

Year-end report, January - December 2019

Lime Technologies AB (publ)

Fourth quarter

- Net sales MSEK 81.8 (68.9), rendering a net sales growth of 19 % (20 %)
- Organic net sales growth 14 % (19 %)
- Recurring revenue MSEK 44.3 (37.1)
- The quarter was impacted by one-off items affecting comparison, amounting to MSEK 0.0 (6.9). The comparison figure is attributable to the listing of the company's shares on Nasdaq Stockholm
- EBITA MSEK 19.9 (8.6), rendering an EBITA margin of 24 % (12 %)
- Adjusted EBITA margin 24 % (23%)
- Operating income, EBIT, MSEK 16.3 (5.5)
- Cash flow from current operations MSEK 29.0 (15.9)
- Net income MSEK 12.1 (4.2)
- Earnings per share SEK 0.91 (0.34) and diluted SEK 0.91 (0.32)

2019 in brief

- Net sales MSEK 289.7 (244.3), rendering a net sales growth of 19 % (20 %)
- Organic net sales growth 16 % (16 %)
- Recurring revenue MSEK 167.2 (138.5)
- 2019 was impacted by one-off items affecting comparison, amounting to MSEK 0.9 (9.4), attributable to acquisitions and the listing of the company's shares on Nasdaq Stockholm
- EBITA MSEK 65.9 (44.7), rendering an EBITA margin of 23 % (18 %)
- Adjusted EBITA margin 23 % (22 %)
- Operating income, EBIT, MSEK 52.1 (31.8)
- Cash flow from current operations MSEK 74.2 (38.7)
- Net income MSEK 39.0 (24.3)
- Earnings per share SEK 2.94 (1.94) and diluted SEK 2.94 (1.83)
- Acquisition of 58% of More intenz AB and 30% of janjoo AB to broaden our offering
- The board proposes the general meeting a dividend of SEK 1.50 (1.00)

CEO's comments

Increased profitability enables further growth investments

The fourth quarter is commonly Lime's strongest, which was the case again this year. During the quarter, our employees have been highly focused on closing deals, delivering projects, issuing new releases, integrating acquisitions, as well as recruiting and training new staff members.

Growth in the fourth quarter 2019 reached 19 %, of which organic growth was 14 % compared to the same period last year. The Swedish market grew by 12% and on other Nordic markets the growth rate improved and now sits at 53 %.

The trend is that more of our expenses are covered by repetitive license revenues, and personell costs in relation to net sales is dropping. This leads to more predictable revenue and improved profitability. In the fourth quarter we achieved an adjusted EBITA of 24 %, to be compared to 23 % last year.

Improved profitability enables further investments, which in the last quarter was evident by recruitments, launch in a new market and also a business acquisition. Investments in further growth are expected to continue during 2020.

In the last quarter, we have again successfully recruited new staff members, of which more than 20 started their training in early January 2020. We have also initiated recruitments to our next trainee programme, which will start in early August.

As earlier communicated, we have worked through an assessment process to determine which market will be our first outside the Nordic region. This is now confirmed to be the Netherlands. Key determining factors are that our verticals (real estate, utility, wholesale and consulting) have strong presence there, that the culture is similar to that in the Nordic countries, and that the growth potential within CRM is high in the Netherlands. We are now searching for a local sales director and two to four sales representatives and consultants. Based on experience from other markets, it will take time to establish the operations and we do not expect to be profitable during the next few years. The initial focus will be on recruitments, training and brand building.



The trend is that more of our expenses are covered by repetitive license revenues, and compensation to employees in relation to net sales is dropping. This leads to more predictable revenue and improved profitability.

Erik Syrén, CEO

In parallel with assessing and evaluating potential new business acquisitions, we have also focused on integrating the two acquisitions from the third quarter: Janjoo and More intenz. Acquired as a minority shareholding in an initial stage, Janjoo has shown strong progress which strengthens our confidence that their products will boost our offerings to both new and existing customers. It has therefore been determined to exercise the first option, of two, to acquire an additional 35 % of the shares in Janjoo. This acquisition will take Lime's total shareholding in Janjoo to 65 %. Thanks to Lime's strong cash flow, the acquisition is financed by cash. Amalgamation and full integration of Janjoo's operations into Lime started in January.

At Lime, we strive to be a good corporate citizen, one that our customers and employees are proud to be associated with. Thus, we are very pleased to announce that Lime's operations now are climate positive thanks to our investments in a solar park outside Sjöbo with zero carbon dioxide emissions. This investment covers more than enough of Lime's entire energy consumptions. To gain more insights to how we can provide even more equal opportunities and better diversity, a new mentorship program has been introduced under which everyone in the executive team has a newly recruited female staff member as a mentor.

The first year as a company listed on Nasdaq has now passed and we have successfully reached all our financial targets: overall growth of 19 % whereof 16 % organic growth and an EBITA margin of 23 %. At Lime, we are proud of our first year as a listed company, but we are not satisfied. As a company, we must always aim to develop and improve – we must never stagnate. That's how we will continue to deliver customer value and how we will achieve long-term profitable growth.

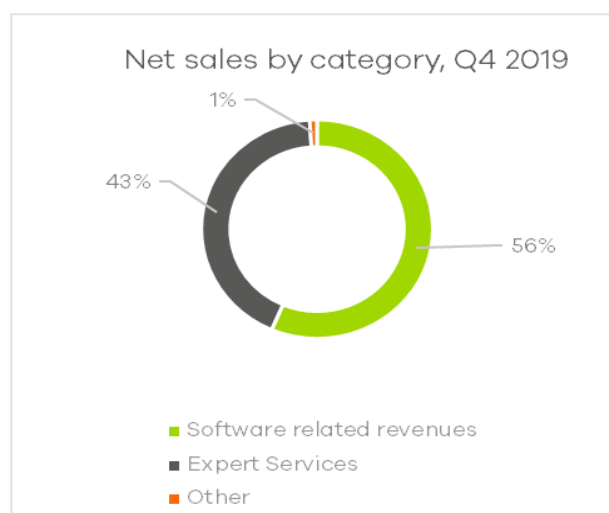
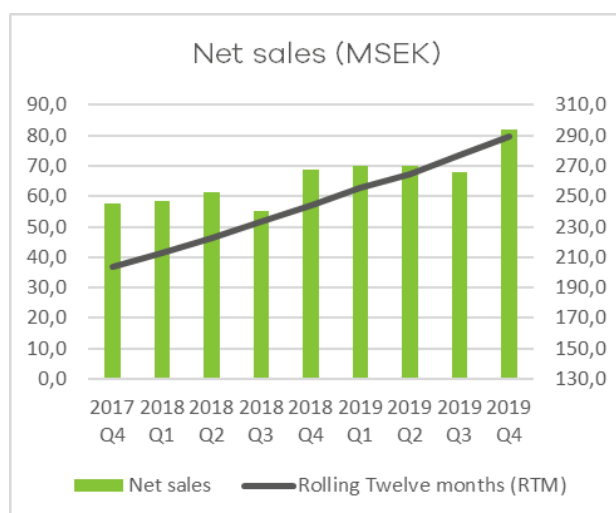
/Erik Syrén, CEO & President, Lime Technologies AB (publ)

