth during the first quarter of 2021 was 11 %, of which organic growth was 11 % compared with the same period last year. Our operation in Sweden continued to function well, despite the pandemic, and achieved growth of 11 %. The Rest of the Nordic Region and the Netherlands, however, continue to be more seriously affected by stringent restrictions, achieving growth of 10 %.

Despite the lower growth in countries outside Sweden due to the pandemic, and despite the fact that we have continued to invest heavily in sales, marketing and product development, profitability remains strong. In the first quarter, the adjusted EBITA margin was 28 percent, which is the same level as in the preceding year.

Improving business climate

Even though growth outside Sweden was lower than we had expected in the first quarter, we detect a trend of continuing improvement in the business climate. During the first quarter, we had satisfactory growth in order intake compared with last year. We have concluded several substantial new deals, not least in our focus verticals and in Norway, Finland and Denmark. We welcome, among others, Ikano Bostadsutveckling and Ikano bolig A/S as new property customers, Fjordkraft AS and Bodens Energi as new energy customers, and Lena Maskin AS, Koja Oy and Avfallsteknik as new wholesale customers. In case management, we won a public procurement for the Municipality of Nacka worth SEK 5 million.



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Acquisition of Userlike in Germany

We are also very pleased to announce that we signed an agreement today for the acquisition of the fast-growing SaaS company, Userlike, the German market leader in Unified Messaging. Userlike has 35 employees and EUR 4 million in ARR. They have enjoyed stable growth of around 30 % per year since 2014.

Userlike started trading in 2011, with the vision of improving and simplifying communications between companies and their customers. By collating incoming messages – webchat, Facebook messenger, Whatsapp, LinkedIn etc – in the same location, companies can be where their customers are, and are able to offer immediate service. The acquisition of Userlike gives us a strong delivery capacity through the whole CRM chain, since this type of functionality generates strong value for both leads-generating activities and for customer care and support.

Userlike will continue to run as a separate company within the Lime Group. Its products will be sold separately under Userlike's brand. The functionalities will also be integrated with Lime's CRM solutions, and be offered as add-ons under Lime's brand.

New office in Germany

The acquisition of Userlike is in line with Lime's declared strategy of expanding into new European markets. With its head office in Cologne, Userlike provides a natural entry into the German market. Accordingly, Lime will open a new office in Cologne in August this year, focusing on selling Lime's CRM solutions.

The recruitment of a local Sales Manager and Sales force will begin immediately, and the German operation will focus during 2021 primarily on establishing itself within our focus verticals; properties, energy, wholesale and consulting.

Handover

After 20 years of working operationally, it is now time for me to hand over the reins to our new CEO, Nils Olsson. I am very proud of what all of us at Lime have achieved together – an average annual growth of 19 %, with a 25 % EBITA margin is unrivalled.

I am often asked why Lime has been so successful and why I have stayed so long. The simple answer to both questions is the people around me, both colleagues and customers. I have been given the opportunity to run Lime in partnership with my best friends, who constantly supported me and encouraged me to develop. I am incredibly impressed by my colleagues' commitment and focus on delivering high value to our customers at all times. I thank all of you for having me on your team!

Over the years I have spent at Lime, we, as a team, have gained the confidence of more than 5,000 customers within almost every possible and impossible sector. I have found the process of learning how these companies work in relation to sales and customer care, and being involved in developing their approach, extremely stimulating. I would like to thank all of you for choosing to work with us at Lime.

If the Annual General Meeting feels it is appropriate, I hope to take up a new role on Lime's Board of Directors. I have no plans to leave the company entirely, and I would really like to stay close to the operation and support it to the best of my ability. I have been doing this for 20 years – and I hope to do it for 20 years more.

Even though we are proud of what we have achieved, we have no intention of resting on our laurels. The acquisition of Userlike and the decision to commence operations in Germany are excellent examples of this. As a growth company, we must always strive to improve. With Nils, we have a fantastic leader, and, with an exceptional team, he will take us to the next level.

Over and out!

Erik Syrén, outgoing CEO, Lime Technologies



The acquisition of Userlike is in line with Lime's strategy for expansion into new European markets. With its head office in Cologne, Userlike offers a natural entrance to the German market.

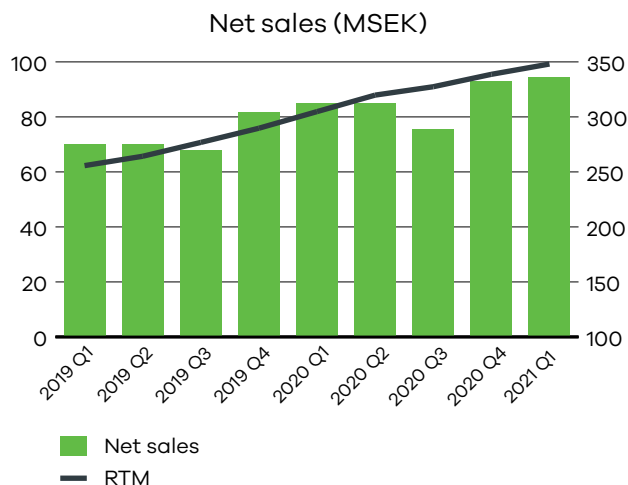
Nils Olsson, incoming CEO



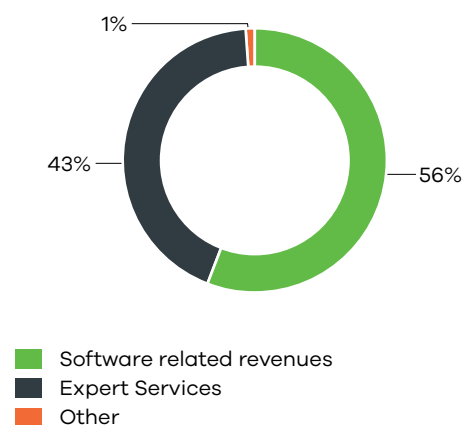
Lime in summary

	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1
Net sales (MSEK)	94.4	93.1	75.6	85.0	85.0	81.8	68.0	70.0	69.9
Recurring revenue (MSEK)	52.2	50.5	48.5	48.5	46.9	44.3	42.5	41.3	39.1
EBITDA (MSEK)	32.4	36.1	29.8	27.0	28.7	24.4	23.7	17.6	17.9
EBITDA (%)	34%	39%	39%	32%	34%	30%	35%	25%	26%
EBITA (MSEK)	26.3	30.6	24.7	21.8	23.5	19.9	19.2	13.3	13.5
EBITA (%)	28%	33%	33%	26%	28%	24%	28%	19%	19%
Adjusted EBITA	26.2	29.3	24.7	21.8	23.5	19.9	19.3	13.8	13.8
Adjusted EBITA (%)	28%	31%	33%	26%	28%	24%	28%	20%	20%
Operating income, EBIT (MSEK)	21.9	26.3	20.4	17.5	19.1	16.3	15.6	10.0	10.2
Operating income, EBIT (%)	23%	28%	27%	21%	22%	20%	23%	14%	15%
Earnings per share, basic (SEK)	1.26	1.52	1.13	1.00	1.07	0.91	0.91	0.56	0.56
Earnings per share, diluted (SEK)	1.26	1.52	1.13	1.00	1.07	0.91	0.91	0.56	0.56
Cash flow from current operations (MSEK)	24.9	46.4	14.2	33.1	25.3	29.0	14.6	21.2	9.4

