

Interim report, January – March 2019

Lime Technologies AB (publ)

First quarter

- Net sales MSEK 69.9 (58.5), rendering a net sales growth of 19% (18%)
- Organic net sales growth 19% (14%)
- Recurring revenue MSEK 39.1 (32.1)
- Costs relating to the listing on Nasdaq Stockholm , items affecting comparison, MSEK 0.3 (0)
- EBITA MSEK 13.5 (11.5), rendering an EBITA margin of 19.3% (19.7%)
- Adjusted EBITA margin 19.8% (19.8%)
- Operating income, EBIT, MSEK 10.2 (8.5)
- Cash flow from current operations MSEK 9.4 (0.1)
- Net income MSEK 7.5 (6.7)
- Earnings per share, SEK 0.56 (0.54) and diluted SEK 0.56 (0.50)

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CEO's comments

Best quarter ever!

We are proud of the strong growth and solid results we have achieved during the first quarter. Having said that, we are also aware that as a growth company we must perform at our all-time-best, almost every quarter. Growth is what enables us to progress rapidly with product development, what intensifies our competitiveness and retains our team members.

Net sales in the first quarter amounted to MSEK 69.9, corresponding to an organic growth of 19% compared to the same quarter last year. Recurring revenue, which is an important growth driver, increased by 22% during the first quarter compared to the same quarter last year.

Being a growth company within the IT industry is, and should be, a challenge. This is a result of constant changes in the external environment, bold competitors and an exceptionally tough contest for skilled personnel. Regardless of the challenges, and the hardship that comes with growth, the alternative is far worse. Settling and becoming complacent is a recipe for stagnation. At Lime we are always proud of what we have achieved, but never complacent. We must always strive to move forward and make progress, both as a company and as individuals.

An important driving force in our organic growth is new sales and taking market shares away from our competitors. In the first quarter, we have signed several major deals, not least within our focus verticals in Finland and Norway. We have proudly welcomed Boligbyggelaget Tobb AS and AS Pellerin as new real estate customers, Elenia Oy and Trönderenergi AS as new utility customers, and Oy Flikenberg, Oy Snellman, Wulff Oy and Forlagshuset Vigmostad & Björke AS as new wholesales customers.

Recruitment is another critical driving force for our organic growth. In my fourth quarter comments, I mentioned how we had been successful in recruiting more new employees relatively early in our recruitment process. Initially this leads to increased costs, but in the long-term it has positive effects on both growth and profitability. During the first quarter 2019, we achieved an adjusted EBITA of MSEK 13.8, corresponding to an EBITA margin of 20%, which is particularly pleasing considering the higher than expected costs for personnel.

Even though we have had success in recruiting more employees than expected in the fourth quarter 2018, we are maintaining our strong recruitment focus in order to underpin



As a growth company we must perform at our all-time-best, almost every quarter. Growth is what enables us to progress rapidly with product development, what intensifies our competitiveness and retains our team members.

Erik Syrén, CEO

the growth ambition. We will continue to expand our trainee program and achieve a number of recruitments before the trainees start their training period in early August.

To support our organic growth, we are constantly looking for smaller acquisitions to strengthen our product portfolio. In this respect, we have had a number of interesting discussions in the first quarter. It remains to be seen if these discussions will result in more wisdom, cooperation or in fact in business acquisitions.

As mentioned, we are very proud of the strong growth and solid profitability in the first quarter, but we are not completely satisfied. We are committed to continuing our efforts to progress and advance. Our focus is on maintaining long-term profitable growth.

