

Q1 update
April 28, 2020



Today's presenters



Erik Syrén, CEO
Lime since 2001



Magnus Hansson, CFO
Lime since 2015



This is Lime

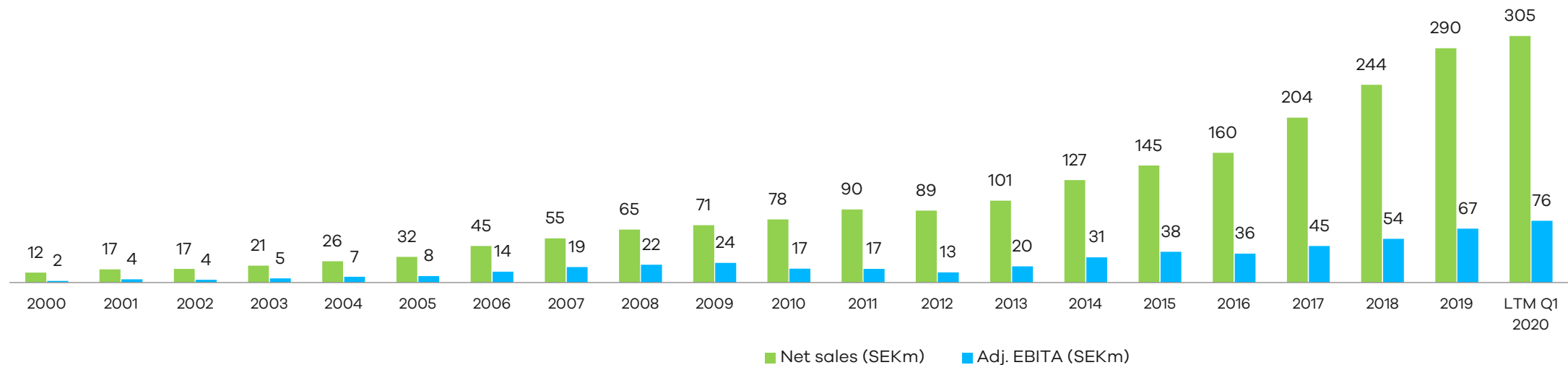
Nordic SaaS CRM expert with solid growth opportunities

Geographical footprint



Key success factors

- **Long history of profitable growth:** 2000-2018 CAGR of 18 % in net sales & CAGR of 25 % in adjusted EBITA.
- **SaaS as a business model:** Approx. 60 % of net sales are recurring.
- **Sticky customer base:** More than 5 000 customers with low customer concentration. 10 biggest customers stand for less than 10 %.
- **Strong corporate culture** with high engagement among employees. More than 20 % of the shares are owned by the employees.