Revenue



Net sales by category, Q1 2021

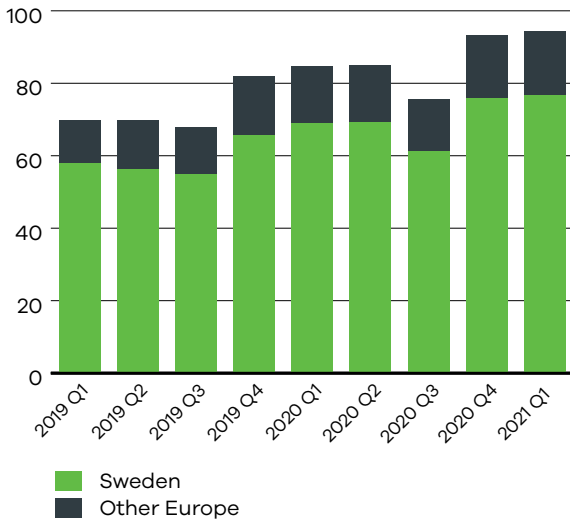


Net sales in the first quarter 2021 amounted to MSEK 94 (85), an increase of 11% (22). The Group's net sales in the quarter include MSEK 0 (5) from companies acquired in the last 12 months.

56% (56) of net sales in the first quarter 2021 relate to software revenue.

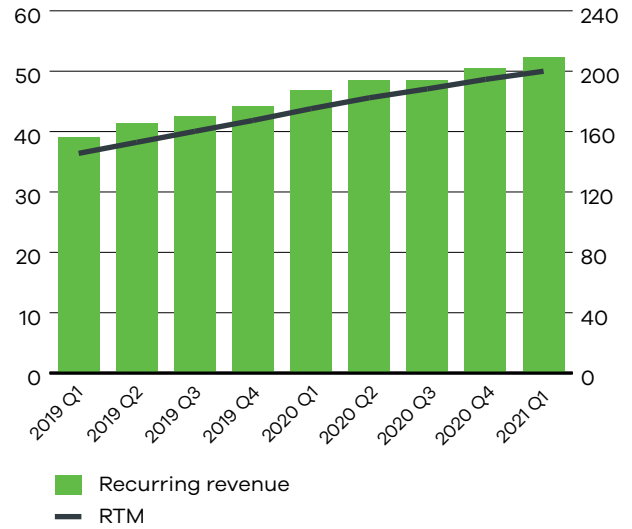
Software revenue increased by 11% (14) during the first quarter 2021 compared to the first quarter 2020.

Net sales per segment (MSEK)



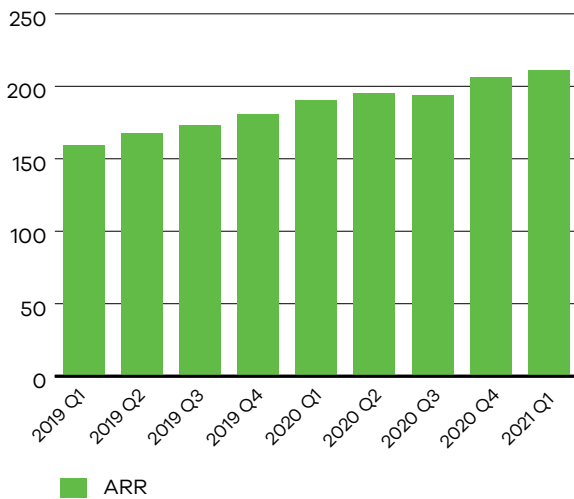
Net sales in the first quarter 2021 in Sweden amounted to MSEK 77 (69) and MSEK 18 (16) in the rest of the European countries. Net sales growth for the quarter was 11% (19) in Sweden and 10% (33) in the rest of the European countries.

Recurring revenue (MSEK)



Recurring revenue amounted to MSEK 52 (47) during the first quarter 2021, an increase of 11% (20) compared to the same period last year.

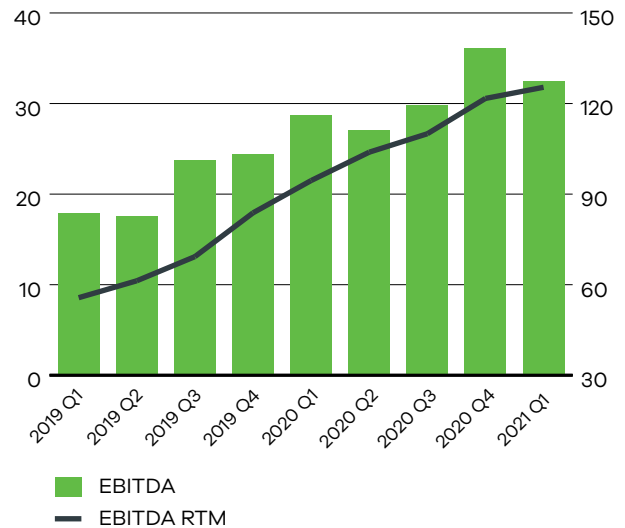
Annual Recurring Revenue (MSEK)



The 12-month recalculated recurring revenue, annual recurring revenue (ARR), at the end of the first quarter 2021 was MSEK 211 (190). The 12-month recalculated recurring revenue increased by 11% (19) compared to the corresponding period last year.