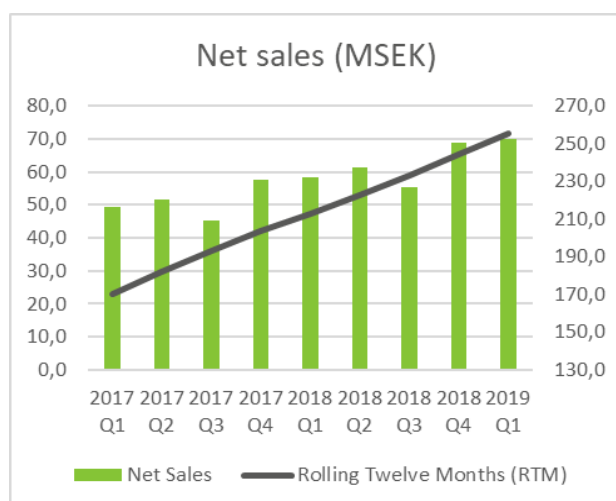
/ Erik Syrén, CEO, Lime Technologies

Lime in summary

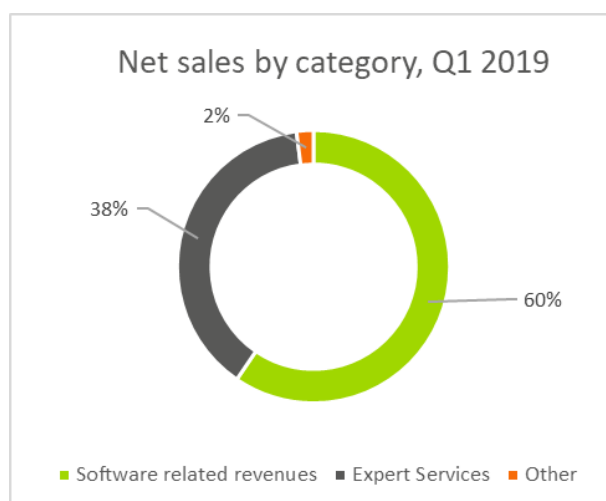
	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1
Net sales (MSEK)	69,9	68,9	55,4	61,5	58,5	57,5	45,1	51,8	49,5
Recurring revenue (MSEK)	39,1	37,1	35,2	34,0	32,1	30,8	27,9	27,0	24,6
EBITDA (MSEK)	17,9	10,0	15,7	12,0	13,0	13,0	13,0	10,8	10,7
EBITDA (%)	26%	15%	28%	19%	22%	23%	29%	21%	22%
EBITA (MSEK)	13,5	8,6	14,2	10,4	11,5	12,1	11,8	9,7	9,6
EBITA (%)	19%	12%	26%	17%	20%	21%	26%	19%	20%
Adjusted EBITA	13,8	15,5	15,6	11,6	11,6	12,7	11,8	11,1	9,6
Adjusted EBITA (%)	20%	23%	28%	19%	20%	22%	26%	22%	20%
Operating income, EBIT (MSEK)	10,2	5,5	10,8	7,0	8,5	8,6	9,4	7,3	7,6
Operating income, EBIT (%)	15%	8%	20%	11%	15%	15%	21%	14%	15%
Earnings per share, basic (SEK)*	0,56	0,34	0,65	0,43	0,54	0,43	0,59	0,43	0,44
Earnings per share, diluted (SEK)*	0,56	0,32	0,61	0,40	0,50	0,41	0,56	0,41	0,41
Cash flow from current operations (MSEK)	9,4	15,9	7,8	14,9	0,1	19,5	1,6	13,7	4,9

*) recalculated to the number of shares following the 1:250 share split in October 2018.

Revenue

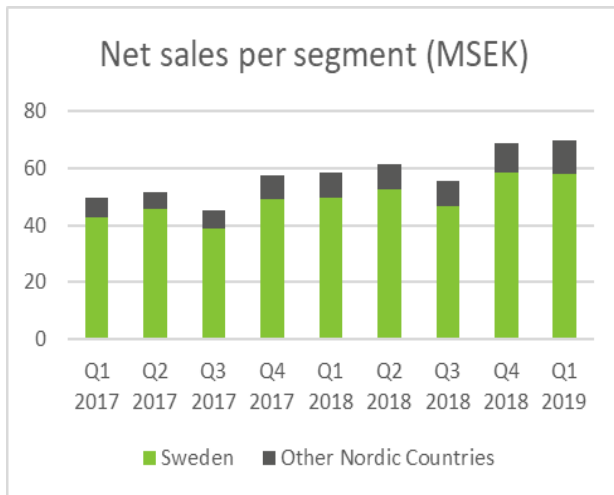


Net sales in the first quarter 2019 amounted to MSEK 70 (59), an increase of 19%. Business acquisitions during the last 12 months have contributed MSEK 0.5 to the Group's net sales for the quarter.

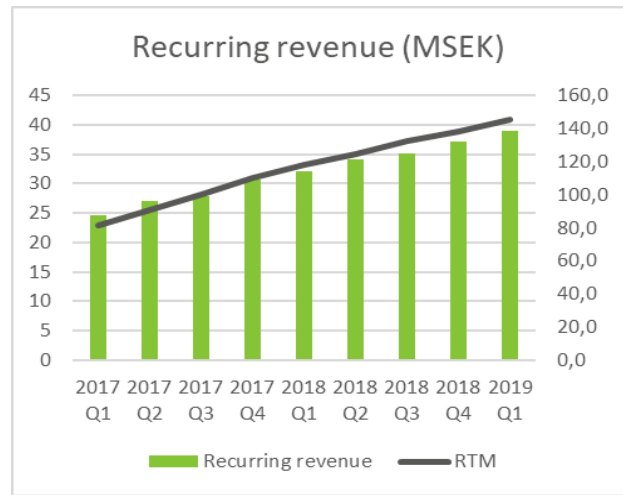


60% (59) of net sales in the first quarter 2019 relate to software revenue.

Software revenue increased by 21% (18) during the first quarter 2019 compared to the first quarter 2018.



Net sales in Sweden in the first quarter 2019 amounted to MSEK 58 (50) and MSEK 12 (9) in the rest of the Nordic countries. Net sales growth for the quarter was 16% in Sweden and 38% in the other Nordic countries.