Agenda

1. Deals

2. Net sales

**3. Profit-
ability**

4. Covid-19

5. Strategy

6. Summary

Agenda

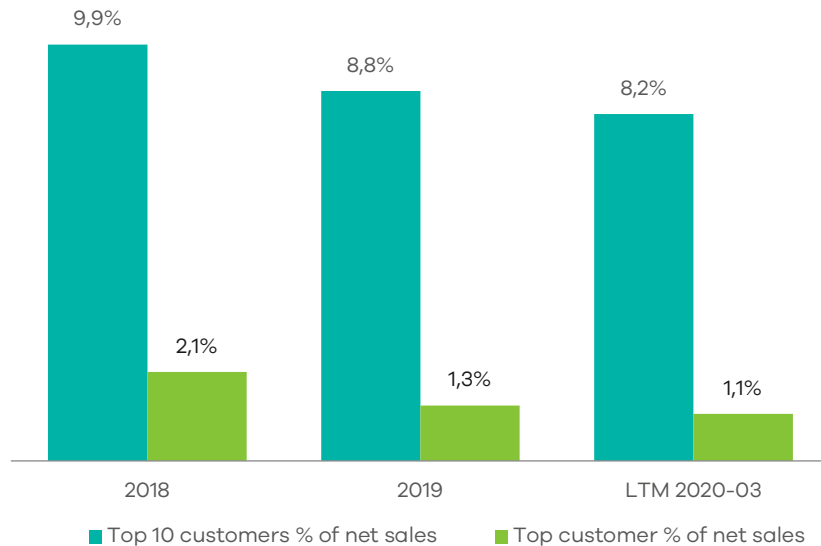


1. Deals

Several deals in the Nordics

Good mixture of small, midsize and large enterprises

Customer concentration



BOSTADS
FÖRMEDLINGEN **b**

miva 

 Lindab®

SCANOFFICE
puhdasta energiaa

edp


Koenigsegg


SSC

g grønn jobb

Agenda

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1. Deals

A pink teardrop-shaped graphic with a small tail pointing towards the bottom-left.

2. Net sales

Increase in annual recurring revenue drives growth

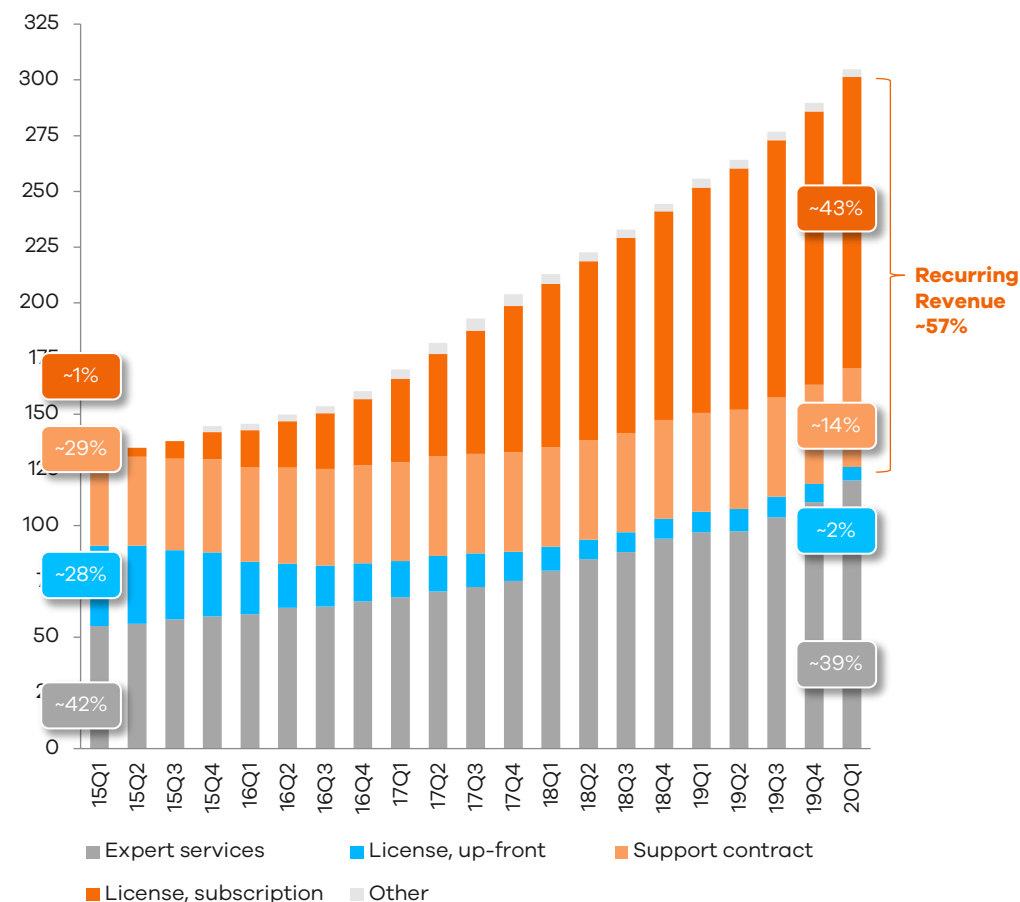


Transition from up-front to subscription pricing model since 2015 is nearly complete

Recurring revenue is growing rapidly

Pricing model transformation over time

LTM net sales by revenue stream, SEKm



Revenue guidance

License, subscription

- ✓ CRM system mainly as subscription
- ✓ Increased sales team to drive further ARR for subscriptions

