

Year-end report January – December 2021

Lime Technologies AB (publ)



The period in summary

Fourth quarter

- » Net sales MSEK 113.7 (93.1), rendering a sales growth of 22% (14%)
- » Recurring revenue MSEK 68.1 (50.5)
- » The quarter was impacted by one-off items affecting comparison, amounting to MSEK -0.0 (1.4). Comparison attributable to acquisitions (writing-down share option liability)
- » EBITA MSEK 29.2 (30.6), rendering an EBITA margin of 26% (33%)
- » Adjusted EBITA margin 26% (31%)
- » Operating income, EBIT, MSEK 19.6 (26.3)
- » Cash flow from current operations MSEK 39.5 (46.4)
- » Net income MSEK 15.2 (20.1)
- » Earnings per share SEK 1.14 (1.52) and diluted SEK 1.14 (1.52)

2021 in brief

- » Net sales MSEK 403.8 (338.7), rendering a sales growth of 19% (17%)
- » Recurring revenue MSEK 246.0 (194.4)
- » 2021 was impacted by one-off items affecting comparison, amounting to MSEK -1.1 (1.4). Comparison attributable to acquisitions (writing-down share option liability)
- » EBITA MSEK 107.5 (100.6), rendering an EBITA margin of 27% (30%)
- » Adjusted EBITA margin 27% (29%)
- » Operating income, EBIT, MSEK 76.0 (83.2)
- » Cash flow from current operations MSEK 124.6 (119.1)
- » Net income MSEK 58.7 (62.7)
- » Earnings per share SEK 4.42 (4.72) and diluted SEK 4.42 (4.72)
- » The acquisition of 90 % of the shares in the German company, Userlike UG, who are experts in UM – Unified Messaging.
- » Lime has raised a new bank loan of SEK 250 million and repaid a bank loan of SEK 50 million
- » Decided to establish Lime in Germany
- » The Board proposes the general meeting a dividend of SEK 2.60 (2.50)



	2021 Q4	2021 Q3*	2021 Q2*	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4
Net sales (MSEK)	113.7	92.8	103.0	94.4	93.1	75.6	85.0	85.0	81.8
Recurring revenue (MSEK)	68.1	64.7	60.9	52.2	50.5	48.5	48.5	46.9	44.3
EBITDA (MSEK)	34.8	32.5	33.1	32.4	36.1	29.8	27.0	28.7	24.4
EBITDA (%)	31%	35%	32%	34%	39%	39%	32%	34%	30%
EBITA (MSEK)	29.2	25.5	26.5	26.3	30.6	24.7	21.8	23.5	19.9
EBITA (%)	26%	27%	26%	28%	33%	33%	26%	28%	24%
Adjusted EBITA	29.2	25.5	27.6	26.2	29.3	24.7	21.8	23.5	19.9
Adjusted EBITA (%)	26%	27%	27%	28%	31%	33%	26%	28%	24%
Operating income, EBIT (MSEK)	19.6	15.9	18.7	21.9	26.3	20.4	17.5	19.1	16.3
Operating income, EBIT (%)	17%	17%	18%	23%	28%	27%	21%	22%	20%
Earnings per share, basic (SEK)	1.14	0.93	1.08	1.26	1.52	1.13	1.00	1.07	0.91
Earnings per share, diluted (SEK)	1.14	0.93	1.08	1.26	1.52	1.13	1.00	1.07	0.91
Cash flow from current operations (MSEK)	39.5	12.8	47.4	24.9	46.4	14.2	33.1	25.3	29.0

*) recalculated after updating the purchase price allocation of Userlike UG.

On the cover: Trainees, August 2021



CEO's comments

Record strong ending to the year with 22 % growth



We finished the final quarter of the year with a growth rate of 22 % (14 %), driven primarily by record high subscription revenue (ARR), which grew by 35 %. We closed the full year with net sales growth of 19 % (17 %), profitability of 27 % and over one hundred recruitments – a record addition to the Lime team. Accordingly, we continue to deliver long-term growth. Our strong financial position enables us both to invest further and increase dividends.

Recurring revenue drives growth

During the fourth quarter, we focused again on getting out and meeting our customers. New sales are pointing in the right direction at the same time as the business climate in all our markets is gradually improving as the markets open up. We are coming close to regaining the performance we had before the pandemic, and we welcomed Sundsvall Elnät AB, Medicotrust A/S, Stendörren Fastigheter AB and Contimeta Beheer B.V., among others, to the Lime family during the fourth quarter.

We are pleased to note that the growth in the fourth quarter was driven mainly by subscription revenue, and totalled 22 % compared with the corresponding quarter of 2020. Lime's important key performance indicator, ARR growth was at its strongest ever during the quarter at 35 %, compared with the corresponding quarter of 2020. Net sales growth for the full year 2021 amounted to 19 %, compared with 17 % in 2020 – a clear increase and in line with our ambition to continue to deliver long-term growth.

Strong profitability and financial position enable investment and dividends

We achieved profitability of 26 % during the quarter and 27 % for the full year 2021. As we have announced before, we prioritise growth over profitability, and in the fourth quarter we continued to invest in sales and marketing-related initiatives, focussing in particular on the rest of Europe. In contrast to the corresponding quarter of 2020, when the pandemic sharply reduced our expenses, we again have the opportunity to invest in our staff through culture-promoting conferences, face-to-face meetings and teambuilding. Our strong financial position also leaves scope for an increased dividend. Accordingly, the Board of Directors proposes a dividend of SEK 2.60 per share, equivalent to SEK 35 million.



Accelerating product development and high demand for add-ons

The demand for Lime's services is high, and as digitisation increases, we are well positioned with a strong market offering. At a time when an enormous selection of all types of services and products is only a keystroke away, the pressure on prices is becoming ever harder and data overload is escalating, our aim is to help businesses stand out through one of the sharpest tools at their disposal: Truly excellent customer care. The plain fact is that bad customer experiences – the frustration when you contact a company for the fifth time in a single day and no one knows what has been said, done and promised – is so common that few people have experienced the true strength of the opposite.

To further strengthen our comprehensive offering and to provide even greater help to businesses in achieving world-class customer care, we are actively broadening our platform. Solutions including marketing, eSigning and Business Intelligence (BI), are increasing both customer satisfaction and our revenue. The demand for add-ons is greater than ever.