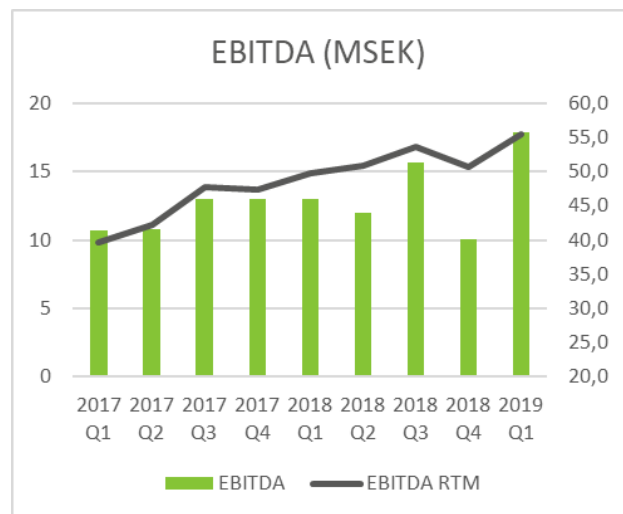


Recurring revenue amounted to MSEK 39 (32) during the first quarter 2019, an increase of 22% compared to the same period last year.



The 12-month recalculated recurring revenue, annual recurring revenue (ARR), at the end of the first quarter 2019 was MSEK 160 (132). The 12-month recalculated recurring revenue increased by 21% compared to the corresponding period last year.

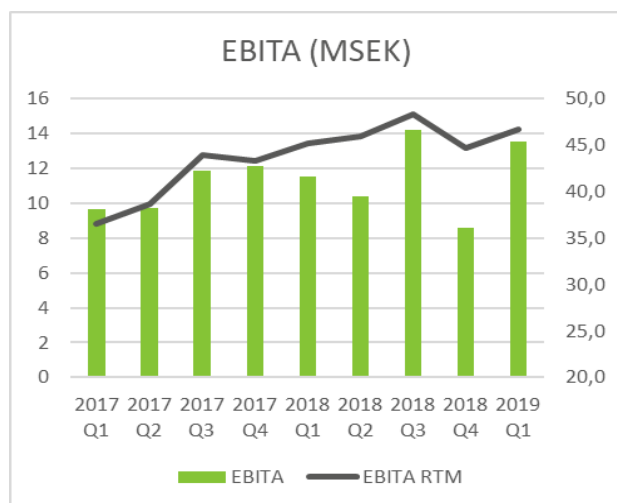
Operating income



The operating income has been impacted by costs of MSEK 0.3 (0) in the first quarter 2019, relating to the listing of Lime's shares on Nasdaq Stockholm, Small Cap, in December 2018. In 2018 the operating income was impacted by listing costs of MSEK 9.4 (0).

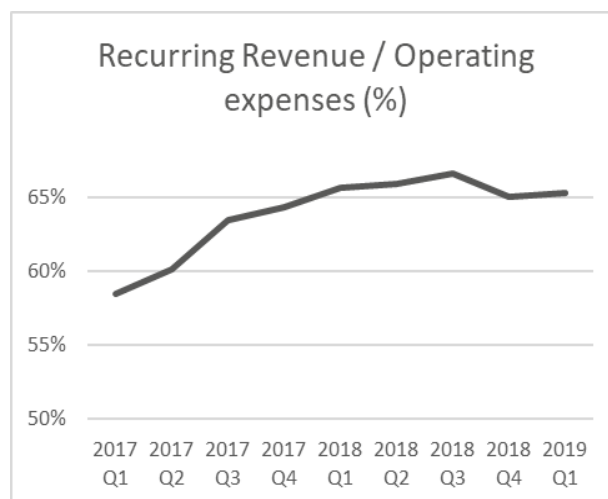
Operating income before depreciations – EBITDA – amounted to MSEK 18 (13) during the first quarter 2019 corresponding to an EBITDA margin of 26% (22). Adjusted EBITDA was MSEK 18 (13) in the quarter, corresponding to an EBITDA margin of 26% (22).

As of January 1, 2019, Lime applies IFRS 16 Leases. As from the time the standard came into effect, Lime applies the simplified transition method, meaning comparative information from previous periods has not been restated. The application of IFRS 16 has had a MSEK 2.3 positive impact on EBITDA during the first quarter. Had IFRS 16 not been applied, the first quarter 2019 EBITDA and EBITDA margin would have been MSEK 15.6 and 22%, respectively.