Lime in summary

| | 2019 Q4 | 2019 Q3 | 2019 Q2 | 2019 Q1 | 2018 Q4 | 2018 Q3 | 2018 Q2 | 2018 Q1 | 2017 Q4 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Net sales (MSEK) | 81.8 | 68.0 | 70.0 | 69.9 | 68.9 | 55.4 | 61.5 | 58.5 | 57.5 |
| Recurring revenue (MSEK) | 44.3 | 42.5 | 41.3 | 39.1 | 37.1 | 35.2 | 34.0 | 32.1 | 30.8 |
| EBITDA (MSEK) | 24.4 | 23.7 | 17.6 | 17.9 | 10.0 | 15.7 | 12.0 | 13.0 | 13.0 |
| EBITDA (%) | 30% | 35% | 25% | 26% | 15% | 28% | 19% | 22% | 23% |
| EBITA (MSEK) | 19.9 | 19.2 | 13.3 | 13.5 | 8.6 | 14.2 | 10.4 | 11.5 | 12.1 |
| EBITA (%) | 24% | 28% | 19% | 19% | 12% | 26% | 17% | 20% | 21% |
| Adjusted EBITA | 19.9 | 19.3 | 13.8 | 13.8 | 15.5 | 15.6 | 11.6 | 11.6 | 12.7 |
| Adjusted EBITA (%) | 24% | 28% | 20% | 20% | 23% | 28% | 19% | 20% | 22% |
| Operating income, EBIT (MSEK) | 16.3 | 15.6 | 10.0 | 10.2 | 5.5 | 10.8 | 7.0 | 8.5 | 8.6 |
| Operating income, EBIT (%) | 20% | 23% | 14% | 15% | 8% | 20% | 11% | 15% | 15% |
| Earnings per share, basic (SEK)* | 0.91 | 0.91 | 0.56 | 0.56 | 0.34 | 0.65 | 0.43 | 0.54 | 0.43 |
| Earnings per share, diluted (SEK)* | 0.91 | 0.91 | 0.56 | 0.56 | 0.32 | 0.61 | 0.40 | 0.50 | 0.41 |
| Cash flow from current operations (MSEK) | 29.0 | 14.6 | 21.2 | 9.4 | 15.9 | 7.8 | 14.9 | 0.1 | 19.5 |

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

Revenue



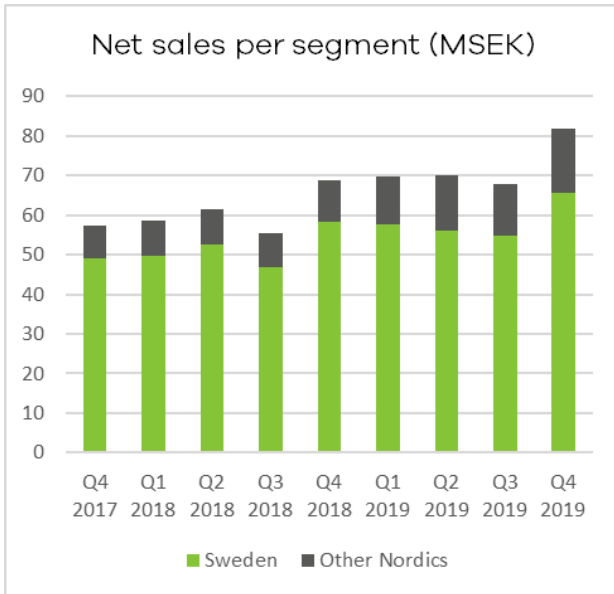
Net sales in the fourth quarter amounted to MSEK 82 (69), an increase of 19% (20). The Group's net sales in the fourth quarter include MSEK 3 (0) from companies acquired in the last 12 months.

Net sales during 2019 amounted to MSEK 290 (244), rendering an increase of 19% (20).

Business acquisitions during the last 12 months have contributed with net sales of MSEK 6 (1) during 2019.

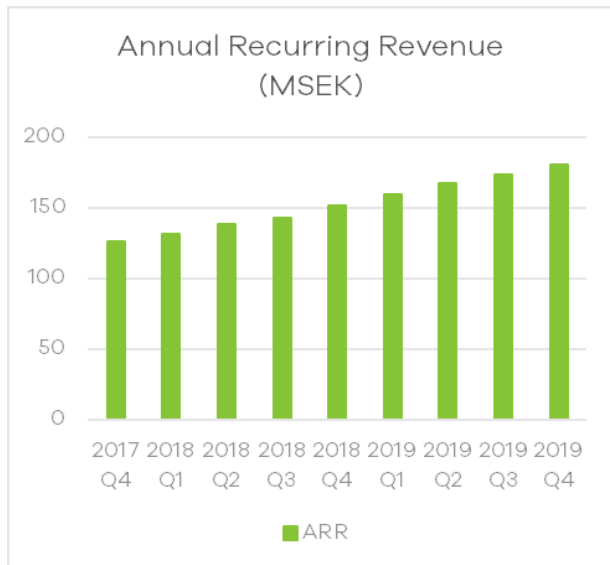
56% (58) of net sales in the fourth quarter 2019 relate to software revenue. 61% (60) of net sales during 2019 relate to software revenue.

Software revenue increased by 15% (19) during the fourth quarter 2019 compared to the fourth quarter 2018. Software revenue increased by 19% (20) during 2019 compared to 2018.

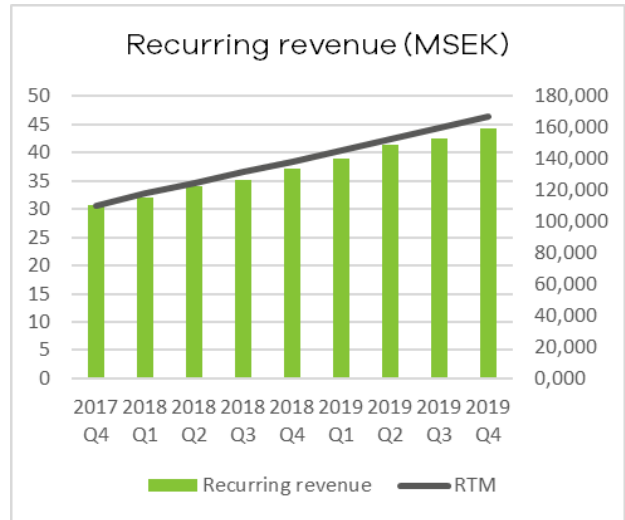


Net sales in the fourth quarter in Sweden amounted to MSEK 66 (58) and MSEK 16 (10) in the rest of the Nordic countries. Net sales growth for the quarter was 12% (19) in Sweden and 53% (24) in the rest of the Nordic countries.