An attractive employer in a highly-competitive market – over one hundred recruitments in 2021

The competition for employees in the technology sector is particularly fierce, so we are proud to have welcomed more than a hundred new colleagues during the year – a new record for Lime! We have an effective balance over different roles and markets, even on the consulting side, where we have previously noted the challenges of staffing. In January 2022, over thirty new co-workers were onboarded, and we have begun establishing a development hub in Krakow, with the aim of accelerating our product development and generating even greater value for our customers.

A record strong ending to a stable year

When we look back over 2021, I am particularly proud that we continued to invest to create an even better company. Not least the acquisition of the German company, Userlike, which is also the starting gun for Lime's move into the German market, has strong future prospects.

With a strong financial performance, a record ARR, an all-time high in the number of recruitments and a gradual improvement in the markets, we are leaving yet another pandemic year further behind us. We are now looking forward to a new year in which the reopening of society is accelerating and guaranteeing a more positive business climate. With demand for our services remaining high, we intend to provide even more companies with the opportunity to deliver world-class customer care. We know we have succeeded when our customers' expectations are exceeded.



/Nils Olsson, Managing Director and CEO, Lime Technologies



Lime in summary

January-december 2021

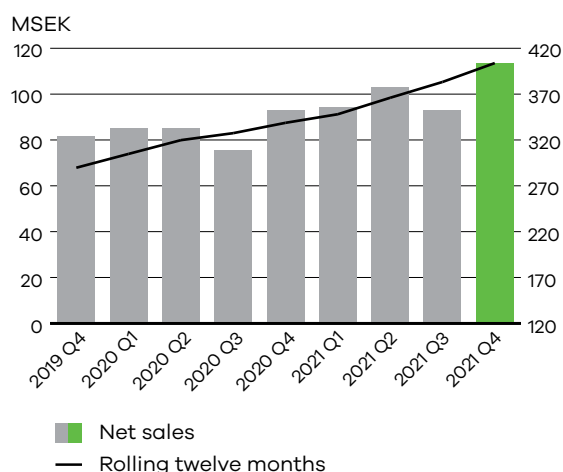
Revenue

Net sales

Net sales in the fourth quarter 2021 amounted to MSEK 114 (93), an increase of 22% (14). The Group's net sales in the fourth quarter include MSEK 11 (1) from companies acquired in the last 12 months.

Net sales during 2021 amounted to MSEK 404 (339), rendering an increase of 19% (17).

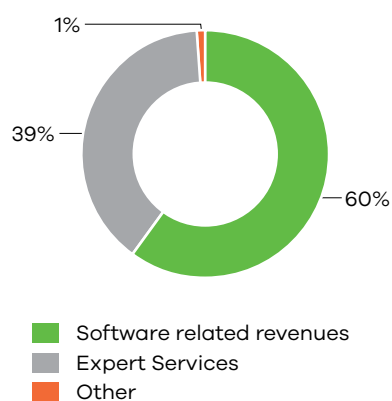
Business acquisitions during the last 12 months have contributed with net sales of MSEK 29 (4) during 2021.



Net sales by category

60% (55) of net sales in the fourth quarter 2021 relate to software revenue. 61% (58) of net sales in 2021 relate to software revenue.

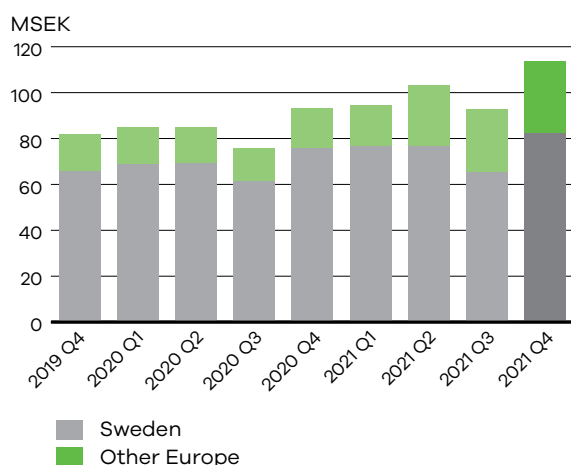
Software revenue increased by 33% (11) during the fourth quarter 2021 compared to the fourth quarter 2020. Software revenue increased by 26% (13) during 2021 compared to last year.



Net sales per segment

Net sales in the fourth quarter 2021 in Sweden amounted to MSEK 82 (76) and MSEK 32 (17) in the rest of the European countries. Net sales growth for the quarter was 9% (15) in Sweden and 81% (8) in the rest of the European countries.

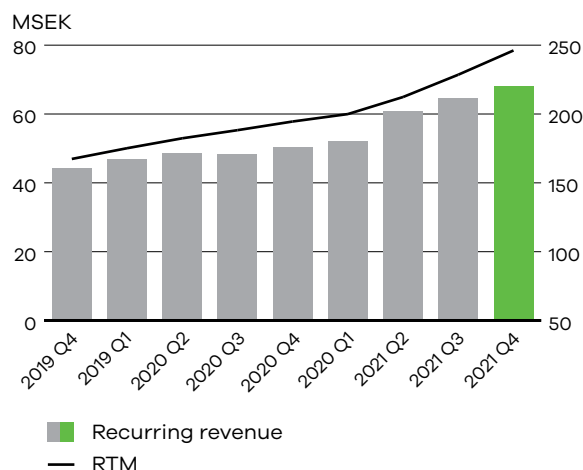
Net sales during 2021 in Sweden amounted to MSEK 301 (275) and MSEK 103 (64) in the rest of the European countries.



Recurring revenue

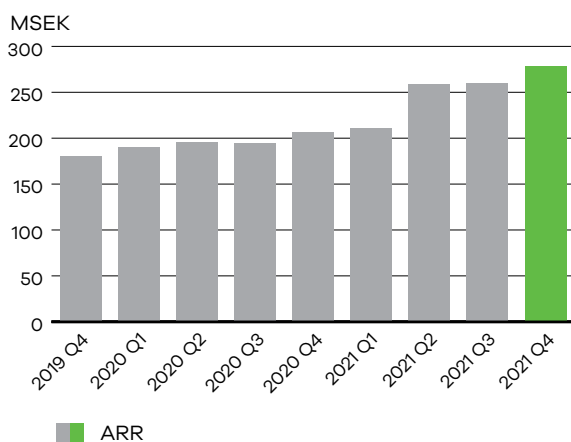
Recurring revenue amounted to MSEK 68 (51) during the fourth quarter 2021, an increase of 35% (14) compared to the same period last year.

Recurring revenue amounted to MSEK 246 (194) during 2021, in increase of 27% (16) compared to the corresponding period last year.