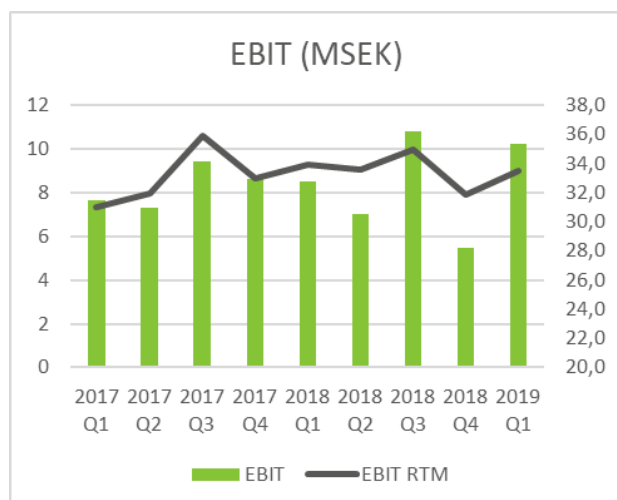


During the first quarter 2019, operating income, excluding amortisation on acquired immaterial assets – EBITA – amounted to MSEK 14 (12), corresponding to an EBITA margin of 19% (20). Adjusted EBITA for the first quarter 2019 amounted to MSEK 14 (12), corresponding to an adjusted EBITA margin of 20% (20).

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. Further, as IFRS 16 come into effect, depreciation of MSEK 2.3 regarding right-to-use assets has been made in the first quarter 2019.



Last 12-months (LTM) recurring revenue amounted to 65% (64) of last 12-months total operating expenses during the first quarter. The expenses include one-off items distorting comparison.



During the first quarter 2019, operating income – EBIT – amounted to MSEK 10 (9), corresponding to an EBIT margin of 15% (15). During the first quarter 2019, adjusted EBIT amounted to MSEK 10 (9), corresponding to an adjusted EBIT margin of 15% (15).

Cash flow & investments

During the first quarter 2019 the cash flow from current operations amounted to MSEK 9.4 (0.1).

During the first quarter 2019 investments in tangible non-current assets amounted to MSEK 0.0 (0.0), including leased vehicles. Investments in intangible non-current assets amounted to MSEK 4.6 (3.8). Investments in other intangible assets consist of capitalisation of development costs relating to new technology platforms. During the first quarter 2019, depreciation of capitalised development costs amounted to MSEK 1.9 (1.3) and depreciation of right-to-use assets amounted to MSEK 2.3 (0.0).

Equity & liabilities

The Group's equity amounted to MSEK 51 (20).

The stock options programs that expired in March 2019 were fully subscribed and a share issue of MSEK 5.1, involving 783,481 shares, was implemented in March 2019.

The Group's interest-bearing liabilities amounted to MSEK 115.7 (132.6) at the end of the period, including leasing liabilities relating to right-to-use assets of MSEK 15.2 (0.0). A total of MSEK 8.9 (51.7) of the Group's interest-bearing liabilities have been repaid during the period. Cash and cash equivalent amounted to MSEK 22.5 (23.8) at the end of the period. The Group's net debt amounted to MSEK 92.6 (108.3).

Stock option programs

The company had two stock option programs at the beginning of the reporting period. Both programs expired in March 2019 and 783,481 shares have been issued under the programs. Further details about the stock option programs can be found in the 2018 annual report.

Lime Technologies AB's share

Lime Technologies AB (publ) is listed on Nasdaq Stockholm Small 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 organic net sales growth exceeding 15 percent, in the medium long term. Lime further aims to achieve an annual EBITA margin in excess of 23 percent in the medium long term. The objective of the capital structure is that net liabilities 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 233 (212) employees at the end of the reporting period. The average number of employees was 200 (173) 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, CFO, and Head of IR. During the first quarter 2019, operating income in the Parent Company amounted to MSEK -0.6 (-1.1). Cash and cash equivalent amounted to MSEK 1.5 (5.0) and borrowings to MSEK 97.5 (122.5).

Dividend proposal

The board of directors will propose a dividend of SEK 1.0 per share, corresponding to MSEK 13 and 55% of the 2018 net income.

In accordance with Lime's financial objectives, distribution of dividend is expected to be at least 50% of the net income.

Annual General Meeting 2019

The Annual General Meeting relating to the 2018 financial year will be held on April 29, 2019, at 5.30pm CET, at Grev Turegatan 30, Stockholm, Sweden.

Nomination committee

Based on guidelines adopted at the General Meeting in October 2018, the following persons have been appointed to be members of Lime's Nomination Committee: Jens Ismunden, Grenspecialisten Förvaltning AB, representing 7.5% of the shares, Thomas Bill, Monterro 1 AB, representing 30.4% of the shares, Marianne Flink, Swedbank Robur Fonder AB, representing 9.2% of the shares, and Peter Larsson, adjunct, the Chairman of the Board of Directors.

Other events during & after the reporting period

Lime had at the beginning of the period two stock option programs. Both programs expired in March 2019 and shares to the equivalent of the programs, 783 481 shares, have been issued during March 2019.

No other significant events have occurred during or 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 2019, the Group had 233 employees in six offices in Sweden, Norway, Denmark, and Finland.

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.

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.

Financial calendar

- Annual General Meeting, April 29, 2019
 - Interim report Q2, 2019, presented on July 19, 2019
 - Interim report Q3, 2019, presented on October 25, 2019
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Lund, Sweden, April 29, 2019

Erik Syrén

CEO

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 auditors.