Net sales during 2019 in Sweden amounted to MSEK 235 (208) and MSEK 55 (37) in the rest of the Nordic countries.



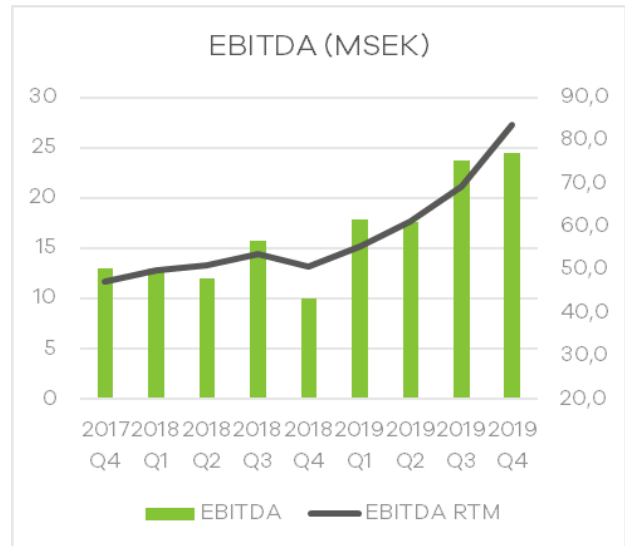
The 12-month recalculated recurring revenue, annual recurring revenue (ARR), at the end of the fourth quarter 2019 was MSEK 181 (152). The 12-month recalculated recurring revenue increased by 19% (21) compared to the corresponding period last year.



Recurring revenue amounted to MSEK 44 (37) during the fourth quarter 2019, an increase of 19% (21) compared to the same period last year.

Recurring revenue amounted to MSEK 167 (139) during 2019, an increase of 21% (26) compared to 2018.

Operating income

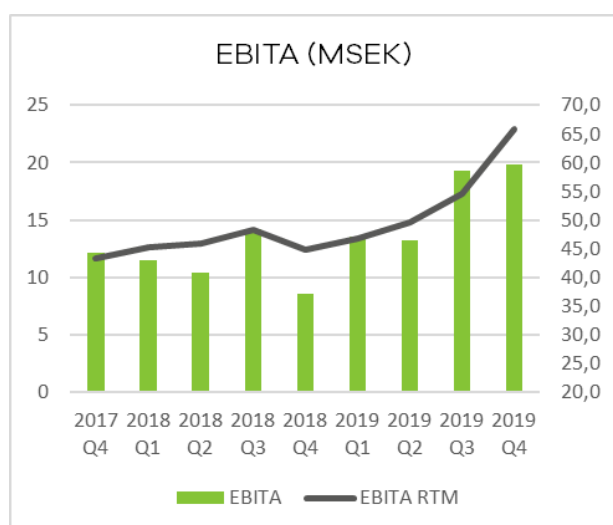


Operating income before depreciations during the fourth quarter – EBITDA – amounted to MSEK 24 (10) corresponding to an EBITDA margin of 30% (15). Adjusted EBITDA was MSEK 24 (17) in the quarter, corresponding to an EBITDA margin of 30% (25).

During 2019 operating income before depreciation – EBITDA – amounted to MSEK 84 (51), corresponding to an EBITDA margin of 29% (21). Adjusted EBITDA was MSEK 85 (60) during the same period and the corresponding margin was 29% (25).

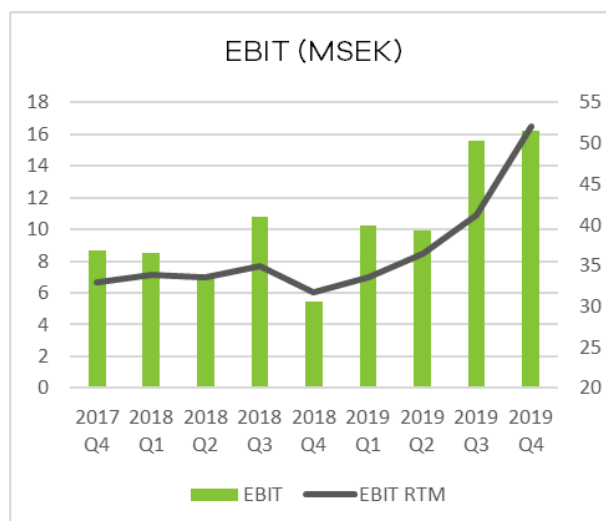
As of January 1, 2019, Lime applies IFRS 16 Leases. As from the time the standard came into effect, Lime applies the simplified transition method, meaning comparative information from previous periods has not been restated. The application of IFRS 16 has had a MSEK 2.4 positive impact on EBITDA during the fourth quarter and MSEK 9.4 during 2019. Had IFRS 16 not been applied, the fourth quarter 2019 EBITDA and EBITDA margin would have been MSEK 22.1 and 27%, respectively.

During 2018 the operating income has been impacted by costs of MSEK 9.4 relating to the listing of Lime's shares on Nasdaq Stockholm, Small Cap, whereof MSEK 6.9 during the fourth quarter 2018.



During the fourth quarter 2019 operating income, excluding amortisation on acquired immaterial assets – EBITA – amounted to MSEK 20 (9), corresponding to an EBITA margin of 24% (12). Adjusted EBITA for the fourth quarter amounted to MSEK 20 (16), corresponding to an adjusted EBITA margin of 24% (23).

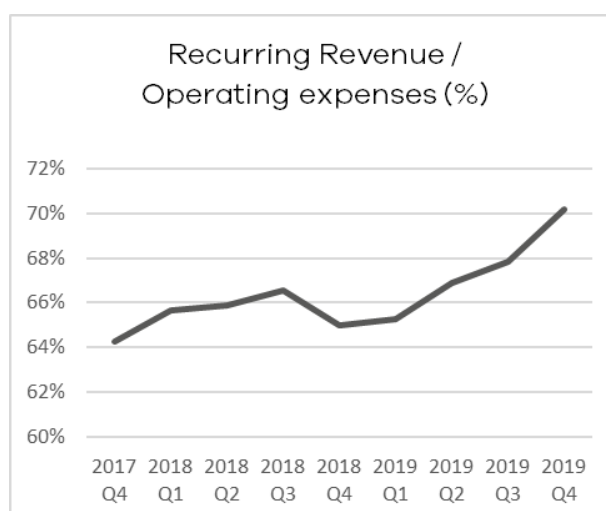
In 2019, operating income before depreciation on acquired goodwill – EBITA – reached MSEK 66 (45) corresponding to an EBITA margin of 23% (18). Adjusted EBITA during 2019 amounted to MSEK 67 (54), corresponding to an EBITA margin of 23% (22).