Support contract

- ✓ Support contract sold together with up-front licenses
- ✓ No addition to support contracts as a result of nearly no up-front sales, Support contracts for existing up-front clients still generate revenue

License, up-front

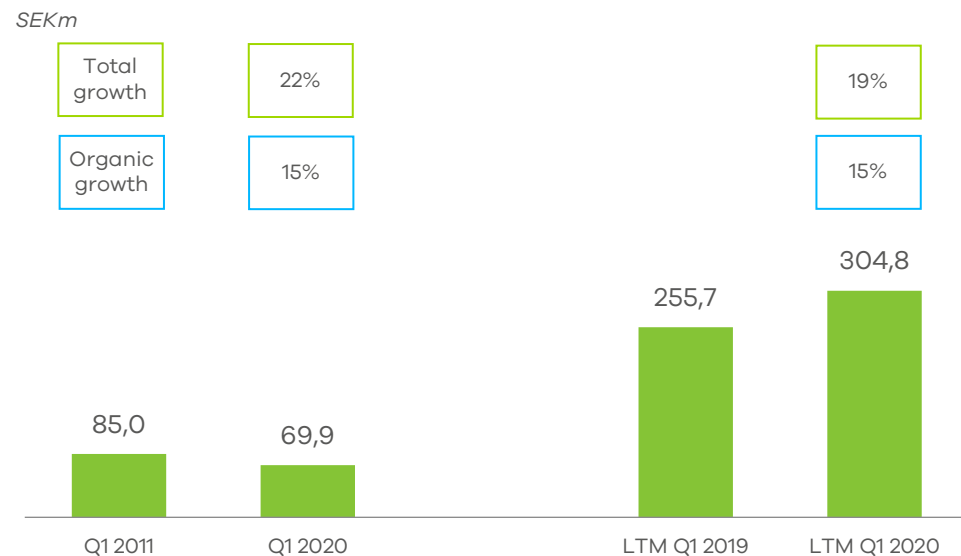
- ✓ Revenue stream in decline as the products are sold as SaaS
- ✓ Some existing clients still buy more licenses up-front

Expert services

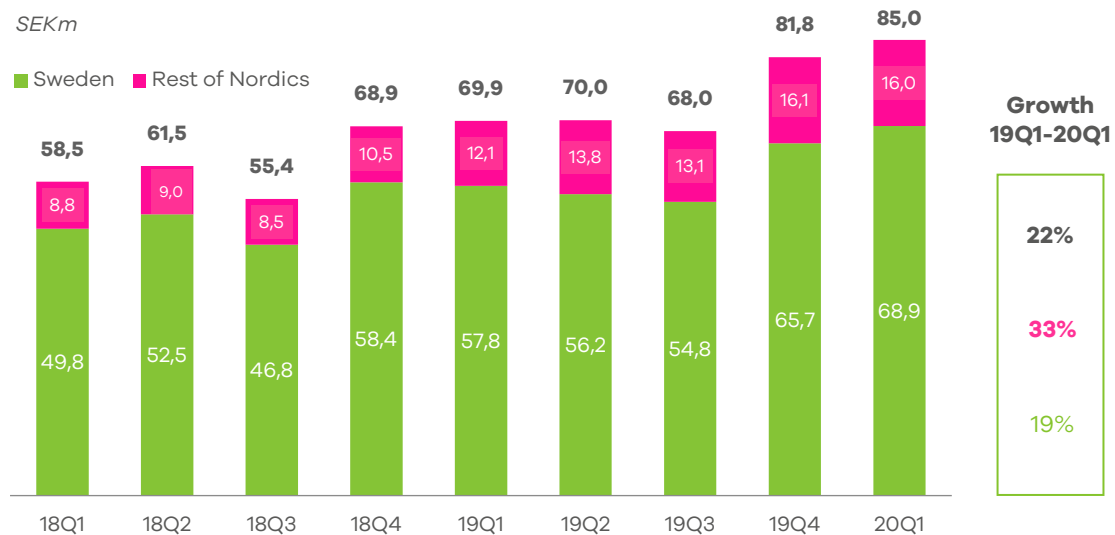
- ✓ Large part of sales derives from existing customers
- ✓ Customer base is growing, expected to drive expert services growth but decreases as part of total net sales