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 an unaudited 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 2019	Q1 2018	Q1 - Q4 2018
Net sales (MSEK)	69,9	58,5	244,3
Net sales growth (%)	19%	18%	20%
Organic net sales growth (%)	19%	11%	16%
Recurring revenue (MSEK)	39,1	32,1	138,5
Annual recurring revenue (MSEK)	159,6	131,8	151,7
EBITA (MSEK)	13,5	11,5	44,7
EBITA (%)	19%	20%	18%
EBITDA (MSEK)	17,9	13,0	50,7
EBITDA (%)	26%	22%	21%
Operating income, EBIT (MSEK)	10,2	8,5	31,8
Operating income, EBIT (%)	15%	15%	13%
One-off items (MSEK)	-0,3	-0,0	-9,6
Depreciation right-to-use assets	-2,3	0,0	0,0
Adjusted EBITA (MSEK)	13,8	11,6	54,3
Adjusted EBITA (%)	20%	20%	22%
Adjusted EBITDA (MSEK)	18,2	13,1	60,2
Adjusted EBITDA (%)	26%	22%	25%
Adjusted EBIT (MSEK)	10,5	8,6	41,4
Adjusted EBIT (%)	15%	15%	17%
Earnings per share (SEK)**)	0,56	0,54	1,94
Earnings per share, diluted (SEK)**)	0,56	0,50	1,83
Net debt (MSEK)	92,6	108,3	85,4
Number of employees (average)	200	173	195
Net sales per employee* (MSEK)	1,3	1,2	1,3
Cash flow from current operations per share (SEK)**)	0,7	0,0	3,1
Outstanding shares (thousands)**)	13 283,5	12 500,0	12 500,0

* Some key ratios have been recalculated to a trailing 12-month value

** Numbers of shares have been restated following the 1:250 split in October 2018.

For definition of key ratios, see pages 22-25.

Consolidated income statement in summary (TSEK)

	Q1 2019	Q1 2018	Q1 - Q4 2018
Net sales	69 899	58 540	244 307
Other revenue	74	11	492
Gross income	69 972	58 551	244 799
<i>Operating expenses</i>			
Compensation to employees	-42 994	-37 523	-148 984
Capitalised development work done by own employees	4 633	3 828	17 334
Depreciation	-7 675	-4 502	-18 865
Other expenses	-13 711	-11 819	-62 457
Total operating expenses	-59 747	-50 016	-212 972
Operating income	10 225	8 535	31 827
Financial net	-887	-420	-1 758
Income after financial net	9 338	8 115	30 069
Taxes	-1 875	-1 425	-5 763
Net income	7 462	6 690	24 306
Earnings per share, basic	0,56	0,54	1,94
Earnings per share, diluted	0,56	0,50	1,83
Net income attributed to:			
Shareholders of the Parent Company	7 462	6 690	24 306
	7 462	6 690	24 306

Consolidated statement of other comprehensive income (TSEK)

	Q1 2019	Q1 2018	Q1 - Q4 2018
Net income	7 462	6 690	24 306
Other comprehensive income			
Items that may be reclassified to the income statement:			
Translation adjustments	379	64	252
Other comprehensive income for the period	379	64	252
Other comprehensive income for the period	7 841	6 754	24 558
Other comprehensive income for the period, attributed to:			
Shareholders of the Parent Company	7 841	6 754	24 558
	7 841	6 754	24 558

Consolidated balance sheet in summary (TSEK)

	2019-03-31	2018-03-31	2018-12-31
ASSETS			
Goodwill	59 391	59 391	59 391
Other non-tangible non-current assets	128 414	122 191	128 988
Right-to-use assets	15 168	0	0
Tangible non-current assets	3 581	3 727	3 881
Other financial non-current assets	547	527	538
Deferred tax asset	60	58	59
Total non-current assets	207 161	185 893	192 857
Trade receivables	50 565	43 912	51 573
Other current receivables	4 554	5 155	3 804
Cash and cash equivalent	22 514	23 839	21 152
Total current assets	77 633	72 906	76 529
Total assets	284 794	258 799	269 386
EQUITY AND LIABILITIES			
Total equity	50 613	19 872	37 675
Liabilities			
Non-current liabilities			
Interest-bearing non-current liabilities	71 500	99 893	79 815
Non-current leasing liabilities	7 863	911	1 815
Deferred tax liabilities	23 206	21 960	23 005
Total non-current liabilities	102 569	122 764	102 820
Current liabilities			
Interest-bearing current liabilities	26 000	29 750	27 298
Current leasing liabilities	10 307	2 063	1 298
Trade payables	6 519	6 907	4 552
Other current liabilities	88 786	77 443	97 041
Total current liabilities	131 612	116 163	128 891
Total equity and liabilities	284 794	258 799	269 386