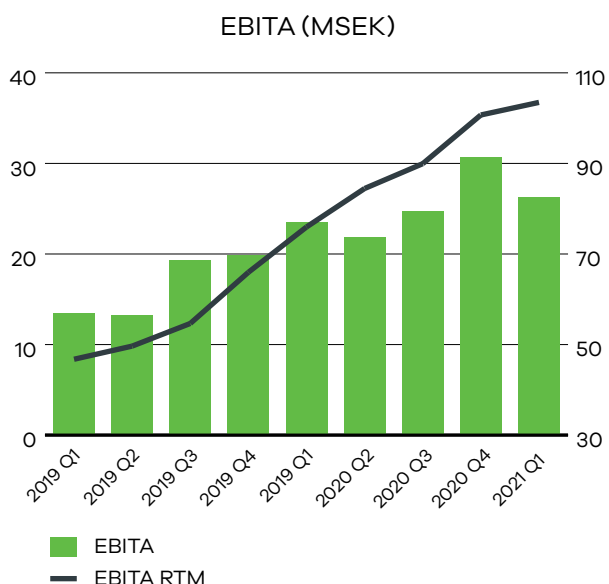
Operating income

EBITDA (MSEK)

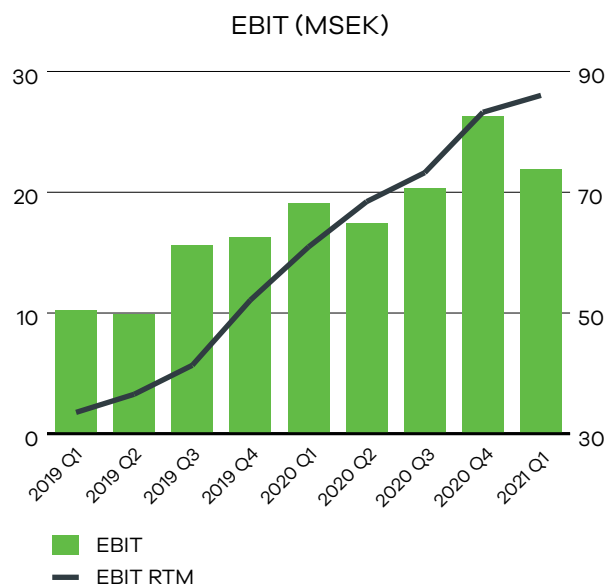


Operating income before depreciations during the first quarter – EBITDA – amounted to MSEK 32 (29) corresponding to an EBITDA margin of 34% (34). Adjusted EBITDA was MSEK 32 (29) in the quarter, corresponding to an EBITDA margin of 34% (34).

The many political measures that have been implemented since late March 2020 to lessen the spread of the COVID-19 virus have limited business travel and other face-to-face sales activities. These restrictions have led to reduced costs for Lime during 2020 and 2021.

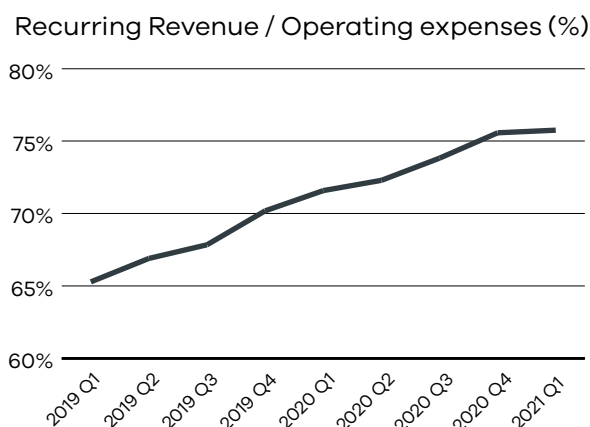


During the first quarter 2021 operating income, excluding amortisation on acquired immaterial assets – EBITA – amounted to MSEK 26 (23), corresponding to an EBITA margin of 28% (28). Adjusted EBITA for the first quarter amounted to MSEK 26 (23), corresponding to an adjusted EBITA margin of 28% (28).



Operating income during the first quarter – EBIT – amounted to MSEK 22 (19), corresponding to an EBIT margin of 23% (23). Adjusted EBIT during the first quarter amounted to MSEK 22 (19), corresponding to an adjusted EBIT margin of 23% (23).

Depreciations increased compared to the same period last year as a result of increased investments in capitalised development work done by Lime employees and depreciation of intangible non-current assets relating to business acquisitions.



Last 12-months (LTM) recurring revenue amounted to 76% (72) of last 12 months total operating expenses at the end of the fourth quarter. The expenses include one-off items affecting comparison.

Other expenses have, during the first quarter, been slightly lower than normal as a consequence of restrictions related to the Covid-19 pandemic.

Cash flow & investments

During the first quarter 2021 cash flow from current operations amounted to MSEK 24.9 (25.3).

During the first quarter 2021 investments in tangible non-current assets amounted to MSEK 0.0 (0.0), excluding leased vehicles and right-to-use assets. Investments in intangible non-current assets amounted to MSEK 4.8 (4.6) and consist of capitalisation of development costs relating to new technology platforms.

In the first quarter 2021, depreciation of capitalised development costs amounted to MSEK 3.2 (2.6) and depreciation of right-to-use assets amounted to MSEK 2.7 (2.3).

Equity & liabilities

The Group's equity amounted to MSEK 128 (82).

The Group's interest-bearing liabilities amounted to MSEK 92.2 (112.9) at the end of the period, including leasing liabilities relating to right-to-use assets of MSEK 25.4 (13.9) and a liability of MSEK 15.2 (18.2) relating to the acquisition of More Intenz AB and janjoo AB. A total of MSEK 11.6 (9.6) of the Group's interest-bearing liabilities have been repaid during the quarter. Cash and cash equivalent amounted to MSEK 73.2 (34.3) at the end of the period. The Group's net debt amounted to MSEK 18.4 (78.1).

The overdraft credit agreement of MSEK 25 expired on 31 December 2020. The overdraft facility was never utilized.

Lime Technologies AB's share

Lime Technologies AB (publ.) is listed on Nasdaq Stockholm OMX, Mid Cap, the Technology sector.

Total number of shares issued was 13,283,481 at the end of the period. The company does not own any of its own shares. Historical key ratios have been restated to reflect the share split (1:250) implemented in October 2018.

Financial goals

Lime's goal is to achieve annual net sales growth exceeding 18 percent, in the medium long term. Lime further aims to achieve an annual EBITA margin in excess of 25 percent in the medium long term. The objective of the capital structure is that net liabilities, excluding leasing debt, relative to EBITDA shall be less than 2.5. Lime intends to distribute available cash flow after consideration has been given to the Company's indebtedness and future growth opportunities, including acquisitions. The target is to distribute at least 50 percent of the Company's annual net income.

Miscellaneous

Employees

The Group had 298 (253) employees at the end of the reporting period. The average number of employees was 254 (221) during the period.

The Parent Company

The Parent Company's activities are primarily focused on group management and financing. The company has no other employees apart from the Group CEO and CFO at the end of the period. During the first quarter 2021 operating income in the Parent Company amounted to MSEK -0.6 (-0.4). Cash and cash equivalent amounted to MSEK 1.3 (0.3) and borrowings to MSEK 49.5 (77.8).