Operating income during the fourth quarter – EBIT – amounted to MSEK 16 (5), corresponding to an EBIT margin of 20% (8). Adjusted EBIT during the fourth quarter amounted to MSEK 16 (12), corresponding to an adjusted EBIT margin of 20% (18).

Operating income during 2019 – EBIT – amounted to MSEK 52 (32), corresponding to an EBIT margin of 18% (13).

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 fourth quarter and MSEK 9.1 during 2019.



Last 12-months (LTM) recurring revenue amounted to 70% (65) 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 2019 cash flow from current operations amounted to MSEK 29.0 (15.9). During 2019 cash flow from current operations amounted to MSEK 74.2 (38.7).

During the fourth quarter 2019 investments in tangible non-current assets amounted to MSEK 0.0 (1.0), excluding leased vehicles and right-to-use assets. Investments in intangible non-current assets amounted to MSEK 4.6 (4.9).

During 2019 investments in tangible non-current assets amounted to MSEK 0.3 (1.2), excluding leased vehicles and right-to-use assets. Investments in intangible non-current assets amounted to MSEK 18.5 (17.6) during the same period and consist of capitalisation of development costs relating to new technology platforms. In addition, assets are reported as goodwill and customer relations in accordance with the acquisition analysis for More intenz AB.

During the fourth quarter 2019 investments in subsidiaries amounted to MSEK 5.2 (0.0).

During 2019 investments in subsidiaries amounted to MSEK 5.5 (2.4) (last year Hysminai AB).

In the fourth 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).

Depreciation of capitalised development costs amounted to MSEK 7.7 (5.0) during 2019 and depreciation of right-to-use assets amounted to MSEK 9.1 (0.0).

Equity & liabilities

The Group's equity amounted to MSEK 69 (37). At the Annual General Meeting on April 29, 2019, it was resolved to distribute dividend of SEK 1 per share, corresponding to a total amount of MSEK 13.3. The stock options programs that expired in March 2019 were fully subscribed and a rights issue of MSEK 5.1, involving 783,481 shares, was implemented in March 2019.

The Group's interest-bearing liabilities amounted to MSEK 112.2 (107.1) at the end of the period, including leasing liabilities relating to right-to-use assets of MSEK 16.2 (0.0) and a liability of MSEK 8.6 (0.0) relating to the acquisition of More intenz. A total of MSEK 9.4 (6.1) of the Group's interest-bearing liabilities,

excluding leasing liabilities regarding right-to-use assets, have been repaid during the period. Cash and cash equivalent amounted to MSEK 31.3 (21.2) at the end of the period. The Group's net debt amounted to MSEK 80.3 (85.4).

Stock option plans

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

Lime Technologies AB's share

Lime Technologies AB (publ.) is listed on Nasdaq Stockholm OMX 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 targets

Lime's target 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, excluding leasing 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 250 (220) employees at the end of the reporting period. The average number of employees was 223 (195) 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 fourth quarter. During the fourth quarter 2019 operating income in the Parent Company amounted to MSEK -0.1 (-4.2). Operating income during 2019 amounted to MSEK -1.5 (-5.5). Cash and cash equivalent amounted to MSEK 0.8 (1.0) and borrowings to MSEK 84.9 (104.0).

Annual General Meeting 2019

At the Annual General Meeting on April 29, 2019, it was resolved to re-elect the following directors of the board: Peter Larsson as chairman, Anders Nilsson, Anders Fransson and Marlene Forsell. Martin Henricson and Malin Ruijsenaars were elected new directors of the board.

Other resolutions made at the Annual General Meeting;

- Resolution to distribute dividend of SEK 1 per share, corresponding to a total amount of MSEK 13.3.
- Resolution to adopt instruction for the nomination committee.
- Resolution to adopt guidelines for remuneration to the company's senior executives.
- It was resolved to authorise the board of directors to, at one or more occasions, until the 2020 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.

Annual General Meeting 2020

The annual general meeting will take place on April 28 at 5.30 pm at Kungsbrogatan 1 in Stockholm. 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*.

Dividend proposal

The board of directors proposes a dividend of SEK 1.50 per share, corresponding to MSEK 20 and 51% 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 April 2019, the following individuals have been appointed to Lime's Nomination Committee: Emil Hjalmarsson, Grenspecialisten Förvaltning AB, representing 8.7 % of the shares, Thomas Bill, Monterro 1 AB, representing 10.0 % of the shares,

Marianne Flink, Swedbank Robur Fonder AB, representing 9.5% of the shares, and Peter Larsson, adjunct to the Nomination Committee, chairman of the board. The Nomination Committee will, at the 2020 Annual General Meeting, present a proposal for the election of the chairman of the Annual General Meeting, members of the board of directors, chairman of the board, remunerations to the board of directors, auditors, auditors' fees and matters for the 2021 Annual General Meeting.

Syringa Capital AB, wholly-owned by Erik Syrén, Lime Technologies President and CEO, has declined participation in the Nomination Committee.

Other events during & after the reporting period

At the beginning of the year, the company had two active stock option programs. Both programs expired in March 2019, at which time 783,481 shares under the programs were issued.

On June 19th, 2019, Lime entered into an agreement to acquire shares in companies janjoo AB and More intenz AB. Both acquisitions were financed by a combination of cash and bank loans. The acquisitions were completed on July 1, 2019.

As of July 1st, 2019, Lime raised a bank loan of MSEK 8 to finance the acquisition of janjoo AB and More intenz AB. The loan is governed under the same terms and conditions and the same remaining tenor as the current bank loan.

Additional shares, corresponding to 35% of the shares in janjoo, were acquired on January 13, 2020.

janjoo AB

On July 1, 2019 Lime acquired 30% of the share capital and the voting rights of janjoo AB. janjoo AB develops and sells e-services, including document management portals and cases portals, which simplify and streamline communications between energy and real estate companies and their customers. The purchase price amounted to MSEK 3 and was financed by cash and through bank loans.

Lime has significant influence, but not control, in janjoo, meaning it is classified as an associated company. On the balance sheet date, the acquired company is reported as shares in associated companies in accordance with the equity method from the date the acquisition was completed, and significant influence was gained. The carrying value amounted to MSEK 3 as per the acquisition date.

The owners of janjoo have issued options entitling Lime to acquire the remaining 70 percent of the shares no later than December 31, 2021. In the event the options are exercised, the purchase price for half of the shares, i.e. 35%, will be MSEK 7 and for the other half of the shares, i.e. 35%, the purchase price depends on janjoo's recurring revenue, however no less than MSEK 7 and no more than MSEK 12.25.

janjoo AB has shown strong progress which strengthens our confidence that their products will boost our offerings to both new and existing customers. Therefore, Lime has exercised the option to acquire an additional 35% of the shares. The acquisition was completed on January 13, 2020.