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, 2018 according to adopted balance sheet	50	53 034	13	35 020	88 117
Net income for the period				6 690	6 690
Other comprehensive income for the year			64		64
Total other comprehensive income	0	0	64	6 690	6 754
Transactions with owners					
Bonus issue	450			-450	0
Dividend			0	-75 000	-75 000
Total transactions with owners	450	0	0	-75 450	-75 000
Closing balance March 31, 2018	500	53 034	77	-33 740	19 871
	Share capital	Additional paid-in capital	Reserves	Retained earnings	Total equity
Opening balance January 1, 2018 according to adopted balance sheet	50	53 034	13	35 020	88 117
Net income for the period				24 306	24 306
Other comprehensive income for the year			252		252
Total other comprehensive income	0	0	252	24 306	24 558
Transactions with owners					
Bonus issue	450			-450	0
Dividend				-75 000	-75 000
Total transactions with owners	450	0	0	-75 450	-75 000
Closing balance December 31, 2018	500	53 034	265	-16 124	37 675
Opening balance January 1, 2019 according to adopted balance sheet	500	53 034	265	-16 124	37 675
Net income for the period				7 462	7 462
Other comprehensive income for the year			379		379
Total other comprehensive income	0	0	379	7 462	7 841
Transactions with owners					
Share issue	31	5 065			5 096
Total transactions with owners	31	5 065	0	0	5 096
Closing balance March 31, 2019	531	58 099	644	-8 662	50 613

Consolidated cash flow analysis (TSEK)

	Q1 2019	Q1 2018	Q1 - Q4 2018
Cash flow from current operations			
Cash flow from operations	17 900	13 037	50 527
Changes in net working capital	-6 030	-11 892	-3 836
Interest paid	-905	-332	-2 269
Taxes paid	-1 571	-692	-5 674
Cash flow from current operations	9 394	121	38 748
Cash flow from investing activities			
Investment in intangible non-current assets	-4 633	-3 828	-17 633
Investment in tangible non-current assets	0	-6	-1 244
Sales of tangible non-current assets	89	0	463
Acquisition of group companies	0	0	-2 435
Investment in financial non-current assets	-9	-13	-24
Interest received	18	0	511
Cash flow from investing activities	-4 535	-3 847	-20 362
Cash flow from financing activities			
Dividend	0	-75 000	-75 000
Share issue	5 096	0	0
Proceeds from borrowings	0	130 000	130 000
Amortisation of borrowings	-8 866	-51 685	-76 884
Cash flow from financing activities	-3 770	3 315	-21 884
Net cash flow	1 089	-411	-3 498
Net change in cash flow			
Cash and cash equivalent, beginning of the period	21 152	24 249	24 249
Exchange rate changes on cash	273	1	401
Cash and cash equivalent, end of period	22 514	23 839	21 152

Parent company income statement in summary (TSEK)

	Q1 2019	Q1 2018	Q1 - Q4 2018
Net sales	0	0	0
Other income	1 415	0	6 196
Gross income	1 415	0	6 196
<i>Operating expenses</i>			
Compensation to employees	-1 348	-957	-5 016
Other expenses	-645	-109	-6 665
Total operating expenses	-1 993	-1 066	-11 681
Operating income	-578	-1 066	-5 485
Income from shareholdings in group companies	0	673	27 240
Financial income	7	0	178
Financial expenses	-547	-272	-2 041
Income after financial items	-1 118	-665	19 891
Taxes	222	123	-4 396
Net income for the period	-896	-542	15 495

Parent company statement of other comprehensive income (TSEK)

	Q1 2019	Q1 2018	Q1 - Q4 2018
Net income	-896	-542	15 495
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	-896	-542	15 495
Other comprehensive income for the period, attributed to:			
The shareholders of the Parent Company	-896	-542	15 495
	-896	-542	15 495

Parent company balance sheet in summary (TSEK)

	2019-03-31	2018-03-31	2018-12-31
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	508	318	206
Other current assets	2 384	0	2 373
Cash and cash equivalent	1 537	5 042	997
Total current assets	4 429	5 360	3 576
Total assets	137 789	138 720	136 936
EQUITY AND LIABILITIES			
<i>Restricted equity</i>			
Share capital	531	500	500
<i>Non-restricted equity</i>			
Share premium reserve	5 065	0	0
Retained earnings	17 052	1 555	1 555
Net income for the period	-897	-542	15 495
Total equity	21 751	1 513	17 551
Liabilities			
Non-current liabilities			
Interest-bearing non-current liabilities	71 500	96 500	78 000
Interest-bearing debt group companies	0	0	0
Total non-current liabilities	71 500	96 500	78 000
Current liabilities			
Borrowings	26 000	26 000	26 000
Trade payables	534	98	645
Current tax liabilities	3 098	6 028	10 488
Other current liabilities	13 975	8 047	987
Accrued expenses and deferred income	931	534	3 265
Total current liabilities	44 538	40 707	41 385
Total equity and liabilities	137 789	138 720	136 936

Notes

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. With the exception of IFRS 16, described below, new accounting principles that came into effect on January 1, 2019 have not had any significant impact on the Group's reporting as of March 31, 2019. In addition to what is stated below, the Group applies the same accounting principles as in the 2018 annual report.