Annual General Meeting 2021

The annual general meeting will take place on 27 April. The annual general meeting will be conducted through postal voting without any physical presence.

Dividend proposal

The board of directors proposes a dividend of SEK 2.50 per share, corresponding to MSEK 33 and 53% of net income of the year.

Based on Lime's financial objectives, dividend is expected to correspond to at least 50% of net income.

Nomination committee

Based on guidelines resolved at the Annual General Meeting in June 2020, the following persons have been appointed to be part of Lime's Nomination Committee: Thomas Bill, as chairman, Syringa Capital AB (owned by Erik Syrén) representing 10.1% of the shares, Emil Hjalmarsson, Grenspecialisten AB, representing 10.0% of the shares, Marianne Flink, Swedbank Robur Fonder AB, representing 9.3% of the shares and Martin Henricsson, adjunct to the Nomination Committee, chairman of the board. The Nomination Committee will prepare proposals to the 2021 Annual General Meeting regarding chairman of the meeting, board members, chairman of the board, remuneration to the board members, auditors, auditors' fees, the composition of the Nomination Committee and its duties in preparation for the 2022 Annual General Meeting.

Other events during or after the reporting period

A national crisis arose as a result of the spread of the Covid 19 virus, and this has had a serious impact on the economy. How long its effects will be felt is difficult to foresee. Since the outbreak of the pandemic, Lime's new sales have been affected to some extent by procurements being

delayed or failing to materialise. In addition, payments from customers have been delayed and provisions against bad debts have increased. Thanks to the strategies we adopted, the impact on our performance and position in the first quarter has been limited.

Lime has been affected by the political measures taken to combat the spread of the virus, and by the effects that these measures have had on the economy. In addition, new political measures in the outside world may have an impact on Lime.

Lime has taken a number of safety measures to monitor and counteract the effects of Covid 19, including health and safety measures for our employees and measures to safeguard the delivery of our services.

Lime's business model, with its focus on subscription sales, and a substantial proportion of repeat income, in combination with a large customer base has made Lime well-equipped to meet an economic downturn.

On 26 March 2021, Lime acquired a further 14 % of Lime Intenz AB. The acquisition of Lime Intenz AB consists of additional options in respect of the acquisition of the remaining 28 percent of the shares, in two tranches over the next two years. The purchase price in the event that the options are invoked is based on the Company's sales for the respective financial years.

UserLike

On 26 April, an agreement was signed on the acquisition of the shares of Userlike UG. The first part of the acquisition involves 90 % of the shares, and is expected to be completed on 30 April 2021.

The German SaaS company, Userlike, are experts in Unified Messaging, UM. The company was established in 2011 with the aim of improving and simplifying communications between companies and their customers. By collating all types of incoming messages –

webchat, emails, sms, telephone calls, social media etc. - in the same location, companies can be where their customers are and are able to offer immediate service.

The acquisition price is expected to be EUR 19,8 million. The acquisition price may be adjusted after the takeover through the usual adjustment for cash balances and liabilities in the Company, and also based on Userlike's Annual Recurring Revenue on 31 August 2021. The acquisition is not subject to any fulfilment conditions. The full consideration is to be financed through cash and bank loans.

Userlike UG's owners have also issued options which give Lime the right to acquire the remaining 10 percent of the shares no later than 30 September 2023.

For the remaining 10 percent of the shares, the consideration is conditional on an exercise of the options on Userlike's Annual Recurring Revenue on 31 August 2023, amounting to between 4 and 6 times Annual Recurring Revenue.

Userlike's sales amounted to SEK 32 million in the most recent financial year (2020). The acquisition will have a limited impact on Lime's earnings per share and operation during 2021.

Full disclosures in respect of the acquisition analysis will be included in the Interim Report for the second quarter of 2021.

Lime has agreed on raising a new bank loan of SEK 250 million and repayment of an existing loan of SEK 50 million after the reporting period.

The company in brief

Nordic CRM experts

Lime is one of the leading SaaS CRM players on the Nordic market. The company develops, sells, and implements user-friendly and flexible CRM systems. Lime's business model is based on the offering of subscription agreements

(Software as a Service or "SaaS") as well as consultant services (Expert Services) for the implementation and continuous customisation of products in line with customers' demands and requests.

Lime has a comprehensive organisation for development and holistic offerings that facilitate effective and value-add CRM solutions for the customer. The head office is located in Lund. At the end of March 2021, the Group had 2980 employees in eight offices in Sweden, Norway, Denmark, Finland and the Netherlands.

Mission & vision

Lime's mission is to "create customer magnets" that retain existing customers and attract new customers by having excellent customer care.

The company's vision is to "become the leading supplier of CRM systems in the Nordic region, by supplying systems that make the customers' work both easier and more fun".

Strategies

Continued structured market growth

Lime's main focus is on organic growth. A market report by Capgemini in May 2018, indicates a 12% average annual growth in the Nordic software market for CRM systems in 2017 – 2023.

Geographic expansion

Lime intends to continue to strengthen its presence in current Nordic markets to meet the demand for CRM systems.

The setting up of business operations in the Netherlands is proceeding according to plan.

Focus on identified verticals

Lime focuses on customised CRM solutions to four selected market verticals: energy, real estate, wholesale, and consulting companies, to which Lime offers local industry-specific expertise. Combined with pre-packaged solutions for each vertical, this gives customers benefits in

terms of flexible solutions, as well as time and cost savings.

Increased sales to existing customer base

Lime intends to maintain and increase sales to existing customers by actively offering add-on products and related expert services post-implementation. The company also has a dedicated customer success team that works actively to stay close to the customer in the long run, ensuring that customers stay with Lime, and to sell additional products and services.

Continuous development of product platforms

Lime believes it is important to continue developing its product portfolio to strengthen its competitiveness and to attract new customers. With its strong market position, broad customer base and close contact with customers, Lime has a strong starting position for cross sales and add-on sales of new services and features aimed at increasing sales growth and broadening the use of services and solutions.

Selective acquisition strategy

A critical component of Lime's strategy is to be active in assessing strategic acquisitions with the aim of strengthening the product portfolio, growing competencies and resources in the company, growing from a geographic perspective, and broadening the customer base.

Forward-looking information

This report may contain forward-looking information based on management's current expectations.

Although management believes the expectations expressed in such forward-looking information are reasonable, there are no assurances that these expectations will be correct.

Consequently, future outcomes may vary considerably compared to the forward-looking information due to, among other things, changed market conditions for Lime's products and more general changes to economic, market and competitive conditions, changes to regulatory requirements or other policy measures and exchange rate fluctuations.