After the end of the financial year, from the date the acquisition was completed, and control was gained – on January 13, 2020 – the acquired company is consolidated fully into the Lime Group's income statement and balance sheet. The company was reported as shares in associated companies up till January 13, 2020. The pricing and terms for the remaining 35%-option is such that Lime believes this option is highly likely to be exercised when due, hence an estimated exercise price has been reported as a liability in the Group as of January 13, 2020.

The acquisition generates a goodwill value before deferred taxes of MSEK 24 for the Group. The goodwill value is entirely allocated to software.

Acquisition costs in 2019 amounted to MSEK 0.2.

The acquisition analysis is based on final assessments of identifiable intangible assets. The exercise price, which has been reported as a liability, is based on future annual recurring revenue and can thus not be firmly determined. The acquisition analysis is therefore deemed to be tentative in relation to this liability. Following the analysis, the acquisition price and acquired net assets amount to:

| Purchase price | MSEK |
|---|-------------|
| Cash and cash equivalent, 30% | 3 |
| Cash and cash equivalent, 35% | 7 |
| Effect on profit | 0 |
| Liability exercise price | 9 |
| Total preliminary purchase price | 20 |

Assets and liabilities included following the acquisition

| | |
|---|-----------|
| <i>Intangible non-current assets</i> | |
| Software | 25 |
| Deferred tax liability | -5 |
| Trade receivables and other receivables | 1 |
| Cash and cash equivalent | 2 |
| Long-term debt | -0 |
| Trade payables and other liabilities | -2 |
| Total identifiable net assets | 20 |
| Acquired net assets | 20 |

More intenz AB

On July 1, 2019, Lime acquired 58% of the share capital and the voting rights in More intenz AB. More intenz AB sells and delivers services that help companies improve their sales and customer services activities.

The purchase price for the 58%-share amounted to 7 MSEK to be paid in two tranches, and a customary adjustment of cash and liabilities in the company of MSEK 3. Preliminary purchase price for all shares amount to MSEK 19. The purchase price is financed by cash and through banks loans.

The second part of the acquisition consists of stock options relating to the remaining 42 percent of the shares. The stock options are expected to be called upon in three tranches over the coming three years (after the end of financial years 2020, 2021 and 2022). The purchase price of the shares, as called upon, will be based on the company's net sales for each financial year (amounting to between 16.67% and 25% of net sales).

The acquired company is included in Lime's consolidated income statement and balance sheet from the date the acquisition was completed, and control was gained, i.e. July 1, 2019. The pricing and terms, in general, render it most likely that the stock option will be called upon at the time of the redemption. Lime has disclosed an estimated exercise price liability in the balance sheet.

The acquisition creates preliminary surplus value in the Group amounting to approximately MSEK 17, before deferred tax. The surplus value has been

allocated to customer relations (MSEK 6) and goodwill (MSEK 11). The goodwill is, in large, attributable to staff competence and advantages of integration. More intenz AB has contributed MSEK 3.2 to the Group's net sales during the fourth quarter. The acquisition delivered EBIT, excluding acquisition costs, of MSEK -0.4 during the fourth quarter. If More intenz would have been consolidated from January 1, 2019, the contribution to net sales would have been an additional MSEK 8.3 and to the group EBIT an additional MSEK 11.

The acquisition cost in the fourth quarter 2019 was MSEK 0.0 and during 2019 MSEK 0.3.

The acquisition analysis is based on finalised valuations of identifiable intangible assets. The exercise price, which has been reported as a liability, is based on future revenue and can thus not be firmly determined. The acquisition analysis is therefore deemed to be tentative in relation to this liability.

According to the acquisition analysis, the purchase price and the acquired net assets amount to:

| Purchase price | MSEK |
|--|-------------|
| Cash and cash equivalent | 5 |
| Accrued purchase price | 2 |
| Adjusted accrued purchase price | 3 |
| Liability exercise price | 9 |
| Total preliminary purchase price | 19 |
| Assets and liabilities included following the acquisition | |
| <i>Intangible non-current assets</i> | |
| Customer relations | 6 |
| Goodwill | 11 |
| Deferred tax liability | -1 |
| Trade receivables and other receivables | 2 |
| Cash and cash equivalent | 5 |
| Trade payables and other liabilities | -4 |
| Total identifiable net assets | 19 |
| Acquired net assets | 19 |

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 December 2019, the Group had 250 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.

In addition, Lime intends to establish operations in the Netherlands during 2020.

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 report 2019, presented March 26, 2020
- Interim report Q1, 2020, presented April 28, 2020
- Annual General Meeting, April 28, 2020
- Interim report Q2, 2020, presented July 17, 2020
- Interim report Q3, 2020, presented October 22, 2020

Lund, Sweden February 13, 2020

Erik Syrén

CEO, Lime Technologies AB (publ)

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

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

Key ratios for the Group

| | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|----------|----------|--------------|--------------|
| Net sales (MSEK) | 81.8 | 68.9 | 289.7 | 244.3 |
| Net sales growth (%) | 19% | 20% | 19% | 20% |
| Organic net sales growth (%) | 14% | 19% | 16% | 16% |
| Recurring revenue (MSEK) | 44.3 | 37.1 | 167.2 | 138.5 |
| Annual recurring revenue (MSEK) | 180.6 | 151.7 | 180.6 | 151.7 |
| EBITA (MSEK) | 19.9 | 8.6 | 65.9 | 44.7 |
| EBITA (%) | 24% | 12% | 23% | 18% |
| EBITDA (MSEK) | 24.4 | 10.0 | 83.7 | 50.7 |
| EBITDA (%) | 30% | 15% | 29% | 21% |
| Operating income, EBIT (MSEK) | 16.3 | 5.5 | 52.1 | 31.8 |
| Operating income, EBIT (%) | 20% | 8% | 18% | 13% |
| One-off items (MSEK) | 0.0 | -6.9 | -0.9 | -9.6 |
| Depreciation right-to-use assets | -2.3 | 0.0 | -9.1 | 0.0 |
| Adjusted EBITA (MSEK) | 19.9 | 15.5 | 66.8 | 54.3 |
| Adjusted EBITA (%) | 24% | 23% | 23% | 22% |
| Adjusted EBITDA (MSEK) | 24.4 | 16.9 | 84.6 | 60.2 |
| Adjusted EBITDA (%) | 30% | 25% | 29% | 25% |
| Adjusted EBIT (MSEK) | 16.3 | 12.4 | 53.0 | 41.4 |
| Adjusted EBIT (%) | 20% | 18% | 18% | 17% |
| Earnings per share (SEK)**) | 0.91 | 0.34 | 2.94 | 1.94 |
| Earnings per share, diluted (SEK)**) | 0.91 | 0.32 | 2.94 | 1.83 |
| Net debt (MSEK) | 80.3 | 85.4 | 80.3 | 85.4 |
| Number of employees (average)*) | 223 | 195 | 223 | 195 |
| Net sales per employee* (MSEK) | 1.3 | 1.3 | 1.3 | 1.3 |
| Cash flow from current operations per share (SEK)**) | 1.8 | 1.3 | 5.2 | 3.1 |
| Outstanding shares (thousands)**) | 13 283.5 | 12 500.0 | 13 283.5 | 12 500.0 |

* Some key ratios have been recalculated to a trailing 12-month value. The adjusted numbers have been recalculated in order to facilitate comparison.