New accounting principles applied from January 1, 2019

IFRS 16 Leases

IFRS 16 Leases comes into effect for annual periods beginning on or after January 1, 2019 and replaces the former standard IAS 17 Leases and interpretations related thereto. Lime has mapped out and evaluated the Group's lease agreement and assessed the effects of the transition to IFRS 16 during 2018.

As of the time the standard came into effect, Lime applies the simplified transition method, meaning comparative information from previous periods will not be restated. The leasing liability is the discounted remaining leasing fees as of January 1, 2019. The right-to-use asset is measured as the value of the leasing liability adjusted for any prepaid or accrued leasing fees. In cases in which the right-to-use asset has been recognised in the balance sheet already under application of IAS 17, the asset is recognised at remaining right-to-use value. The transition to IFRS 16 does not impact on equity.

Lime will apply the simplified approach in relation to leases in which the underlying asset has a low value, as well as for short-term leases, which also include leases ending during 2019. Leases with underlying assets of low value include, for example, office equipment.

Lime's more significant lease agreements are mainly agreements relating to office space, but other agreements exist to a limited extent, e.g. vehicles. Following the application of IFRS 16, the Group's total assets have increased through the inclusion of the right-to-use assets and leasing liabilities. Leasing fees that, under IAS 17, were recognised as other external expenses in the income statement, have

been replaced by depreciation on the right-to-use assets and recognised as an expense in the operating income, as well as interest on the lease liability, which is recognised as a financial expense.

The leasing fee is divided into amortisation of the leasing liability and interest paid.

During transitioning to IFRS 16, all remaining leasing fees have been discounted using Lime's marginal interest rate on borrowings. The average borrowing rate was 1.9% as of January 1, 2019.

As of January 1, 2019, the right-to-use asset has been estimated at MSEK 19.7 and the leasing liability at MSEK 19.7. The change in accounting principles will affect the balance sheet and income statement, and a number of key ratios. Considering the current leasing portfolio, Lime estimates that depreciations will increase in 2019 by MSEK 9.0, financial expenses will increase by MSEK 0.2 and net income after taxes will decrease by MSEK 0.1. EBITDA is expected to increase by MSEK 9.4 during 2019 and EBITA is expected to increase by MSEK 0.3 during 2019.

Reconciliation between operating lease obligations according to IAS 17 and leasing liability according to IFRS 16

Operating lease obligations as per December 31, 2018	16 660
Extension options reasonably probable will be used	283
Effect of discounting as per January 1, 2019	-379
Leasing liabilities previously recognised in accordance with IAS 17	3 113
Leasing liability January 1, 2019	19 677
Extension options reasonably probable will be used	1 084
Amortisation	-2 591
Leasing liability March 31, 2019	18 170

Other principles and applications

The Group applies the same accounting principles and 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 valua-

tion 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 22 - 25.

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 4.6 (3.8) during the first quarter 2019.

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 2018 annual report. In addition to the disclosures in the annual report, no further significant risks have arisen.

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 83% SEK, 7% EUR, and 10% other currencies. Operating expenses are made up of 85% SEK, 6% EUR, and 9% other currencies.

4. Transactions with related parties

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

5. Taxes

Tax expenses in the quarter amounted to MSEK 1.9 (1.4). 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 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Sweden	57 788	58 427	46 835	52 473	49 778	49 094	38 555	45 488	42 871
Rest of Nordic countries	12 111	10 490	8 519	9 023	8 762	8 428	6 583	6 286	6 595
Income statement in summary, TSEK									
Net sales	69 899	68 917	55 354	61 496	58 540	57 522	45 138	51 774	49 466
EBITDA	17 900	10 006	15 694	11 955	13 037	12 986	12 961	10 816	10 472
EBITA	13 525	8 588	14 180	10 398	11 537	12 127	11 837	9 715	9 649
EBIT	10 225	5 464	10 817	7 011	8 535	8 638	9 429	7 307	7 467
Operating margin	15%	8%	20%	11%	15%	15%	21%	14%	15%
Income before tax	9 338	5 290	10 311	6 353	8 115	8 237	9 110	6 993	7 263

Revenue from customer contracts (TSEK)

Revenue by income stream, TSEK	Q1 2019			Q1 2018		
	Sweden	Rest of Nordic countries	Total	Sweden	Rest of Nordic countries	Total
Subscription revenue	22 479	5 257	27 736	17 912	3 068	20 980
Licence revenue	2 445	115	2 560	2 110	126	2 236
Support agreements	10 030	1 286	11 316	9 966	1 183	11 149
Expert Services	21 497	5 385	26 882	19 302	4 331	23 633
Other	1 337	68	1 404	488	54	542
Net sales	57 788	12 111	69 899	49 778	8 762	58 540