Revenue

Net sales development



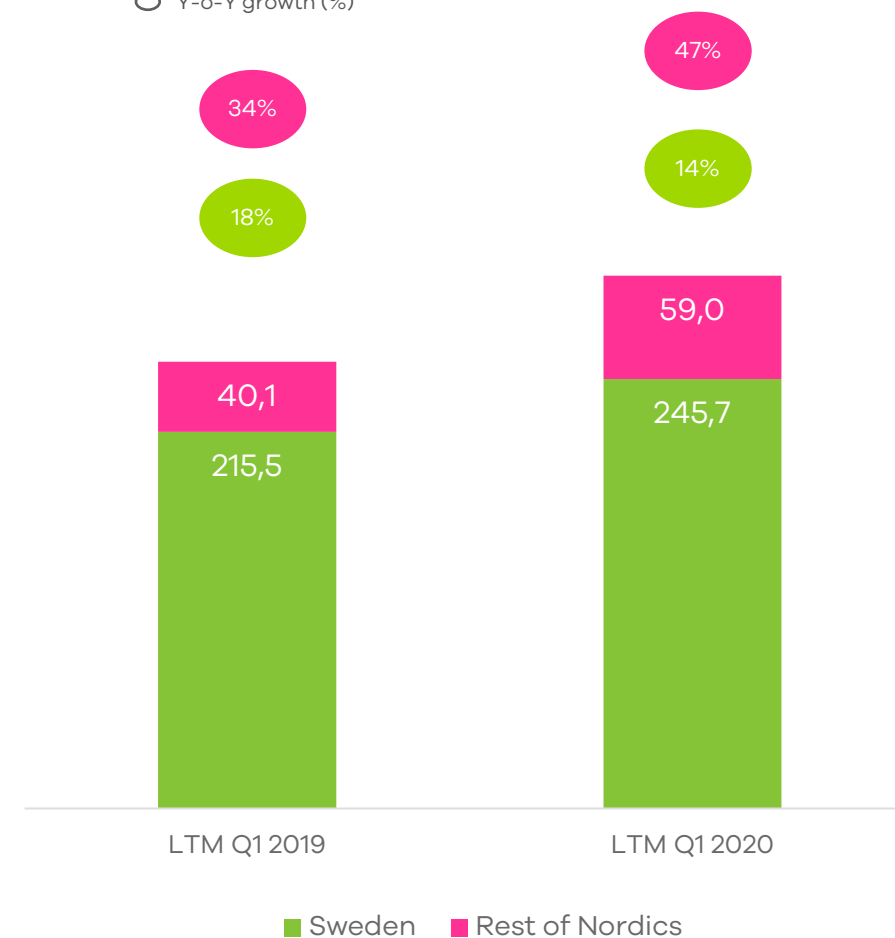
Split by geography



Traction across geographies

SEKm

○ Y-o-Y growth (%)