Upcoming reporting dates

- Annual General Meeting, April 27, 2021
- Interim report Q2, 2021, presented July 16, 2021
- Interim report Q3, 2021, presented October 21, 2021

Lund, April 27, 2021

Erik Syrén

CEO Lime Technologies AB (publ)

Additional information can be obtained from:

CEO Erik Syrén, phone +46 46 270 48 23 or
CFO Magnus Hansson, phone +46 46 270 48 85

This report has not been subject to review by the company's auditor.

This information constituted insider information prior to publication. This is information that Lime Technologies AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The report has been published in both English and Swedish.

This is a translation of the Swedish interim report. Should there be any disparities between the Swedish and the English version, the Swedish version shall prevail.

Key ratios for the Group

	Q1 2021	Q1 2020	Q1 - Q4 2020
Net sales (MSEK)	94.4	85.0	338.7
Net sales growth (%)	11%	22%	17%
Organic net sales growth (%)	11%	15%	14%
Recurring revenue (MSEK)	52.2	46.9	194.4
Annual recurring revenue (MSEK)	211.0	190.4	206.2
EBITA (MSEK)	26.3	23.5	100.6
EBITA (%)	28%	28%	30%
EBITDA (MSEK)	32.4	28.7	121.6
EBITDA (%)	34%	34%	36%
Operating income, EBIT (MSEK)	21.9	19.1	83.2
Operating income, EBIT (%)	23%	22%	25%
One-off items (MSEK)	0.0	0.0	1.4
Depreciation right-to-use assets (MSEK)	-2.7	-2.3	-9.5
Adjusted EBITA (MSEK)	26.2	23.5	99.3
Adjusted EBITA (%)	28%	28%	29%
Adjusted EBITDA (MSEK)	32.4	28.7	120.2
Adjusted EBITDA (%)	34%	34%	35%
Adjusted EBIT (MSEK)	21.9	19.1	81.8
Adjusted EBIT (%)	23%	22%	24%
Earnings per share (SEK)	1.26	1.07	4.72
Earnings per share, diluted (SEK)	1.26	1.07	4.72
Net debt (MSEK)	18.4	78.1	32.3
Number of employees (average)	254	221	244
Net sales per employee (MSEK)	1.4	1.4	1.4
Cash flow from current operations per share (SEK)	1.9	1.9	9.0
Average number of outstanding shares (thousands)	13,283.5	13,283.5	13,283.5

For definition of key ratios, see pages 24-27.

Consolidated income statement in summary (TSEK)

	Q1 2021	Q1 2020	Q1 - Q4 2020
Net sales	94,357	84,990	338,689
Other revenue	53	134	1,758
Gross income	94,410	85,124	340,447
<i>Operating expenses</i>			
Compensation to employees	-52,802	-47,853	-184,671
Capitalised development work done by own employees	4,830	4,579	17,794
Depreciation	-10,490	-9,569	-38,359
Other expenses	-14,020	-13,721	-52,558
Share in earnings of associated companies	0	547	547
Total operating expenses	-72,483	-66,016	-257,247
Operating income	21,926	19,108	83,200
Financial net	-565	-1,190	-3,195
Income after financial net	21,361	17,918	80,005
Taxes	-4,580	-3,715	-17,294
Net income	16,781	14,203	62,711
Net income attributed to:			
Shareholders of the Parent Company	16,781	14,203	62,711
	16,781	14,203	62,711
Other Information			
Earnings per share, basic (SEK)	1.26	1.07	4.72
Earnings per share, diluted (SEK)	1.26	1.07	4.72

Consolidated statement of other comprehensive income (TSEK)

	Q1 2021	Q1 2020	Q1 - Q4 2020
Net income	16,781	14,203	62,711
Other comprehensive income			
Items that may be reclassified to the income statement:			
Translation adjustments	106	-361	-574
Other comprehensive income for the period	106	-361	-574
Other comprehensive income for the period	16,887	13,842	62,138
Other comprehensive income for the period, attributed to:			
Shareholders of the Parent Company	16,887	13,842	62,138
	16,887	13,842	62,138

Consolidated balance sheet in summary (TSEK)

	2021-03-31	2020-03-31	2020-12-31
ASSETS			
Goodwill	69,763	69,763	69,763
Other non-tangible non-current assets	143,859	154,452	146,661
Right-to-use assets	25,447	13,861	21,970
Tangible non-current assets	2,310	2,841	2,305
Associated company	0	0	0
Other financial non-current assets	707	538	706
Deferred tax asset	59	57	58
Total non-current assets	242,145	241,512	241,463
Trade receivables	53,267	49,838	51,604
Other current receivables	5,582	5,843	6,622
Cash and cash equivalent	73,216	34,309	64,662
Total current assets	132,065	89,990	122,888
Total assets	374,210	331,502	364,351
EQUITY AND LIABILITIES			
Total equity	127,728	82,469	110,840
Liabilities			
Non-current liabilities			
Interest-bearing non-current liabilities	21,384	49,988	28,524
Non-current leasing liabilities	15,089	8,652	14,240
Other non-current liabilities	2,847	18,166	15,183
Deferred tax liabilities	27,743	29,364	27,959
Total non-current liabilities	67,063	106,170	85,906
Current liabilities			
Interest-bearing current liabilities	28,535	28,489	30,404
Current leasing liabilities	12,006	7,603	9,319
Trade payables	4,586	5,963	2,777
Other current liabilities	134,292	100,807	125,105
Total current liabilities	179,419	142,863	167,605
Total equity and liabilities	374,210	331,502	364,351

Consolidated statement of changes in equity (TSEK)

	Attributable to the Parent Company's shareholders				
	Share capital	Additional paid-in capital	Reserves	Retained earnings	Total equity
Opening balance January 1, 2020 according to adopted balance sheet	531	58,100	363	9,633	68,627
Net income for the period				14,203	14,203
Other comprehensive income for the year			-361		-361
Total other comprehensive income	0	0	-361	14,203	13,842
Transactions with owners					
-					0
Total transactions with owners	0	0	0	0	0
Closing balance March, 2021	531	58,100	2	23,836	82,469
Opening balance January 1, 2020 according to adopted balance sheet					
	531	58,100	363	9,633	68,627
Net income for the period				62,711	62,711
Other comprehensive income for the year			-573		-573
Total other comprehensive income	0	0	-573	62,711	62,139
Transactions with owners					
Bonus issue					0
Dividend				-19,925	-19,925
Total transactions with owners	0	0	0	-19,925	-19,925
Closing balance December 31, 2020	531	58,100	-210	52,419	110,840
Opening balance January 1, 2021 according to adopted balance sheet					
	531	58,100	-210	52,419	110,840
Net income for the period				16,781	16,781
Other comprehensive income for the year			106		106
Total other comprehensive income	0	0	106	16,781	16,887
Transactions with owners					
Dividend					0
Total transactions with owners	0	0	0	0	0
Closing balance March 31, 2021	531	58,100	-104	69,200	127,728