Annual Recurring Revenue

The 12-month recalculated recurring revenue, annual recurring revenue (ARR), at the end of the fourth quarter 2021 was MSEK 279 (206). The 12-month recalculated recurring revenue increased by 35% (14) compared to the corresponding period last year.



Operating income

EBITDA

Operating income before depreciations during the fourth quarter – EBITDA – amounted to MSEK 35 (36) corresponding to an EBITDA margin of 31% (39). Adjusted EBITDA was MSEK 35 (35) in the quarter, corresponding to an EBITDA margin of 31% (37).

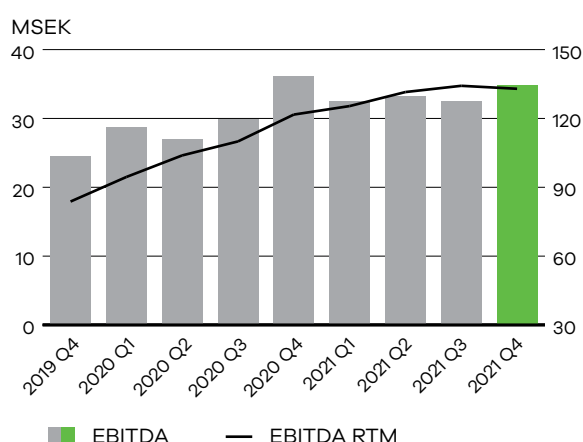
EBITDA amounted to MSEK 25 (26) in Sweden and MSEK 10 (10) in Other Europe during the fourth quarter.

The policy measures adopted to reduce the spread of the Covid 19 virus at the end of the first quarter of 2020 have been largely reversed during the second half of 2021. As a result, the opportunities for travel and other physical sales activities have increased. Furthermore, this has enabled us to reintroduce physical presence into our trainee programme. Consequently, compared with the third quarter, we again have the opportunity to invest in our clients and staff. At the end of the fourth quarter 2021 the restrictions was to some extent reimposed.



During 2021 operating income before depreciation – EBITDA – amounted to MSEK 133 (122), corresponding to an EBITDA margin of 33% (36). Adjusted EBITDA was MSEK 134 (120) during the same period and the corresponding margin was 33% (35).

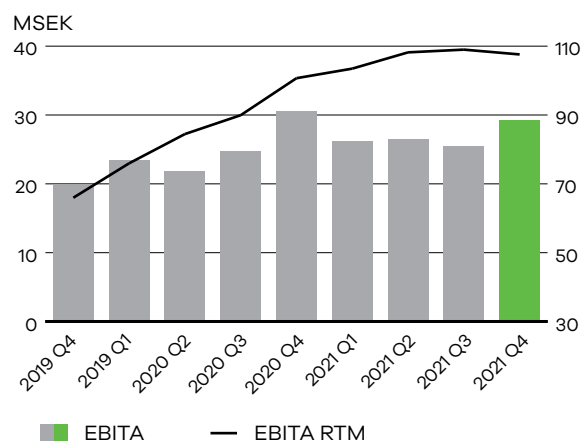
EBITDA amounted to MSEK 95 (90) in Sweden and MSEK 38 (32) in Other Europe during 2021. The operating income in the second quarter was impacted by costs, amounting to MSEK 11., relating to the acquisition of Userlike UG.



EBITA

During the fourth quarter 2021 operating income, excluding amortisation on acquired immaterial assets – EBITA – amounted to MSEK 29 (31), corresponding to an EBITA margin of 26% (33). Adjusted EBITA for the fourth quarter amounted to MSEK 29 (29), corresponding to an adjusted EBITA margin of 26% (31).

Adjusted EBITA during 2021 amounted to MSEK 107 (101), corresponding to an EBITA margin of 27% (30).

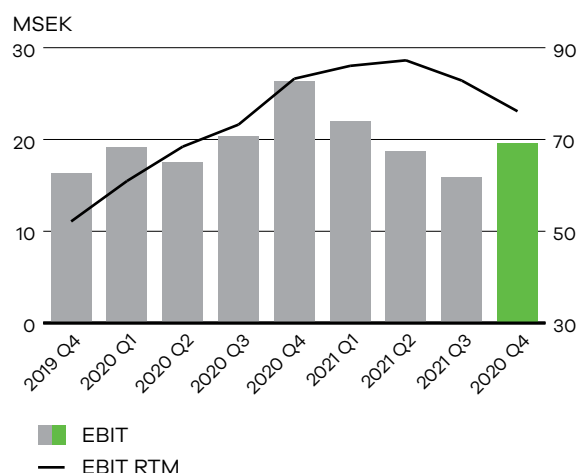


EBIT

Operating income during the fourth quarter – EBIT – amounted to MSEK 20 (26), corresponding to an EBIT margin of 17% (28). Adjusted EBIT during the fourth quarter amounted to MSEK 20 (25), corresponding to an adjusted EBIT margin of 17% (27).

Operating income during the first nine months – EBIT – amounted to MSEK 76 (83), corresponding to an EBIT margin of 19% (25).

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.



Recurring Revenue / Operating expenses

Last 12-months (LTM) recurring revenue amounted to 75% (76) of last 12 months total operating expenses at the end of the fourth quarter. The expenses include one-off items affecting comparison.



Cash flow & investments

During the fourth quarter 2021 cash flow from current operations amounted to MSEK 39.5 (46.4).

During 2021 cash flow from current operations amounted to MSEK 124.6 (119.1).

During the fourth quarter 2021 investments in tangible non-current assets amounted to MSEK 0.1 (0.0), excluding right-to-use assets. Investments in intangible non-current assets amounted to MSEK 5.6 (4.7) and consist of capitalisation of development costs relating to new technology platforms.

During 2021 investments in tangible non-current assets amounted to MSEK 1.3 (0.2), excluding right-to-use assets. Investments in intangible non-current assets amounted to MSEK 21.0 (17.8) during the same period.

In addition, assets are reported as software in accordance with the acquisition analysis for Userlike UG (Lime Technologies Gävle AB in 2020). During 2021 investments in subsidiaries, Userlike UG (Lime Technologies Gävle AB in 2020), amounted to MSEK -202.2 (-8.3).

In the fourth quarter 2021, depreciation of capitalised development costs amounted to MSEK 3.2 (2.6) and depreciation of right-to-use assets amounted to MSEK 2.4 (2.6).

Depreciation of capitalised development costs amounted to MSEK 12.8 (10.3) during 2021 and depreciation of right-to-use assets amounted to MSEK 11.6 (9.5).