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

For definition of key ratios, see pages 25-28.

Consolidated income statement in summary (TSEK)

| | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|----------------|----------------|-----------------|-----------------|
| Net sales | 81 786 | 68 917 | 289 696 | 244 307 |
| Other revenue | 313 | 94 | 576 | 492 |
| Gross income | 82 099 | 69 012 | 290 272 | 244 799 |
| <i>Operating expenses</i> | | | | |
| Compensation to employees | -46 523 | -42 032 | -169 935 | -148 984 |
| Capitalised development work done by own employees | 4 562 | 4 789 | 18 451 | 17 334 |
| Depreciation | -8 182 | -4 542 | -31 606 | -18 865 |
| Other expenses | -15 566 | -21 762 | -54 882 | -62 457 |
| Share in earnings of associated companies | -139 | 0 | -247 | 0 |
| Total operating expenses | -65 848 | -63 548 | -238 219 | -212 972 |
| Operating income | 16 251 | 5 464 | 52 053 | 31 827 |
| Financial net | -357 | -174 | -2 188 | -1 758 |
| Income after financial net | 15 894 | 5 290 | 49 865 | 30 069 |
| Taxes | -3 815 | -1 102 | -10 825 | -5 763 |
| Net income | 12 079 | 4 188 | 39 040 | 24 306 |
| Net income attributed to: | | | | |
| Shareholders of the Parent Company | 12 079 | 4 188 | 39 040 | 24 306 |
| | 12 079 | 4 188 | 39 040 | 24 306 |
| Other Information | | | | |
| Earnings per share, basic (SEK) | 0.91 | 0.34 | 2.94 | 1.94 |
| Earnings per share, diluted (SEK) | 0.91 | 0.32 | 2.94 | 1.83 |

Consolidated statement of other comprehensive income (TSEK)

| | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|----------------|----------------|---------------------|---------------------|
| Net income | 12 079 | 4 188 | 39 040 | 24 306 |
| Other comprehensive income | | | | |
| Items that may be reclassified to the income statement: | | | | |
| Translation adjustments | -243 | -237 | 98 | 252 |
| Other comprehensive income for the period | -243 | -237 | 98 | 252 |
| Other comprehensive income for the period | 11 836 | 3 951 | 39 138 | 24 558 |
| Other comprehensive income for the period, attributed to: | | | | |
| Shareholders of the Parent Company | 11 836 | 3 951 | 39 138 | 24 558 |
| | 11 836 | 3 951 | 39 138 | 24 558 |

Consolidated balance sheet in summary (TSEK)

| | 2019-12-31 | 2018-12-31 |
|--|----------------|----------------|
| ASSETS | | |
| Goodwill | 69 763 | 59 391 |
| Other non-tangible non-current assets | 132 191 | 128 988 |
| Right-to-use assets | 16 189 | 0 |
| Tangible non-current assets | 3 161 | 3 881 |
| Associated company | 2 705 | 0 |
| Other financial non-current assets | 537 | 538 |
| Deferred tax asset | 58 | 59 |
| Total non-current assets | 224 604 | 192 857 |
| Trade receivables | 52 763 | 51 573 |
| Other current receivables | 4 858 | 3 804 |
| Cash and cash equivalent | 31 342 | 21 152 |
| Total current assets | 88 963 | 76 529 |
| Total assets | 313 567 | 269 386 |
| EQUITY AND LIABILITIES | | |
| Total equity | 68 627 | 37 675 |
| Liabilities | | |
| Non-current liabilities | | |
| Interest-bearing non-current liabilities | 56 617 | 78 000 |
| Non-current leasing liabilities | 9 232 | 1 815 |
| Other non-current liabilities | 8 642 | 0 |
| Deferred tax liabilities | 24 964 | 23 005 |
| Total non-current liabilities | 99 455 | 102 820 |
| Current liabilities | | |
| Interest-bearing current liabilities | 28 240 | 26 000 |
| Current leasing liabilities | 9 448 | 1 298 |
| Trade payables | 3 591 | 4 552 |
| Other current liabilities | 104 206 | 97 041 |
| Total current liabilities | 145 485 | 128 891 |
| Total equity and liabilities | 313 567 | 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 | | | | 24 306 | 24 306 |
| Other comprehensive income for the year | | | 252 | | 252 |
| Total other comprehensive income | 0 | 0 | 252 | 24 306 | 24 557 |
| 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 | | | | 39 040 | 39 040 |
| Other comprehensive income for the year | | | 98 | | 98 |
| Total other comprehensive income | 0 | 0 | 98 | 39 040 | 39 138 |
| Transactions with owners | | | | | |
| Share issue | 31 | 5 066 | | | 5 097 |
| Dividend | | | | -13 283 | -13 283 |
| Total transactions with owners | 31 | 5 066 | 0 | -13 283 | -8 186 |
| Closing balance December 31, 2019 | 531 | 58 100 | 363 | 9 633 | 68 627 |

Consolidated cash flow analysis (TSEK)

| | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|---|---------------|---------------|----------------|----------------|
| Cash flow from current operations | | | | |
| Cash flow from operations | 24 491 | 9 841 | 83 827 | 50 527 |
| Changes in net working capital | 4 944 | 6 974 | 5 467 | -2 066 |
| Interest paid | -336 | -683 | -2 710 | -2 269 |
| Taxes paid | -79 | -226 | -12 416 | -7 444 |
| Cash flow from current operations | 29 020 | 15 906 | 74 168 | 38 748 |
| Cash flow from investing activities | | | | |
| Investment in intangible non-current assets | -4 562 | -4 865 | -18 451 | -17 633 |
| Investment in tangible non-current assets | 0 | -1 021 | -300 | -1 244 |
| Sales of tangible non-current assets | 118 | 463 | 207 | 463 |
| Acquisition of group companies | -5 192 | 0 | -5 504 | -2 435 |
| Acquisition of associated companies | 0 | 0 | -2 952 | 0 |
| Investment in financial non-current assets | -14 | 15 | -29 | -24 |
| Interest received | 27 | 478 | 99 | 511 |
| Cash flow from investing activities | -9 623 | -4 930 | -26 930 | -20 362 |
| Cash flow from financing activities | | | | |
| Dividend | 0 | 0 | -13 283 | -75 000 |
| Share issue | 0 | 0 | 5 096 | 0 |
| Proceeds from borrowings | 40 | 0 | 8 040 | 130 000 |
| Amortisation of borrowings | -9 397 | -6 072 | -37 217 | -76 884 |
| Cash flow from financing activities | -9 357 | -6 072 | -37 364 | -21 884 |
| Net cash flow | 10 040 | 4 904 | 9 873 | -3 498 |
| Net change in cash flow | | | | |
| Cash and cash equivalent, beginning of the period | 21 659 | 16 327 | 21 152 | 24 249 |
| Exchange rate changes on cash | -356 | -79 | 317 | 401 |
| Cash and cash equivalent, end of period | 31 342 | 21 152 | 31 342 | 21 152 |