Consolidated cash flow analysis (TSEK)

	Q1 2021	Q1 2020	Q1 - Q4 2020
Cash flow from current operations			
Cash flow from operations	32,417	28,130	119,938
Changes in net working capital	-445	6,110	15,758
Interest paid	-487	-985	-2,619
Taxes paid	-6,555	-7,922	-13,987
Cash flow from current operations	24,930	25,332	119,090
Cash flow from investing activities			
Investment in intangible non-current assets	-4,830	-4,579	-17,794
Investment in tangible non-current assets	-374	0	-185
Sales of tangible non-current assets	250	0	525
Acquisition of group companies	0	-8,338	-8,338
Acquisition of associated companies	0	0	0
Investment in financial non-current assets	-1	1	-168
Interest received	0	39	98
Cash flow from investing activities	-4,955	-12,877	-25,862
Cash flow from financing activities			
Dividend	0	0	-19,925
Share issue	0	0	0
Proceeds from borrowings	77	41	299
Amortisation of borrowings	-11,591	-9,564	-39,292
Cash flow from financing activities	-11,514	-9,523	-58,918
Net cash flow	8,461	2,932	34,310
Net change in cash flow			
Cash and cash equivalent, beginning of the period	64,662	31,342	31,342
Exchange rate changes on cash	94	35	-990
Cash and cash equivalent, end of period	73,216	34,309	64,662

Parent company income statement in summary (TSEK)

	Q1 2021	Q1 2020	Q1 - Q4 2020
Net sales	0	0	0
Other income	1,464	1,456	5,577
Gross income	1,464	1,456	5,577
<i>Operating expenses</i>			
Compensation to employees	-1,744	-1,679	-6,635
Other expenses	-294	-215	-931
Total operating expenses	-2,038	-1,894	-7,566
Operating income	-574	-438	-1,988
Financial income	169	49	518
Financial expenses	-388	-504	-2,410
Income after financial items	-794	-893	-3,880
Transfers to / from untaxed reserves	0	0	85,000
Taxes	164	181	-17,389
Net income for the period	-630	-712	63,731

Parent company statement of other comprehensive income (TSEK)

	Q1 2021	Q1 2020	Q1 - Q4 2020
Net income	-630	-712	63,731
Other comprehensive income			
Items that may be reclassified to the income statement:			
Translation adjustments	0	0	0
Other comprehensive income for the period, net of tax	0	0	0
Other comprehensive income for the period	-630	-712	63,731
Other comprehensive income for the period, attributed to:			
The shareholders of the Parent Company	-630	-712	63,731
	-630	-712	63,731

Parent company balance sheet in summary (TSEK)

	2021-03-31	2020-03-31	2020-12-31
ASSETS			
Shares in subsidiaries	133,360	133,360	133,360
Total non-current assets	133,360	133,360	133,360
Prepaid expenses and accrued revenue	347	321	131
Current receivables group companies	16,100	1,632	29,609
Other current assets	57	79	58
Cash and cash equivalent	1,294	317	717
Total current assets	17,798	2,349	30,515
Total assets	151,158	135,709	163,875
EQUITY AND LIABILITIES			
<i>Restricted equity</i>			
Share capital	531	531	531
<i>Non-restricted equity</i>			
Share premium reserve	5,065	5,065	5,065
Retained earnings	78,567	34,761	14,836
Net income for the period	-630	-712	63,731
Total equity	83,533	39,645	84,163
Liabilities			
Interest-bearing non-current liabilities	21,214	49,546	28,286
Interest-bearing debt group companies	21,214	49,546	28,286
Total non-current liabilities			
Current interest-bearing liabilities	28,286	28,240	28,286
Account payables	312	182	179
Current tax liabilities	9,182	758	13,660
Current liabilities group companies	6,341	15,025	6,303
Other current liabilities	792	886	547
Accrued expenses and deferred income	1,498	1,426	2,451
Total current liabilities	46,411	46,518	51,426
Total equity and liabilities	151,158	135,709	163,875

Noter

1. Accounting principles

Lime prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. New accounting principles that came into effect on January 1, 2021 have not had any significant impact on the Group's reporting as of March 31, 2021. The Group applies the same accounting principles as in the 2020 annual report.

Other principles and applications

valuation methods as in the latest annual report. The Parent Company prepares its financial statements according to RFR 2, Accounting for Legal Entities, as well as the Swedish Annual Reports Act, and applies the same accounting principles and valuation methods as in the most recent annual report.

Lime applies ESMA's guidelines for alternative performance measures (measurements not defined by IFRS). For definitions, see page 24-27.

Critical accounting estimates and judgements

Intangible assets that have an indefinite useful life or intangible assets that are not ready for use are not subject to depreciation but are tested annually for any impairment loss. The impairment test carried out at year-end showed that there was no impairment loss.

Capitalised development work by own employees

Operating expenses relating to development of own software have been reduced by MSEK 4.8 (4.6) during the fourth quarter 2021.

Segments

Operations in the Netherlands have been, from its commencement, included in the segment Rest of Europe (formerly Rest of Nordic Countries). The Rest of Europe is currently made up of operations in Denmark, Finland, the Netherlands and Norway.

2. Risks and uncertainties

The Lime Group is, through its operations, exposed to common business and financial risks. These risks are described in detail in the 2020 annual report.

COVID-19

As mentioned under the section entitled "Other events during or after the reporting period", the outbreak of the COVID-19 pandemic, and the measures taken by various governments to stem the spread of the virus, will affect our business. In addition to the already known effects, macroeconomic uncertainties cause decline in economic trends and it is not currently possible to say what the long-term effects will be, although the possibility of negative consequences cannot be excluded.

The most critical risks arising from the current uncertain COVID-19 situation are:

Revenue: The macroeconomic uncertainties may lead to delays in customers' procurements, to prolonged sales processes towards new customers, and to existing customers terminating their contracts. Lime has implemented a number of measures to counteract the aforementioned, including intensified sales activities. Furthermore, the political measures implemented by various governments restrict our ability to perform certain services. Lime has implemented actions to partly offset such restrictions, including running training and workshops online.