Equity & liabilities

The Group's equity amounted to MSEK 135 (111).

At the Annual General Meeting on 27 April 2021, it was resolved to distribute dividends of SEK 2.50 per share, corresponding to a total amount of MSEK 33.2. The record date was 29 April and the dividend was paid out on 4 May.

The Group's interest-bearing liabilities amounted to MSEK 294.5 (97.7) at the end of the period, including leasing liabilities relating to right-to-use assets of MSEK 25.8 (22.0) and a liability of MSEK 54.3 (17.1) relating to the acquisition of Userlike UG, Lime Intenz AB and Lime Technologies Gävle AB. A total of MSEK 42.3 (10.2) of the Group's interest-bearing liabilities have been repaid during the quarter. New liabilities of MSEK 254.8 were added during 2021. Cash and cash equivalent amounted to MSEK 55.2 (64.7) at the end of the period. The Group's net debt amounted to MSEK 238.6 (32.3).

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

In addition, agreements for bank overdraft facilities of SEK 25 million were signed after the end of the reporting period.

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.

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 354 (280) employees at the end of the reporting period. The average number of employees was 297 (244) 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 fourth quarter 2021 operating income in the Parent Company amounted to MSEK -0.9 (-1.0). Operating income during 2021 amounted to -4.3 (-2.0). Cash and cash equivalent amounted to MSEK 0.0 (0.7) and borrowings to MSEK 212.5 (56.6).

Annual General Meeting 2021

At the Annual General Meeting on April 27, 2021, it was resolved to re-elect the following directors of the board: Marlene Forsell, Martin Henricson and Malin Ruijsenaars. In addition, the Annual General Meeting elected Lars Stugemo and Erik Syrén as new directors. Martin Henricson was elected chairman of the board.

Other resolutions made at the Annual General Meeting;

- » Resolution to distribute dividend of SEK 2.50 per share, corresponding to a total amount of MSEK 33.2. 29 April was the record date for dividend and the payment date was 4 May.
- » It was resolved to authorise the board of directors to, at one or more occasions, until the 2022 Annual General Meeting, resolve to issue shares in exchange for cash payment, with provision for non-payment or set-off or otherwise with conditions, and thereby be able to deviate from the shareholders' preferential rights. The authorisation is limited to a maximum of 10% of the total number of shares in the company at the time of the resolution on authorisation.
- » It was resolved to introduce an incentive programme under which the company offers up to 75 individuals within the group the opportunity to acquire 140,000 warrants.

Annual General Meeting 2022

The annual general meeting will take place on 26 April at 5:30 pm. Notice of the annual general meeting will be published no later than four weeks prior to this date, on the company's website and in the Swedish official gazette (Sw.Post och Inrikes Tidningar) as well as in Dagens Industri (Sweden's leading daily business newspaper).

Dividend proposal

The board of directors proposes a dividend of SEK 2.60 per share, corresponding to MSEK 35 and 59% 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: Veronica Sandman, Syringa Capital AB (owned by Erik Syrén) representing 10.1% of the shares, Emil Hjalmarsson, as chairman, Grenspecialisten AB, representing 10.0% of the shares, Jan Dworsky, Swedbank Robur Fonder AB, representing 9.6% of the shares and Martin Henricsson, adjunct to the Nomination Committee, chairman of the board. The Nomination Committee will prepare proposals to the 2022 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 2023 Annual General Meeting.

Shareholders wishing to submit proposals to the Nomination Committee can do so via e-mail to valberedning@lime.tech. March 15, 2021 (six weeks prior to the Annual General Meeting on 26 April, 2022) is the last day to submit proposals to the Nomination Committee for consideration at the 2022 Annual General Meeting.

Other events during or after the reporting period

The societal crisis which arose in consequence of the spread of Covid 19 affected the business cycle. How long these effects will last is difficult to predict.

Lime has been affected by the policy measures adopted to combat the spread of the virus, as well as the effect this had on the business climate. Since the outbreak of the pandemic, Lime's new sales have been affected by deferred or cancelled procurements. The restrictions previously introduced were eased during the third quarter of 2021, but to differing extents in different markets. At the end of the fourth quarter some of the restrictions were reimposed.



Lime has implemented a number of safety measures to monitor and prevent the impact of COVID-19, including safety and health precautions for our employees, and actions to secure delivery of our services.

The combination of, on one hand, Lime's focused subscription sales with a high percentage of recurring revenue, and on the other hand, its large customer base, means Lime is fairly well equipped to face a recession.

On 26 March 2021, Lime acquired an additional 14 % of Lime Intenz AB. The acquisition of Lime Intenz AB includes further options in respect of the acquisition of the remaining 28 percent of the shares in two tranches over the next two years. The consideration on the exercise of the options will be based on the sales performance of the company in each financial year.

During the third quarter, a joint Sales and Marketing Department was formed. The new department is led by Vishal Ganatra, who is now a member of the management team.

During the third quarter, Customer Success and Customer Support were merged into a new department, Loyalty & Expansion. The new department is headed by Anna Hansen, who has also now joined the management team.

In addition, Filip Arenbo has been appointed as the new CPO and joins the management team.

Userlike UG

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 was 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 preliminary acquisition price totalled MSEK 195.4 for 90 % of the shares and voting rights, after the usual adjustment for the company's cash balance and liabilities. The acquisition price was adjusted after the merger, based on Userlike's Annual Recurring Revenue as at 31 August 2021. The acquisition is not subject to any completion conditions. The full consideration is being financed through liquid funds and bank loans.

Furthermore, options have been issued which give Lime the right to acquire and the owners of Userlike UG the right to sell 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 analysis for Userlike UG was updated in the fourth quarter. The following changes have been made since the last acquisition note was presented. The final calculation of the acquired net assets led to a reduction of the value of these by SEK 18.9 million and the deferred tax liability increased by SEK 24.9 million. This led to an increase in the figure for goodwill. These adjustments have also led to adjustments of depreciations on previous quarters identified acquired net assets of MSEK 1.

The consideration allocation is based on a valuation of identifiable intangible assets. The recognised redemption price will be based on future ARR, and, accordingly, cannot be determined at present. The consideration allocation is, consequently, to be treated as preliminary. According to the consideration allocation, the consideration and expected net assets amount to;



Purchase price	MSEK
Cash and cash equivalent, 90%	195.4
Liability exercise price	63.6
Total preliminary purchase price	259.0
Assets and liabilities included following the acquisition	
Intangible non-current assets	
Goodwill	154.0
Brand	20.1
Customer relationships	23.1
Software	115.4
Deferred tax liability	-51.5
Trade receivables and other receivables	3.2
Cash and cash equivalent	17.3
Long-term debt	0.0
Trade payables and other liabilities	-22.6
Total identifiable net assets	259.0
Acquired net assets	259.0

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

Lime har efter rapportperiodens utgång avtalet om upptagande av checkräkningskredit om 25 Mkr.