Parent company income statement in summary (TSEK)

| | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|-------------------------------------|---------------|---------------|---------------|----------------|
| Net sales | 0 | 0 | 0 | 0 |
| Other income | 2 395 | 1 990 | 7 050 | 6 196 |
| Gross income | 2 395 | 1 990 | 7 050 | 6 196 |
| <i>Operating expenses</i> | | | | |
| Compensation to employees | -2 501 | -1 865 | -6 714 | -5 016 |
| Other expenses | -22 | -4 371 | -1 816 | -6 665 |
| Total operating expenses | -2 523 | -6 236 | -8 530 | -11 681 |
| Operating income | -129 | -4 246 | -1 480 | -5 485 |
| Financial income | 76 | -907 | 135 | 179 |
| Financial expenses | -511 | -805 | -2 688 | -2 302 |
| Income after financial items | -564 | -5 958 | -4 033 | -7 609 |
| Transfers to/from untaxed reserves | 43 500 | 27 500 | 43 500 | 27 500 |
| Taxes | -9 188 | -4 536 | -8 474 | -4 396 |
| Net income for the period | 33 748 | 17 006 | 30 993 | 15 495 |

To allow for easy comparison the 2018 figures has been restated.

Parent company statement of other comprehensive income (TSEK)

| | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|----------------|----------------|---------------------|---------------------|
| Net income | 33 748 | 17 006 | 30 993 | 15 495 |
| 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 | 33 748 | 17 006 | 30 993 | 15 495 |
| Other comprehensive income for the period, attributed to: | | | | |
| The shareholders of the Parent Company | 33 748 | 17 006 | 30 993 | 15 495 |
| | 33 748 | 17 006 | 30 993 | 15 495 |

Parent company balance sheet in summary (TSEK)

| | 2019-12-31 | 2018-12-31 |
|--|----------------|----------------|
| ASSETS | | |
| Shares in subsidiaries | 133 360 | 133 360 |
| Total non-current assets | 133 360 | 133 360 |
| Prepaid expenses and accrued revenue | 158 | 206 |
| Current receivables group companies | 2 123 | 2 373 |
| Other current assets | 79 | 0 |
| Cash and cash equivalent | 782 | 997 |
| Total current assets | 3 142 | 3 576 |
| Total assets | 136 502 | 136 936 |
| EQUITY AND LIABILITIES | | |
| <i>Restricted equity</i> | | |
| Share capital | 531 | 500 |
| <i>Non-restricted equity</i> | | |
| Share premium reserve | 5 065 | 0 |
| Retained earnings | 3 769 | 1 555 |
| Net income for the period | 30 993 | 15 495 |
| Total equity | 40 358 | 17 551 |
| Liabilities | | |
| Interest-bearing non-current liabilities | 56 617 | 78 000 |
| Interest-bearing debt group companies | 56 617 | 78 000 |
| Total non-current liabilities | | |
| Current interest-bearing liabilities | 28 240 | 26 000 |
| Account payables | 16 | 645 |
| Current tax liabilities | 7 072 | 10 488 |
| Current liabilities group companies | 1 445 | 282 |
| Other current liabilities | 1 366 | 705 |
| Accrued expenses and deferred income | 1 388 | 3 265 |
| Total current liabilities | 39 527 | 41 385 |
| Total equity and liabilities | 136 502 | 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 December 31, 2019. In addition to what is stated below, the Group applies the same accounting principles as in the 2018 annual report.

Associated company

Associates are all companies over which the Group has significant influence, but not control over the financial and operational management. This generally involves shareholdings of between 20 and 50% of the voting rights. Investments in associated companies have been reported according to the equity method in the consolidated statements.

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 16.6 and the leasing liability at MSEK 16.6. The change in accounting principles will affect the balance sheet and income statement, and a number of key ratios. In 2019, depreciations have increased by MSEK 9.1, financial costs have increased by MSEK 0.2 and net income has increased by MSEK 0.0. As a result of IFRS 16, EBITDA increased by MSEK 9.4 in 2019 and EBITA increased by MSEK 0.2.

Contracts have been signed in the fourth quarter in relation to both additional leased office space and extension of existing office leases in Lund.

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 | 7 303 |
| New leasing obligations | 2 203 |
| Amortisation | -10 503 |
| Leasing liability September 30, 2019 | 18 680 |

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 25 - 28.

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 (4.8) during the fourth quarter 2019 and by MSEK 18.5 (17.3) during 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 81% SEK, 7% EUR, and 12% other currencies. Operating expenses are made up of 86% SEK, 5% EUR, and 9% other currencies.

4. Acquisitions

The acquisition of More intenz AB in July 2019 has generated goodwill in the Group amounting to MSEK 17.2 before tax, whereof MSEK 6.4 is allocated to customer relations and MSEK 10.8 to goodwill. Estimated yearly depreciations of acquired goodwill values amount to MSEK 1.3. Depreciation of acquired goodwill of MSEK 0.3 is included in the fourth quarter results. Depreciation of acquired goodwill of MSEK 0.6 is included in the results for 2019. For more information, see page 8-9.

The acquisition of More intenz AB had a cash flow effect of MSEK 5.2 during the fourth quarter and MSEK 5.5 during 2019.