Profitability: We see an increased risk of doubtful customer accounts as a consequence of COVID-19. Lime's risk exposure to customer accounts is limited due to low customer concentration. Actions have been implemented to ensure fast and effective monitoring of receivables. Actions are also taken to limit expenditures deemed non-business critical in the short term. Management is continuously assessing the need for and the possibility of adjusting the cost base.

Funding and liquidity: Management is closely monitoring the group's cash flow projections and reserves, to ensure there are sufficient cash available to meet the needs of current operations. Cash flow has been in line with management's expectations in the third quarter.

A bank overdraft of MSEK 25 was negotiated and secured during the second quarter for the purpose of minimising liquidity risks as a result of the COVID-19 pandemic. The overdraft expired 2020-12-31. No amounts have been drawn down under the overdraft.

3. Currency translations

Assets and liabilities in foreign exchange are translated at the closing rate on the date of the balance sheet. Transaction differences related to translation of operational assets and liabilities are recognised as Other revenue or Other expenses.

Transaction differences relating to other balance sheet items in foreign currency, such as cash and cash equivalent, are recognised under Financial net. Net sales and operating expenses are also impacted by transaction differences in foreign exchange. These transaction differences are recognised under respective revenue and expense item.

Net sales for the quarter consists of 81% SEK, 7% EUR, and 12% other currencies. Operating expenses are made up of 85% SEK, 6% EUR, and 9% other currencies.

4. Acquisitions

Lime's holdings in Lime Technologies Gävle AB at the end of the accounting period amounted to 65 percent. Lime invoked the right, during the fourth quarter of 2019, to exercise options in respect of 35 % of the shares. The acquisition was executed on 13 January 2020, at a purchase price of SEK 7 million. With effect from the date on which the acquisition was executed and control taken, 13 January 2020, the acquired company was consolidated in its entirety in the Lime Group's income statement and balance sheet.

The owners of Lime Technologies Gävle AB have also issued options which give Lime the right to acquire the remaining 35 percent of the shares no later than on 31 December 2021.

Lime Technologies Gävle AB has performed very well, and we are now more convinced than ever that their products strengthen our offering to both new and existing customers. The consideration for the remaining 35 percent of the shares is conditional on an exercise of the options on Lime Technologies Gävle AB's Annual Recurring Revenue, but with a minimum of SEK 7 million and a maximum of SEK 12.25 million.

The price and conditions for the remaining options are such that the Company judges that these options will in all likelihood be invoked on the exercise date and, accordingly, an estimated strike price has been recognised as a liability in the consolidated financial statements as at 13 January 2020. The acquisition generated a capital gain of SEK 0.5 million in the first quarter of 2020.

The acquisition of Janjoo AB AB in January 2020 has generated non-current intangible assets in the Group amounting to MSEK 24 before tax, whereof MSEK 24 is allocated to software. Estimated yearly depreciations of acquired software amount to MSEK 2.9. Depreciation of acquired software of MSEK 0.7 is included in the fourth quarter results and MSEK 2.9 during 2020.

The acquisition of Janjoo AB had a cash flow effect of MSEK -8.3 during the first quarter 2020.

5. Transactions with related parties

Any transactions with related parties have been conducted on market terms.

6. Taxes

Tax expenses in the first quarter 2021 amounted to MSEK 4.6 (3.7). The tax expense has been estimated based on the current tax situation in the Group and the earnings trends in the subsidiaries.

9-quarter summary

Sales per segment, TSEK	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Sweden	76,679	75,694	61,120	69,205	68,942	65,724	54,838	56,241	57,788
Other Europe	17,678	17,365	14,483	15,832	16,048	16,062	13,144	13,789	12,111
Income statement in summary, TSEK									
Net sales	94,357	93,059	75,603	85,037	84,990	81,786	67,982	70,030	69,899
EBITDA	32,417	36,067	29,802	27,013	28,677	24,433	23,702	17,625	17,900
EBITA	26,275	30,624	24,704	21,810	23,496	19,870	19,246	13,250	13,525
EBIT	21,926	26,275	20,355	17,462	19,108	16,251	15,628	9,950	10,225
Operating margin	23%	28%	27%	21%	22%	20%	23%	14%	15%
Income before tax	21,361	25,758	19,417	16,912	17,918	15,894	15,321	9,313	9,338

Revenue from customer contracts (TSEK)

Revenue by income stream, TSEK	Q1 2021			Q1 2020		
	Sweden	Rest of Europe	Total	Sweden	Rest of Europe	Total
Subscription revenue	33,137	8,880	42,017	28,199	7,759	35,957
Licence revenue	478	60	538	443	69	511
Support agreements	9,232	989	10,221	9,720	1,192	10,911
Expert Services	33,303	7,726	41,029	29,750	6,876	36,625
Other	529	23	552	831	154	985
Net sales	76,679	17,678	94,357	68,942	16,048	84,990

Sales per quarter

Sales, TSEK	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Expert Services	41,029	40,774	26,213	34,839	36,625	34,793	23,603	25,230	26,882
Software related revenue*)	52,772	51,421	48,959	49,713	47,380	46,155	43,731	43,887	41,612
Other	555	864	431	485	985	838	649	913	1,404
Sales, TSEK	94,356	93,059	75,603	85,037	84,990	81,786	67,982	70,030	69,899
Whereof recurring revenue	52,234	50,534	48,468	48,520	46,868	44,253	42,545	41,335	39,052
Whereof recurring revenue (%)	55%	54%	64%	57%	55%	54%	63%	59%	56%
Growth net sales (%)	11%	14%	11%	21%	22%	19%	23%	14%	19%
Growth recurring revenue (%)	11%	14%	14%	17%	20%	19%	21%	21%	22%

*) Software related revenue refers to subscription revenue, licence revenue and support agreements

Key ratios

The Group's key ratios are presented below. Some of these are defined in accordance with IFRS. Alternative performance measures (APM) have been identified that are believed to enhance investors' and Group management's evaluation of the company's performance as well as relevant trends. The APMs presented in this report may differ from similarly titled measures used by other companies. The APMs should therefore be seen as a supplement to the key ratios defined by IFRS.

Annual Recurring Revenue

The recurring revenue, in the last month of the quarter, recalculated to a 12-month period. The measure indicates the value of recurring revenue during the coming 12 months based on revenue from existing customers at the end of the period. The measure is also important for industry comparisons.

TSEK	Q1 2021	Q1 2020
Recurring revenue (quarter)	52,234	46,868
Annual recurring revenue - ARR	210,984	190,427

Number of shares outstanding

The number of registered shares less any repurchased shares at the balance sheet date. The measure is mainly used for calculation of key ratios; see below. The Group did not own any of its own shares during any of the reporting periods. The key ratios have, when applicable, been restated based on the share split (1:250) in October 2018.