The company in brief

Comprehensive SaaS supplier of customer care solutions

Lime has 30 years' experience of CRM (Customer Relationship Management) and provides a full service from development to support. The Company is the only supplier with a clear and transparent strategy of working locally through a direct channel, and makes hundreds of implementations very year.

Our business model is based on offering subscription contracts (Software as a Service or "SaaS"), as well as consultancy services (Expert Services) for implementing and continuously adapting the products in line with customer-specific needs and requirements. With a strong product portfolio under constant development, Lime creates effective solutions for small, medium-sized and large organisations, in addition to well-established industry solutions within the Company's industry verticals.

The Head Office is in Lund, and in December 2021, the Company had 358 employees at nine offices in Sweden, Norway, Denmark, Finland, the Netherlands and Germany.

Lime's core and mission

Lime's overall core and mission are summarised in the Company's "Why Statement", focusing on customer experiences which exceed expectations.

"We go all-in to create a world where every customer experience exceeds expectations, making customers' lives easier through spot-on software and on-point expertise."

Strategies

Continued structural market growth

Lime is one of the leading CRM suppliers in the Nordic Region, and the Company's long-term target is the rest of Europe, which offers a growing market with low CRM penetration. Lime intends to continue to strengthen its presence in existing markets to meet the need for CRM systems, and to grow organically through sales of both licences and ancillary modules.

Selective acquisitions

An essential part of Lime's strategy is to actively evaluate strategic acquisitions so as to strengthen the product offering, increase the Company's expertise and resources, grow geographically and broaden the customer base.

Upgrades and increased sales to our existing customer base

Lime intends to increase both revenue and customer satisfaction through an expanded focus on upgrading the outgoing Lime Easy products to the more modern SaaS solutions, as well as transitioning from up-front payments to subscription services. The Company has also expanded its ability to assist existing customers and handling major parts of the customer interaction through ancillary services for marketing, case management and sales, as well as related expert services.



Focus on selected verticals

Lime focuses on customised CRM solutions for four selected market verticals: energy, properties, wholesale and consulting companies, for which Lime offers local industry-specific expertise. In combination with pre-packaged solutions for each vertical, this benefits customers through flexible solutions, as well as time and cost savings.

Continued development of the product platform

Lime's platform is under constant development with the aim of strengthening competitiveness, meeting changed market needs and attracting new customers. With a strong market position, broad customer base and close contact with its customers, Lime is strongly placed for cross sales and additional sales of new services and functions aimed at increasing sales growth and broadening the use of services and solutions.

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 report 2021, presented March 22, 2022
- » Interim report Q1, 2022, presented April 26, 2022
- » Annual General Meeting, April 26, 2022
- » Interim report Q2, 2022, presented July 15, 2022
- » Interim report Q3, 2022, presented October 20, 2022

Lund, February 16, 2022

Nils Olsson
CEO

Additional information can be obtained from:

CEO Nils Olsson, phone +46 8 562 77 603 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 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

	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Net sales (MSEK)	113.7	93.1	403.8	338.7
Net sales growth (%)	22%	14%	19%	17%
Organic net sales growth (%)	11%	13%	11%	14%
Recurring revenue (MSEK)	68.1	50.5	246.0	194.4
Annual recurring revenue (MSEK)	278.9	206.2	278.9	206.2
EBITA (MSEK)	29.2	30.6	107.5	100.6
EBITA (%)	26%	33%	27%	30%
EBITDA (MSEK)	34.8	36.1	132.8	121.6
EBITDA (%)	31%	39%	33%	36%
Operating income, EBIT (MSEK)	19.6	26.3	76.0	83.2
Operating income, EBIT (%)	17%	28%	19%	25%
One-off items (MSEK)	0.0	1.4	-1.1	1.4
Depreciation right-to-use assets (MSEK)	-2.4	-2.6	-11.6	-9.5
Adjusted EBITA (MSEK)	29.2	29.3	108.6	99.3
Adjusted EBITA (%)	26%	31%	27%	29%
Adjusted EBITDA (MSEK)	34.8	34.7	133.9	120.2
Adjusted EBITDA (%)	31%	37%	33%	35%
Adjusted EBIT (MSEK)	19.6	24.9	77.1	81.8
Adjusted EBIT (%)	17%	27%	19%	24%
Earnings per share (SEK)	1.14	1.52	4.42	4.72
Earnings per share, diluted (SEK)	1.14	1.52	4.42	4.72
Net debt (MSEK)	238.6	32.3	238.6	32.3
Number of employees (average)	297	244	297	244
Net sales per employee (MSEK)	1.4	1.4	1.4	1.4
Cash flow from current operations per share (SEK)	3.0	3.5	9.4	9.0
Average number of outstanding shares (thousands)	13,283.5	13,283.5	13,283.5	13,283.5

For definition of key ratios, see pages 26-29.



Consolidated income statement in summary (TSEK)

	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Net sales	113,680	93,059	403,848	338,689
Other revenue	106	1,475	252	1,758
Gross income	113,785	94,534	404,100	340,447
<i>Operating expenses</i>				
Compensation to employees	-62,310	-48,684	-222,206	-184,671
Capitalised development work done by own employees	5,603	4,743	20,964	17,794
Depreciation	-15,219	-9,792	-56,808	-38,359
Other expenses	-22,305	-14,526	-70,018	-52,558
Share in earnings of associated companies	0	0	0	547
Total operating expenses	-94,231	-68,259	-328,068	-257,247
Operating income	19,554	26,275	76,031	83,200
Financial net	-1,439	-517	-4,697	-3,195
Income after financial net	18,115	25,758	71,334	80,005
Taxes	-2,941	-5,613	-12,643	-17,294
Net income	15,174	20,145	58,691	62,711
Net income attributed to:				
Shareholders of the Parent Company	15,174	20,145	58,691	62,711
	15,174	20,145	58,691	62,711
Other Information				
Earnings per share, basic (SEK)	1.14	1.52	4.42	4.72
Earnings per share, diluted (SEK)	1.14	1.52	4.42	4.72



Consolidated statement of other comprehensive income (TSEK)