■ Sweden ■ Rest of Nordics



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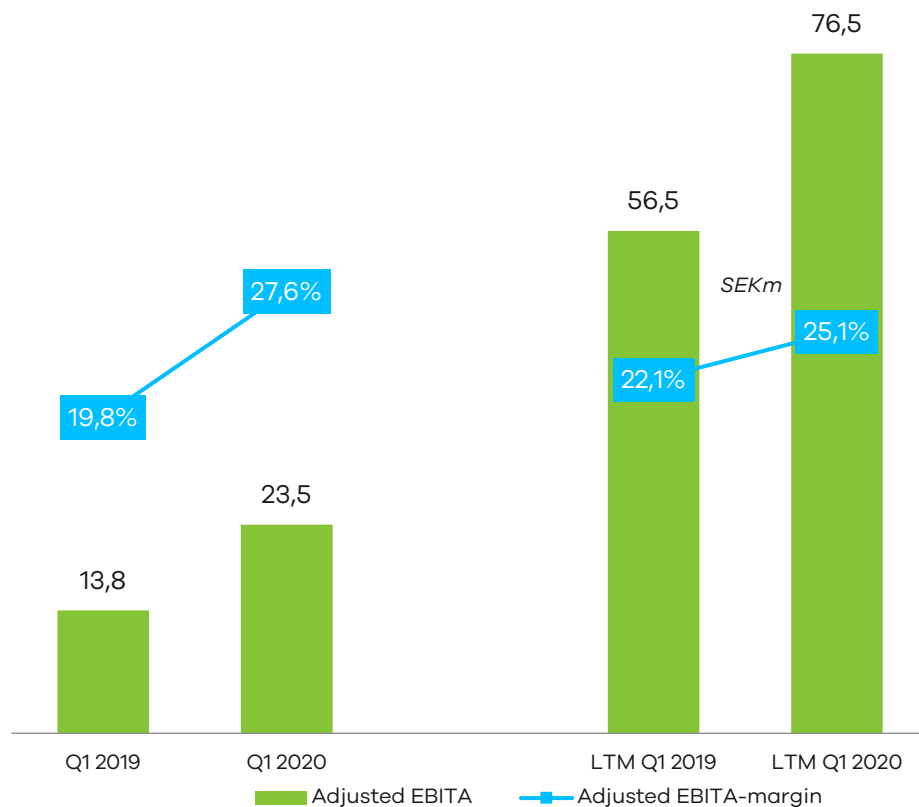
**3. Profit-
ability**