Sales per quarter

Sales, TSEK	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Expert Services	26 882	28 058	17 277	24 772	23 633	22 440	14 171	19 582	18 997
Software related revenue	41 612	39 986	37 332	35 700	34 364	33 646	29 966	30 666	29 038
Other	1 404	874	744	1 025	542	1 436	1 000	1 526	1 430
Sales, TSEK	69 899	68 918	55 354	61 496	58 540	57 522	45 138	51 774	49 466
Whereof recurring revenue	39 052	37 115	35 169	34 048	32 128	30 774	27 931	26 978	24 561
Whereof recurring revenue (%)	56%	54%	64%	55%	55%	54%	62%	52%	50%
Growth net sales (%)	19%	20%	23%	19%	18%	23%	32%	30%	25%
Growth recurring revenue (%)	22%	21%	26%	26%	31%	50%	50%	50%	48%

*) 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 2019	Q1 2018	Q4 2018
Recurring revenue (quarter)	39 052	32 128	37 115
Annual recurring revenue - ARR	159 605	131 802	151 695

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 2019	Q1 2018	Q1 - Q4 2018
Operating income	10 225	8 535	31 827
Depreciation of acquired intangible non-current assets	3 300	3 002	12 902
EBITA	13 525	11 537	44 729
Net sales	69 899	58 540	244 307
EBITA (%)	19%	20%	18%

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 2019	Q1 2018	Q1 - Q4 2018
Operating income	10 225	8 535	31 827
Depreciation	7 675	4 502	18 865
EBITDA	17 900	13 037	50 692
Net sales	69 899	58 540	244 307
EBITDA (%)	26%	22%	21%

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	2019-03-31	2018-03-31	2018-12-31
Other financial non-current assets	547	527	538
Cash and cash equivalent	22 514	23 839	21 152
Financial assets	23 061	24 366	21 690

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 2019	Q1 2018	Q1 - Q4 2018
EBIT	10 225	8 535	31 827
One-off items	293	33	9 553
Adjusted EBIT	10 518	8 568	41 380
Net sales	69 899	58 540	244 307
Adjusted EBIT (%)	15%	15%	17%

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 2019	Q1 2018	Q1 - Q4 2018
EBITA	13 525	11 537	44 729
One-off items	293	33	9 553
Adjusted EBITA	13 818	11 570	54 282
Net sales	69 899	58 540	244 307
Adjusted EBITA (%)	20%	20%	22%

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 2019	Q1 2018	Q1 - Q4 2018
EBITDA	17 900	13 037	50 692
One-off items	293	33	9 553
Adjusted EBITDA	18 193	13 070	60 245
Net sales	69 899	58 540	244 307
Adjusted EBITDA (%)	26%	22%	25%

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 2019	Q1 2018	Q1 - Q4 2018
Expenses related to public listing of the Company's shares	-293	-33	-9 388
Acquisition related expenses	0	0	-165
One-off items that distort comparisons	-293	-33	-9 553

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 2019	Q1 2018	Q1 - Q4 2018
Cash flow from current operations	9 394	121	38 748
Number of share (thousands)	13 284	12 500	12 500
Cash flow from current operations per share (SEK)	0,71	0,01	3,10

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 2019	Q1 2018	Q1 - Q4 2018
Net sales, the period	69 899	58 540	244 307
Net sales, same period previous year	58 540	49 466	203 900
Growth in net sales	19%	18%	20%

Net liabilities

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

TSEK	2019-03-31	2018-03-31	2018-12-31
Interest-bearing non-current liabilities	79 363	100 804	79 815
Interest-bearing current liabilities	36 307	31 813	27 298
Financial assets	-23 061	-24 366	-21 690
Net liabilities	92 609	108 251	85 423

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 2018 - Q1 2019	Q2 2017 - Q1 2018	Q1 - Q4 2018
Trailing 12-month net sales	255 666	212 974	244 307
Number of employees	200	169	195
Net sales per employee	1 277	1 262	1 253

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 2019	Q1 2018	Q1 - Q4 2018
Net sales, period	69 899	58 540	244 307
Acquired net sales, last 12 months	-523	-3 517	-8 772
Organic net sales	69 376	55 023	235 535
Organic net sales, same period last year	55 023	46 121	184 956
Adjusted for acquired net sales last 24 months	3 517	3 345	18 944
Comparable organic net sales	58 540	49 466	203 900
Organic net sales growth (%)	19%	11%	16%

Recurring revenue

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

TSEK	Q1 2019	Q1 2018	Q1 - Q4 2018
Subscription revenue	27 736	20 980	94 192
Support agreements	11 316	11 148	44 268
Recurring revenue	39 052	32 128	138 460

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 2019	Q1 2018	Q1 - Q4 2018
Recurring revenue	39 052	32 128	138 460
Operating expenses	-59 747	-50 016	-212 972
Recurring revenue in relation to operating expenses	65%	64%	65%

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 2019	Q1 2018	Q1 - Q4 2018
Operating income	10 225	8 535	31 827
Net sales	69 899	58 540	244 307
Operating margin	15%	15%	13%

Operating income, EBIT

Operating income according to the income statement.

About Lime Technologies

Our more than 230 staff members and over 60 000 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.



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