EBITA

Operating income before depreciation of acquired intangible non-current assets. The purpose is to assess the Group's operational activities. EBITA is a supplement to operating income as it is an indication of cash flow from operations.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Operating income	21,926	19,108	83,200
Depreciation of acquired intangible non-current assets	4,349	4,388	17,434
EBITA	26,275	23,496	100,634
Net sales	94,357	84,990	338,689
EBITA (%)	28%	28%	30%

EBITDA

Operating income before depreciation on tangible and intangible non-current assets. The purpose is to assess the Group's operational activities. EBITDA is a supplement to operating income.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Operating income	21,926	19,108	83,200
Depreciation	10,490	9,569	38,359
EBITDA	32,417	28,677	121,559
Net sales	94,357	84,990	338,689
EBITDA (%)	34%	34%	36%

Financial assets

Non-current and current financial assets, and cash and cash equivalent. The financial assets measure is used for the application of IFRS 9. The measure is used to calculate net liabilities.

TSEK	2021-03-31	2020-03-31	2020-12-31
Other financial non-current assets	707	538	706
Cash and cash equivalent	73,216	34,309	64,662
Financial assets	73,923	34,847	65,368

Adjusted EBIT

Operating income according to the income statement before one-off items. The measure is a supplement to operating income adjusted for one-off items affecting comparison. The purpose is to show the operating income excluding items that affect comparison with other periods..

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
EBIT	21,926	19,108	83,200
One-off items	-27	0	-1,372
Adjusted EBIT	21,899	19,108	81,828
Net sales	94,357	84,990	338,689
Adjusted EBIT (%)	23%	22%	24%

Adjusted EBITA

Adjusted EBITA shows EBITA adjusted for one-off items affecting comparison. The purpose is to show EBITA excluding items that affect comparison with other periods.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
EBITA	26,275	23,496	100,634
One-off items	-27	0	-1,372
Adjusted EBITA	26,247	23,496	99,262
Net sales	94,357	84,990	338,689
Adjusted EBITA (%)	28%	28%	29%

Adjusted EBITDA

Adjusted EBITDA shows EBITDA adjusted for one-off items affecting comparison. The purpose is to show EBITDA excluding items that affect comparison with other periods.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
EBITDA	32,417	28,677	121,559
One-off items	-27	0	-1,372
Adjusted EBITDA	32,389	28,677	120,187
Net sales	94,357	84,990	338,689
Adjusted EBITDA (%)	34%	34%	35%

One-off items affecting comparison

Refers to items that are reported separately as they are of a significant nature and affect comparison and are considered foreign to the Group's ordinary core operations. Examples are acquisition-related expenses, expenses relating to public listing of shares, and restructuring costs.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Payment of share option liability			
Write-down of share option liability	27	0	1,372
One-off items that distort comparisons	27	0	1,372

Cash flow from current operations per share

Cash flow from current operations divided by the average number of shares outstanding. Allows readers of financial reports to compare cash flow from current operations per share. The number of shares has been restated following the 1:250 share split in October 2018.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Cash flow from current operations	24,930	25,332	119,090
Number of share (thousands)	13,283	13,283	13,283
Cash flow from current operations per share (SEK)	1.88	1.91	8.97

Growth in net sales

The measure shows %-growth in net sales compared to the same period during previous year. The measure is a key ratio for a company within a growth industry.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Net sales, the period	94,357	84,990	338,689
Net sales, same period previous year	84,990	69,899	289,696
Growth in net sales	11%	22%	17%

Net liabilities

Interest-bearing non-current and current liabilities less financial assets. The purpose is to show the real level of debt.

TSEK	2021-03-31	2020-03-31	2020-12-31
Interest-bearing non-current liabilities	21,384	49,988	28,524
Non-current leasing liabilities	15,089	8,652	14,240
Other non-current liabilities	2,847	18,166	15,183
Interest-bearing current liabilities	40,948	28,489	30,404
Current leasing liabilities	12,006	7,603	9,319
Financial assets	-73,923	-34,847	-65,368
Net liabilities	18,351	78,051	32,302

Average number of employees

The average number of employees means the number of employees during the last 12-month period in relation to normal yearly working hours. The measure indicates how well one of the Group's key processes – recruitment and development of staff – develops over time.

Net sales per employee

Shows trailing 12-month net sales in relation to average number of employees during the last 12 months. The measure is a key ratio for industry comparisons.

TSEK	Q2 2020 - Q1 2021	Q2 2019 - Q1 2020
Trailing 12-month net sales	348,056	304,787
Number of employees	254	221
Net sales per employee	1,372	1,377

Organic growth in net sales

The measure shows growth in net sales adjusted for acquisitions during the last 12 months. Acquired businesses are included in organic growth once they have been part of the Lime Group for four quarters. The measure is used to analyse underlying net sales growth.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Net sales, period	94,357	84,990	338,689
Acquired net sales, last 12 months	0	-4,630	-15,320
Organic net sales	94,357	80,360	323,369
Organic net sales, same period last year	80,360	69,376	281,777
Adjusted for acquired net sales last 24 months	4,630	523	2,046
Comparable organic net sales	84,990	69,899	283,823
Organic net sales growth (%)	11%	15%	14%

Recurring revenue

Revenue of annual recurring nature is made up of support and maintenance revenues and subscription revenues.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Subscription revenue	42,018	35,957	150,995
Support agreements	10,217	10,911	43,396
Recurring revenue	52,234	46,868	194,391

Recurring revenue in relation to operating expenses

Revenues of annual recurring nature in relation to operating expenses. The measure is a key ratio for industry comparisons.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Recurring revenue	52,234	46,868	194,391
Operating expenses	-72,483	-66,016	-257,247
Recurring revenue in relation to operating expenses	72%	71%	76%

Earnings per share

Defined in accordance with IFRS.

Earnings per share, diluted

Defined in accordance with IFRS.

Operating margin, EBIT

Operating income in relation to net sales. To readers of financial reports, the measure is an indicator of a company's earning ability.

TSEK	Q1 2021	Q1 2020	Q1 - Q4 2020
Operating income	21,926	19,108	83,200
Net sales	94,357	84,990	338,689
Operating margin	23%	22%	25%

Operating income, EBIT

Operating income according to the income statement.

About Lime Technologies

Our more than 300 staff members and over 70 000 users make us one of the largest CRM suppliers in the Nordic region.

With 30 years' experience in the industry, we can honestly say we know most things about CRM.

Our mission is to become the leading supplier of CRM systems in the Nordic region, by supplying systems that make our customers' work both easier and more fun.

In short – we turn companies into customer magnets.



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