	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Net income	15,174	20,145	58,691	62,711
Other comprehensive income				
Items that may be reclassified to the income statement:				
Revaluation of put option liability	-2,807		-2,307	
Translation adjustments	1,311	-147	1,049	-574
Other comprehensive income for the period	-1,496	-147	-1,258	-574
Other comprehensive income for the period	13,679	19,998	57,433	62,138
Other comprehensive income for the period, attributed to:				
Shareholders of the Parent Company	13,679	19,998	57,433	62,138
	13,679	19,998	57,433	62,138



Consolidated balance sheet in summary (TSEK)

	2021-12-31	2020-12-31
ASSETS		
Goodwill	222,076	69,763
Other non-tangible non-current assets	281,627	146,661
Right-to-use assets	25,828	21,970
Tangible non-current assets	2,791	2,305
Associated company	0	0
Other financial non-current assets	700	706
Deferred tax asset	61	58
Total non-current assets	533,083	241,463
Trade receivables	64,929	51,604
Other current receivables	11,908	6,622
Cash and cash equivalent	55,167	64,662
Total current assets	132,004	122,888
Total assets	665,087	364,351
EQUITY AND LIABILITIES		
Total equity	135,066	110,840
LIABILITIES		
Non-current liabilities		
Interest-bearing non-current liabilities	162,509	28,524
Non-current leasing liabilities	17,381	14,240
Other non-current liabilities	40,294	15,183
Deferred tax liabilities	74,979	27,959
Total non-current liabilities	295,163	85,906
Current liabilities		
Interest-bearing current liabilities	64,189	30,404
Current leasing liabilities	10,079	9,319
Trade payables	8,028	2,777
Other current liabilities	152,562	125,105
Total current liabilities	234,858	167,605
Total equity and liabilities	665,087	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				62,711	62,711
Other comprehensive income for the year			-573		-573
Total other comprehensive income	0	0	-573	62,711	62,138
Transactions with owners					
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				58,692	58,692
Other comprehensive income for the year			-1,258		-1,258
Total other comprehensive income	0	0	-1,258	58,692	57,435
Transactions with owners					
Dividend				-33,209	-33,209
Total transactions with owners	0	0	0	-33,209	-33,209
Closing balance December 31, 2021	531	58,100	-1,468	77,902	135,066



Consolidated cash flow analysis (TSEK)

	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Cash flow from current operations				
Cash flow from operations	34,797	34,695	132,863	119,938
Changes in net working capital	6,170	12,065	11,165	15,758
Interest paid	-1,103	-95	-4,915	-2,619
Taxes paid	-382	-227	-14,470	-13,987
Cash flow from current operations	39,482	46,438	124,643	119,090
Cash flow from investing activities				
Investment in intangible non-current assets	-5,603	-4,743	-20,964	-17,794
Investment in tangible non-current assets	-60	-24	-1,288	-185
Sales of tangible non-current assets	0	0	665	525
Acquisition of group companies	0	0	-202,190	-8,338
Acquisition of associated companies	0	0	0	0
Investment in financial non-current assets	-13	11	-21	-168
Interest received	0	36	0	98
Cash flow from investing activities	-5,675	-4,720	-223,797	-25,862
Cash flow from financing activities				
Dividend	0	0	-33,209	-19,925
Share issue	0	0	0	0
Proceeds from borrowings	0	86	254,804	299
Amortisation of borrowings	-41,226	-10,240	-132,571	-39,292
Cash flow from financing activities	-41,226	-10,154	89,024	-58,918
Net cash flow	-7,419	31,564	-10,130	34,310
Net change in cash flow				
Cash and cash equivalent, beginning of the period	62,355	33,517	64,662	31,342
Exchange rate changes on cash	231	-419	635	-990
Cash and cash equivalent, end of period	55,167	64,662	55,167	64,662



Parent company income statement in summary (TSEK)

	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Net sales	0	0	0	0
Other income	1,083	1,450	5,281	5,577
Gross income	1,083	1,450	5,281	5,577
<i>Operating expenses</i>				
Compensation to employees	-1,432	-1,930	-6,571	-6,635
Other expenses	-514	-488	-3,023	-931
Total operating expenses	-1,946	-2,418	-9,594	-7,566
Operating income	-863	-967	-4,313	-1,988
Financial income	0	148	169	518
Financial expenses	-1,604	-657	-4,223	-2,410
Income after financial items	-2,467	-1,476	-8,367	-3,880
Transfers to / from untaxed reserves	77,000	85,000	77,000	85,000
Taxes	-15,359	-17,899	-14,149	-17,389
Net income for the period	59,174	65,625	54,484	63,731



Parent company statement of other comprehensive income (TSEK)

	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Net income	59,174	65,625	54,484	63,731
Other comprehensive income				
Items that may be reclassified to the income statement:				
Translation adjustments	0	0	0	0
Other comprehensive income for the period, net of tax	0	0	0	0
Other comprehensive income for the period	59,174	65,625	54,484	63,731
Other comprehensive income for the period, attributed to:				
The shareholders of the Parent Company	59,174	65,625	54,484	63,731
	59,174	65,625	54,484	63,731



Parent company balance sheet in summary (TSEK)

	2021-12-31	2020-12-31
ASSETS		
Shares in subsidiaries	353,332	133,360
Total non-current assets	353,332	133,360
Prepaid expenses and accrued revenue	683	131
Current receivables group companies	0	29,609
Other current assets	56	58
Cash and cash equivalent	27	717
Total current assets	766	30,515
Total assets	354,098	163,875
EQUITY AND LIABILITIES		
<i>Restricted equity</i>		
Share capital	531	531
<i>Non-restricted equity</i>		
Share premium reserve	5,065	5,065
Retained earnings	45,358	14,836
Net income for the period	54,485	63,731
Total equity	105,439	84,163
Liabilities		
Interest-bearing non-current liabilities	162,500	28,286
Interest-bearing debt group companies	162,500	28,286
Total non-current liabilities		
Current Interest-bearing liabilities	50,000	28,286
Account payables	226	179
Current tax liabilities	16,522	13,660
Current liabilities group companies	17,180	6,303
Other current liabilities	925	547
Accrued expenses and deferred income	1,305	2,451
Total current liabilities	86,158	51,426
Total equity and liabilities	354,098	163,875



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. New accounting principles that came into effect on January 1, 2021 have not had any significant impact on the Group's reporting as of December 31, 2021. The Group applies, apart from the below, the same accounting principles as in the 2020 annual report.