Profit

Reaching an adjusted EBITA margin of 28 % in Q1 2020

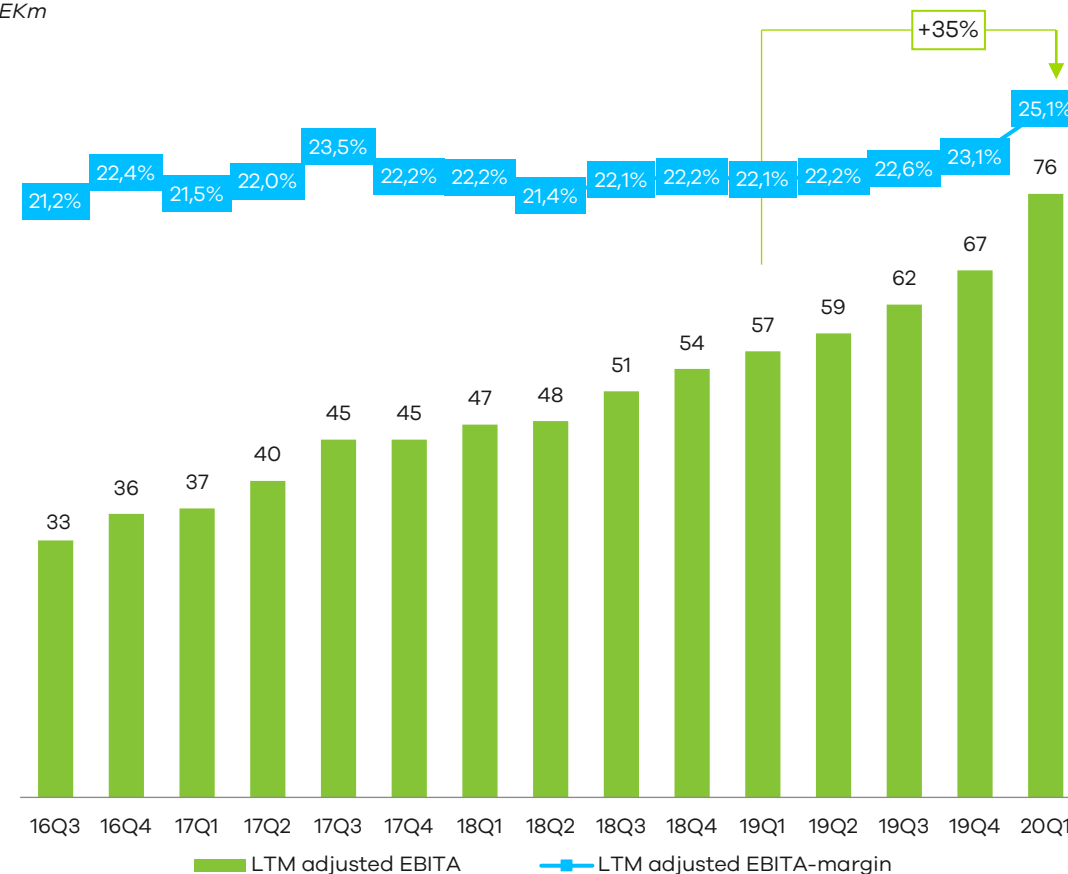
EBITA development¹⁾

SEKm



Rolling LTM EBITA and margin development¹⁾

SEKm



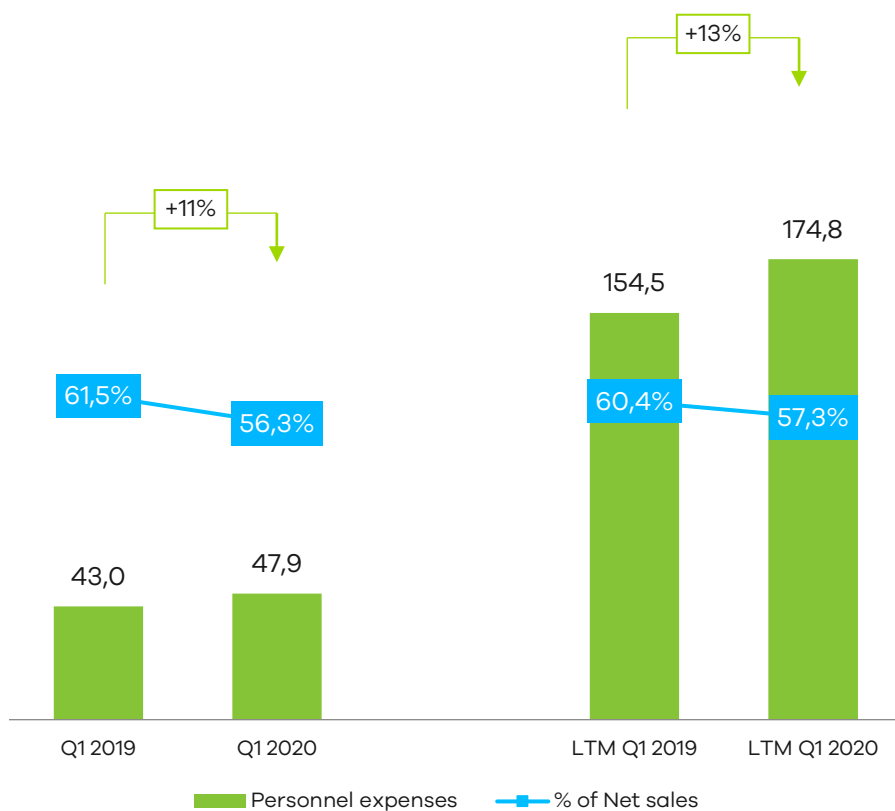
Note: 1) EBITA adjusted for IPO and acquisition related expenses.