Put option issued to owners without a controlling influence

A put option issued to an owner without a controlling influence refers to an agreement that gives him the right to sell shares in the subsidiary at a fixed or fair value at a future date. The amount that may be paid if the option is exercised is reported as a financial liability at the present value of the exercise price of the option. Subsequent changes in the value of the liability are reported in equity as it relates to a transaction with the owner. If the option expires without being exercised, the debt is written off with a corresponding adjustment of equity.

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 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 26-29.

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 5.6 (4.7) during the fourth quarter 2021.

Operating expenses relating to development of own software have been reduced by MSEK 21.0 (17.8) 2021.

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. It is noted that most markets have lifted some restrictions during the first quarter 2022.

The most critical risks arising from the 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 fourth quarter.

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

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 72% SEK, 16% EUR, and 11% other currencies. Operating expenses are made up of 74% SEK, 18% EUR, and 9% other currencies.

4. Acquisitions

Userlike UG

At the end of the financial year, Lime's shareholding in Userlike UG amounts to 90 percent. The acquisition was completed on 30 April, with a

preliminary consideration of MEUR 21, after adjusting for cash and working capital. The preliminary consideration will be adjusted on the basis of the normalised ARR as at 31 August 2021. From the date on which the acquisition was completed and control obtained, 30 April 2021, the acquired company is consolidated in its entirety in the Lime Group's profit and loss account and balance sheet.

Furthermore, options have been issued which give Lime the right to acquire and the owners of Userlike UG the right to sell the remaining 10 percent of the shares no later than 30 September 2023.

For the remaining 10 percent of the shares, the consideration, in the event that these options are exercised, depends on Userlike UG's Annual Recurring Revenue as at 31 August 2023, amounting to between 4 and 6 multiples of the Annual Recurring Revenue.

The price and conditions for the remaining options are such that the company considers it highly likely that the options will be exercised on the exercise date, which is why an estimated exercise price has been recognised as a debt at 30 April 2021 in the group.

The acquisition of Userlike UG has generated a group surplus value of around MSEK 313 before tax, allocated to software, customer relations, brands and goodwill. Goodwill is not considered to be tax deductible and is considered attributable to future sales growth. The estimated annual impairment of the acquired surplus value is around MSEK 21. Acquired surplus values have been impaired by MSEK 5.3 during the quarter and by MSEK 14.0 during 2021.

During the quarter, Userlike UG contributed SEK 11 million to the Group's sales and SEK 2 million to operating profit before amortization of acquired surplus values.

Userlike UG's sales during 2021 amounted to SEK 29 million and operating profit to SEK 8 million.

The Group's operating profit has been charged with MSEK 1.1 in expenses for the acquisition of Userlike UG.

The acquisition of Userlike UG has been charged to cash flow at MSEK 202 during 2021.



Lime Technologies Gävle AB (formerly janjoo AB)

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 recognized 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 Lime Technologies Gävle 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.

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 fourth quarter 2021 amounted to MSEK 2.9 (5.6). Tax expenses during 2021 amounted to MSEK 12.6 (17.3). 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	Q4 2021	Q3 2021*	Q2 2021*	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
Sweden	82,167	65,414	76,713	76,679	75,694	61,120	69,205	68,942	65,724
Other Europe	31,513	27,421	26,263	17,678	17,365	14,483	15,832	16,048	16,062
Income statement in summary, TSEK									
Net sales	113,680	92,835	102,976	94,357	93,059	75,603	85,037	84,990	81,786
EBITDA	34,773	32,519	33,130	32,417	36,067	29,802	27,013	28,677	24,433
EBITA	29,162	25,498	26,536	26,275	30,624	24,704	21,810	23,496	19,870
EBIT ^{*)}	19,554	15,875	18,676	21,926	26,275	20,355	17,462	19,108	16,251
Operating margin ^{*)}	17%	17%	18%	23%	28%	27%	21%	22%	20%
Income before tax*	18,115	14,307	17,551	21,361	25,758	19,417	16,912	17,918	15,894

*) recalculated after updating the purchase price allocation of Userlike UG



Revenue from customer contracts (TSEK)

Revenue by income stream, TSEK	Q4 2021			Q4 2020		
	Sweden	Rest of Europe	Total	Sweden	Rest of Europe	Total
Subscription revenue	37,228	21,356	58,584	31,796	8,062	39,858
Licence revenue	318	20	338	691	196	887
Support agreements	8,584	907	9,491	9,573	1,103	10,676
Expert Services	34,938	9,141	44,079	32,774	8,000	40,774
Other	1,099	89	1,188	860	4	864
Net sales	82,167	31,513	113,680	75,694	17,365	93,059

Revenue by income stream, TSEK	Q1-Q4 2021			Q1-Q4 2020		
	Sweden	Rest of Europe	Total	Sweden	Rest of Europe	Total
Subscription revenue	139,278	67,200	206,478	119,518	31,476	150,994
Licence revenue	1,809	105	1,914	2,746	337	3,082
Support agreements	35,692	3,819	39,511	38,855	4,542	43,396
Expert Services	121,523	31,425	152,948	111,416	27,036	138,451
Other	2,671	326	2,997	2,427	339	2,766
Net sales	300,973	102,875	403,848	274,961	63,728	338,689

Sales per quarter

Sales, TSEK	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
Expert Services	44,079	27,080	40,760	41,029	40,774	26,213	34,839	36,625	34,793
Software related revenue ^{*)}	68,413	65,150	61,565	52,772	51,421	48,959	49,713	47,380	46,155
Other	1,188	605	652	555	864	431	485	985	838
Sales, TSEK	113,680	92,835	102,976	94,356	93,059	75,603	85,037	84,990	81,786
Whereof recurring revenue	68,075	64,734	60,943	52,234	50,534	48,468	48,520	46,868	44,253
Whereof recurring revenue (%)	60%	70%	59%	55%	54%	64%	57%	55%	54%
Growth net sales (%)	22%	23%	21%	11%	14%	11%	21%	22%	19%
Growth recurring revenue (%)	35%	34%	26%	11%	14%	14%	17%	20%	19%

^{*)} 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	Q4 2021	Q4 2020
Recurring revenue (quarter)	68,075	50,534
Annual recurring revenue - ARR	278,872	206,210

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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Operating income	19,554	26,275	76,031	83,200
Depreciation of acquired intangible non-current assets	9,608	4,349	31,439	17,434
EBITA	29,162	30,624	107,470	100,634
Net sales	113,680	93,059	403,848	338,689
EBITA (%)	26%	33%	27%	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Operating income	19,554	26,275	76,031	83,200
Depreciation	15,219	9,792	56,808	38,359
EBITDA	34,773	36,067	132,839	121,559
Net sales	113,680	93,059	403,848	338,689
EBITDA (%)	31%	39%	33%	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	2021-12-31	2020-12-31
Other financial non-current assets	700	706
Cash and cash equivalent	55,167	64,662
Financial assets	55,867	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
EBIT	19,554	26,275	76,031	83,200
One-off items	0	-1,372	1,082	-1,372
Adjusted EBIT	19,554	24,903	77,113	81,828
Net sales	113,680	93,059	403,848	338,689
Adjusted EBIT (%)	17%	27%	19%	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
EBITA	29,162	30,624	107,470	100,634
One-off items	0	-1,372	1,082	-1,372
Adjusted EBITA	29,162	29,252	108,553	99,262
Net sales	113,680	93,059	403,848	338,689
Adjusted EBITA (%)	26%	31%	27%	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
EBITDA	34,773	36,067	132,839	121,559
One-off items	0	-1,372	1,082	-1,372
Adjusted EBITDA	34,773	34,695	133,921	120,187
Net sales	113,680	93,059	403,848	338,689
Adjusted EBITDA (%)	31%	37%	33%	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Acquisition related expenses	0	0	-1,110	0
Write-down of share option liability	0	1,372	27	1,372
One-off items that distort comparisons	0	1,372	-1,082	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Cash flow from current operations	39,482	46,438	124,643	119,090
Number of share (thousands)	13,283	13,283	13,283	13,283
Cash flow from current operations per share (SEK)	2.97	3.50	9.38	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Net sales, the period	113,680	93,059	403,848	338,689
Net sales, same period previous year	93,059	81,786	338,689	289,696
Growth in net sales	22%	14%	19%	17%

Net liabilities

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

TSEK	2021-12-31	2020-12-31
Interest-bearing non-current liabilities	162,509	28,524
Non-current leasing liabilities	17,381	14,240
Other non-current liabilities	40,294	15,183
Interest-bearing current liabilities	64,189	30,404
Current leasing liabilities	10,079	9,319
Financial assets	-55,867	-65,368
Net liabilities	238,585	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	Q1 2021 - Q4 2021	Q1 2020 - Q4 2020
Trailing 12-month net sales	403,848	338,689
Number of employees	297	244
Net sales per employee	1,361	1,388

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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Net sales, period	113,680	93,059	403,848	338,689
Acquired net sales, last 12 months	-10,787	-910	-29,221	-15,320
Organic net sales	102,893	92,149	374,626	323,369
Organic net sales, same period last year	92,149	78,369	323,369	281,777
Adjusted for acquired net sales last 24 months	910	3,417	15,320	2,046
Comparable organic net sales	93,059	81,786	338,689	283,823
Organic net sales growth (%)	11%	13%	11%	14%



Recurring revenue

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

TSEK	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Subscription revenue	58,584	39,858	206,479	150,995
Support agreements	9,491	10,676	39,507	43,396
Recurring revenue	68,075	50,534	245,986	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Recurring revenue	68,075	50,534	245,986	194,391
Operating expenses	-94,231	-68,259	-328,068	-257,247
Recurring revenue in relation to operating expenses	72%	74%	75%	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	Q4 2021	Q4 2020	Q1 - Q4 2021	Q1 - Q4 2020
Operating income	19,554	26,275	76,031	83,200
Net sales	113,680	93,059	403,848	338,689
Operating margin	17%	28%	19%	25%

Operating income, EBIT

Operating income according to the income statement.



This is Lime

CRM with a twist

Ever since day one, our overall goal has been to deliver exceptionally user-friendly CRM systems that simplify everyday life for our customers. The balanced mix of commitment and technology has made us one of the market leaders in the Nordic region. Our focus is now on turning all companies into customer magnets who retain their customers and attract new ones.

Lime's organisation is comprehensive and covers development, sales, implementation and support, allowing for a turnkey offering facilitating efficient and value-creating CRM solutions for the customer. Lime has nine offices in Sweden, Norway, Denmark, Finland, Germany and the Netherlands. Lime was founded in 1990 and has demonstrated an average growth rate of 19 percent since the year 2000.

Our products



Lime CRM is a flexible and powerful SaaS CRM platform. One of the strengths of Lime CRM lies in the combination of the company's expert services and the flexibility of the software. In a very short time, the customer can have a solution with automated flows, support for key demands and a clear overview of the entire business. Combined with integrated systems, an ecosystem is created, providing significant customer benefits.



Lime Go has been developed to maximise sales in sales organizations. The typical customer has a great need for new business opportunities and a constant flow of new customers. The software can be described as being streamlined with good control of upcoming business deals. Lime Go comes with a large library of company and contact information for nearly all companies in the Nordic region.

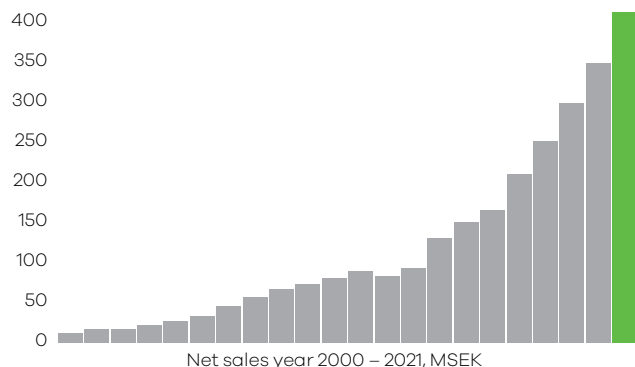
Userlike is a Customer Messaging solution which improves and simplifies communication between companies and customers. By bringing together the most popular communication channels – web chat, Facebook messenger, WhatsApp, SMS etc. – in the same inbox, companies can be where the customer is and offer immediate service.

Userlike is run as an independent company within the Lime Group. The product is sold separately, but the functionality will also be offered as add-ons to Lime's CRM solutions.



Lime in numbers

30 years' experience
~7,000 customers
~350 employees
~70,000 users
6 countries
9 offices



Follow Lime

All reports, annual reports and, where applicable, presentations are published at investors.lime-technologies.com, where it's also possible to subscribe to mailings of financial information.

March 22, 2022	Annual report 2021
April 26, 2022	Interim report Q1, 2022
April 26, 2022	Annual General Meeting
July 15, 2022	Interim report Q2, 2022
October 20, 2022	Interim report Q3, 2022



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