OPEX development

Large majority of operating expenses related to growth in FTEs

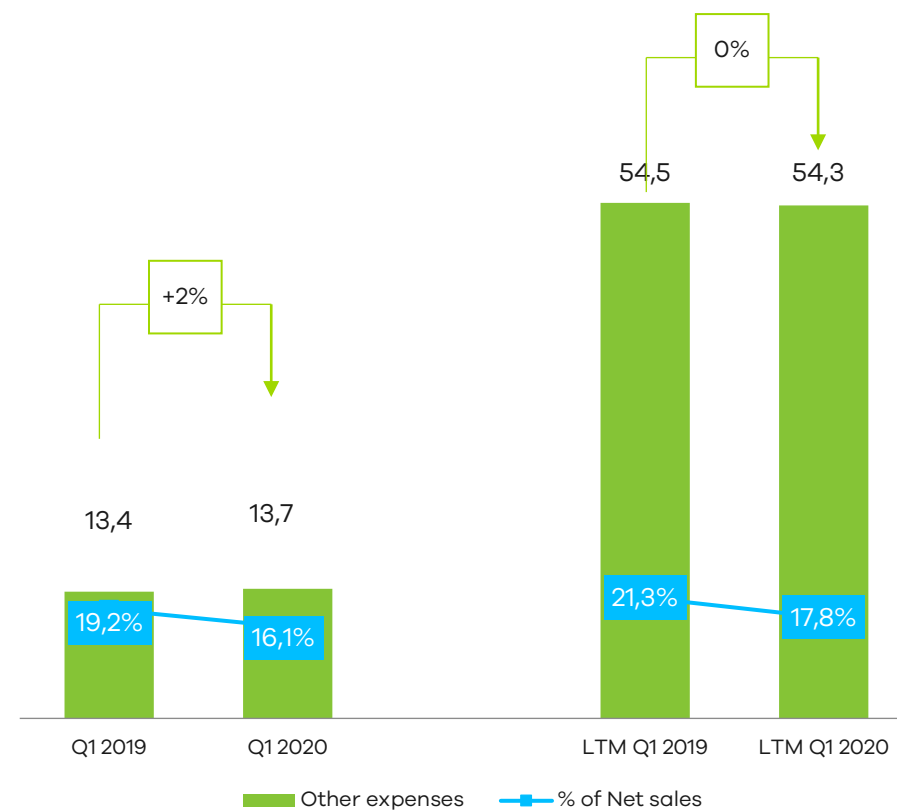
Personnel expenses development

SEKm



Other operating expenses development (adj.)¹⁾

SEKm



Note: 1) EBITA adjusted for IPO and acquisition related expenses.



Agenda

1. Deals

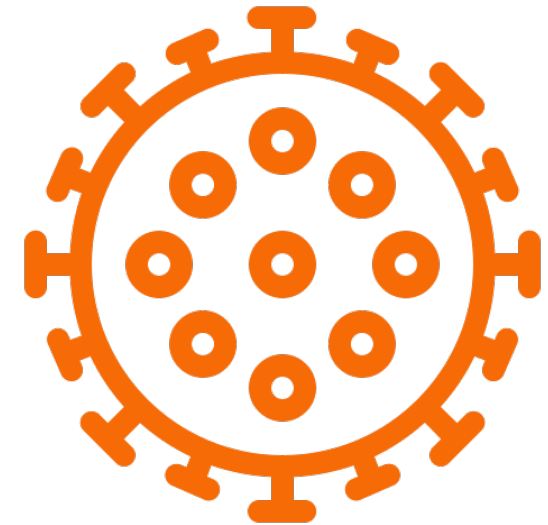
2. Net sales

**3. Profit-
ability**

4. Covid-19

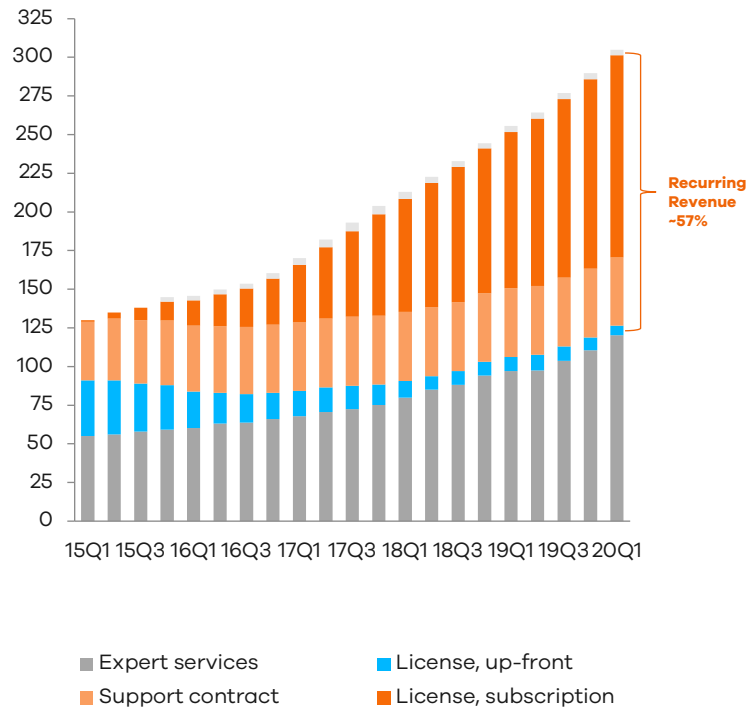
Impact

- Existing customers postpone or cancel their projects
- Declined chargeability
- Customers postpone their payments
- Increased customer losses
- Increased customer churn
- Declined new sales

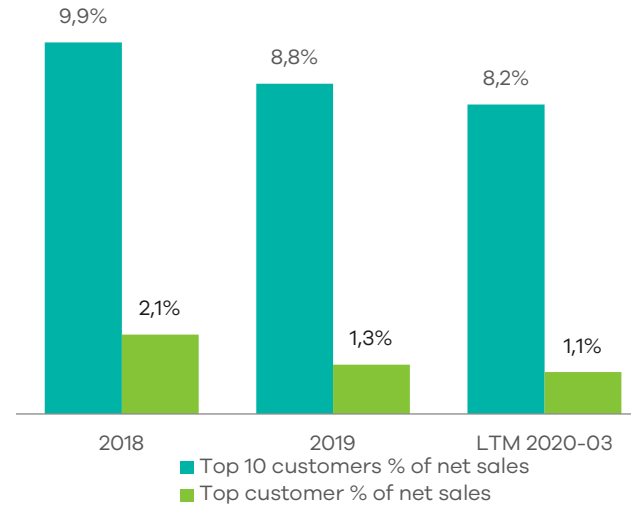


Actions have been made to reduce impact during a recession

High share of recurring revenue



Low customer concentration



Four different verticals

- **Utility:** Not very affected by a downturn
- **Real estate:** Not very affected by a downturn
- **Wholesale:** Various affected by a downturn
- **Consultancy:** Greatly affected by a downturn

Agenda

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1. Deals

A pink teardrop-shaped graphic with a pointed bottom and a rounded top, containing the text "2. Net sales".

2. Net sales

A teal teardrop-shaped graphic with a pointed bottom and a rounded top, containing the text "3. Profitability".

**3. Profit-
ability**

An orange teardrop-shaped graphic with a pointed bottom and a rounded top, containing the text "4. Covid-19".

4. Covid-19

A blue teardrop-shaped graphic with a pointed bottom and a rounded top, containing the text "5. Strategy".

5. Strategy



Business development

5

Customer health checks

Train consultants in sales

Service level

Stand ups and cool downs

Communication

Keeping productivity

Leadership

Secured bank facilities

Newsletter campaign

Planing new releases

Lime Academy

Business Continuity Plan

Stress test cash flow

Webinars

Being a flexible supplier

Energy

Role model

Workplace

Closeness

Digitalization

Crises management team

Established position for further growth

Several organic drivers supported by acquisition opportunities





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Financial targets

LTM Q1 2020

Sales growth

"Lime's objective in the medium term is to achieve an annual organic net sales growth above 15%"

15 %

EBITA margin

"Lime's objective in the medium term is to achieve an annual EBITA margin above 23%"

25.1 %

Capital structure

"The objective in respect of the capital structure is that the net debt, excluding leasing liabilities, in relation to EBITDA should be less than 2.5"

0.7

Dividend policy

"Lime intends to distribute available cash flow, after taking into account the Company's indebtedness as well as future growth opportunities, including acquisitions. Dividend is expected to correspond to at least 50 % of net profit."

**Proposed 51 %
(1.50 SEK/share)**

Q1 2020 summary

Growth

Net sales MSEK 85 +15 MSEK
(22 % total growth)

Profitability

Adjusted EBITA margin 28 %
(19 % same period last year)

Covid-19 impact

Customers postpone their projects, churn increases & customers postpone payments

Strategy

We keep our strategy: Investments in sales, marketing & recruitments, new office in the Netherlands

Thank you for listening!

investors.lime-technologies.com