5. Transactions with related parties

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

6. Taxes

Tax expenses in the fourth quarter 2019 amounted to MSEK 3.8 (1.1) and to MSEK 10.8 (5.8) during 2019. 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 2019 | Q3 2019 | Q2 2019 | Q1 2019 | Q4 2018 | Q3 2018 | Q2 2018 | Q1 2018 | Q4 2017 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Sweden | 65 724 | 54 838 | 56 241 | 57 788 | 58 427 | 46 835 | 52 473 | 49 778 | 49 094 |
| Rest of Nordic countries | 16 062 | 13 144 | 13 789 | 12 111 | 10 490 | 8 519 | 9 023 | 8 762 | 8 428 |
| Income statement in summary, TSEK | | | | | | | | | |
| Net sales | 81 786 | 67 982 | 70 030 | 69 899 | 68 917 | 55 354 | 61 496 | 58 540 | 57 522 |
| EBITDA | 24 433 | 23 702 | 17 625 | 17 900 | 10 006 | 15 694 | 11 955 | 13 037 | 12 986 |
| EBITA | 19 870 | 19 246 | 13 250 | 13 525 | 8 588 | 14 180 | 10 398 | 11 537 | 12 127 |
| EBIT | 16 251 | 15 628 | 9 950 | 10 225 | 5 464 | 10 817 | 7 011 | 8 535 | 8 638 |
| Operating margin | 20% | 23% | 14% | 15% | 8% | 20% | 11% | 15% | 15% |
| Income before tax | 15 894 | 15 321 | 9 313 | 9 338 | 5 290 | 10 311 | 6 353 | 8 115 | 8 237 |

Revenue from customer contracts (TSEK)

| Revenue by income stream, TSEK | Q4 2019 | | | Q4 2018 | | |
|---------------------------------------|----------------|---------------------------------|---------------|----------------|---------------------------------|---------------|
| | Sweden | Rest of Nordic countries | Total | Sweden | Rest of Nordic countries | Total |
| Subscription revenue | 25 939 | 7 294 | 33 233 | 21 723 | 4 400 | 26 123 |
| Licence revenue | 1 822 | 79 | 1 901 | 2 534 | 337 | 2 871 |
| Support agreements | 9 807 | 1 213 | 11 020 | 9 749 | 1 244 | 10 993 |
| Expert Services | 27 371 | 7 422 | 34 793 | 23 565 | 4 493 | 28 058 |
| Other | 785 | 54 | 839 | 856 | 18 | 874 |
| Net sales | 65 724 | 16 062 | 81 786 | 58 427 | 10 490 | 68 917 |

| Revenue by income stream, TSEK | Q1-Q4 2019 | | | Q1-Q4 2018 | | |
|---------------------------------------|-------------------|---------------------------------|----------------|-------------------|---------------------------------|----------------|
| | Sweden | Rest of Nordic countries | Total | Sweden | Rest of Nordic countries | Total |
| Subscription revenue | 97 097 | 25 523 | 122 620 | 79 325 | 14 866 | 94 191 |
| Licence revenue | 7 638 | 560 | 8 199 | 7 918 | 1 005 | 8 923 |
| Support agreements | 39 474 | 5 091 | 44 565 | 39 419 | 4 849 | 44 268 |
| Expert Services | 86 766 | 23 742 | 110 508 | 77 788 | 15 952 | 93 740 |
| Other | 3 615 | 189 | 3 804 | 3 063 | 123 | 3 186 |
| Net sales | 234 591 | 55 105 | 289 696 | 207 512 | 36 794 | 244 307 |

Sales per quarter

| Sales, TSEK | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 | Q4 2018 | Q3 2018 | Q2 2018 | Q1 2018 | Q4 2017 |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Expert Services | 34 793 | 23 603 | 25 230 | 26 882 | 28 058 | 17 277 | 24 772 | 23 633 | 22 440 |
| Software related revenue | 46 155 | 43 731 | 43 887 | 41 612 | 39 986 | 37 332 | 35 700 | 34 364 | 33 646 |
| Other | 838 | 649 | 913 | 1 404 | 874 | 744 | 1 025 | 542 | 1 436 |
| Sales, TSEK | 81 786 | 67 982 | 70 030 | 69 899 | 68 918 | 55 354 | 61 496 | 58 540 | 57 522 |
| Whereof recurring revenue | 44 253 | 42 545 | 41 335 | 39 052 | 37 115 | 35 169 | 34 048 | 32 128 | 30 774 |
| Whereof recurring revenue (%) | 54% | 63% | 59% | 56% | 54% | 64% | 55% | 55% | 54% |
| Growth net sales (%) | 19% | 23% | 14% | 19% | 20% | 23% | 19% | 18% | 23% |
| Growth recurring revenue (%) | 19% | 21% | 21% | 22% | 21% | 26% | 26% | 31% | 50% |

*) 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 2019 | Q4 2018 |
|---------------------------------------|----------------|----------------|
| Recurring revenue (quarter) | 44 253 | 37 115 |
| Annual recurring revenue - ARR | 180 564 | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|---------------|--------------|---------------|---------------|
| Operating income | 16 251 | 5 464 | 52 053 | 31 827 |
| Depreciation of acquired intangible non-current assets | 3 619 | 3 124 | 13 838 | 12 902 |
| EBITA | 19 870 | 8 588 | 65 891 | 44 729 |
| Net sales | 81 786 | 68 917 | 289 696 | 244 307 |
| EBITA (%) | 24% | 12% | 23% | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|-------------------|---------------|---------------|---------------|---------------|
| Operating income | 16 251 | 5 464 | 52 053 | 31 827 |
| Depreciation | 8 182 | 4 542 | 31 606 | 18 865 |
| EBITDA | 24 433 | 10 006 | 83 659 | 50 692 |
| Net sales | 81 786 | 68 917 | 289 696 | 244 307 |
| EBITDA (%) | 30% | 15% | 29% | 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 | 2019-12-31 | 2018-12-31 |
|------------------------------------|---------------|---------------|
| Other financial non-current assets | 537 | 538 |
| Cash and cash equivalent | 31 342 | 21 152 |
| Financial assets | 31 879 | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--------------------------|---------------|---------------|---------------|---------------|
| EBIT | 16 251 | 5 464 | 52 053 | 31 827 |
| One-off items | 0 | 6 928 | 917 | 9 553 |
| Adjusted EBIT | 16 251 | 12 392 | 52 970 | 41 380 |
| Net sales | 81 786 | 68 917 | 289 696 | 244 307 |
| Adjusted EBIT (%) | 20% | 18% | 18% | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|---------------------------|---------------|---------------|---------------|---------------|
| EBITA | 19 870 | 8 588 | 65 891 | 44 729 |
| One-off items | 0 | 6 928 | 917 | 9 553 |
| Adjusted EBITA | 19 870 | 15 516 | 66 808 | 54 282 |
| Net sales | 81 786 | 68 917 | 289 696 | 244 307 |
| Adjusted EBITA (%) | 24% | 23% | 23% | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|----------------------------|---------------|---------------|---------------|---------------|
| EBITDA | 24 433 | 10 006 | 83 659 | 50 692 |
| One-off items | 0 | 6 928 | 917 | 9 553 |
| Adjusted EBITDA | 24 433 | 16 934 | 84 576 | 60 245 |
| Net sales | 81 786 | 68 917 | 289 696 | 244 307 |
| Adjusted EBITDA (%) | 30% | 25% | 29% | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|----------|---------------|--------------|---------------|
| Expenses related to public listing of the Company's shares | 0 | -6 928 | -293 | -9 388 |
| Acquisition related expenses | 0 | 0 | -625 | -165 |
| One-off items that distort comparisons | 0 | -6 928 | -917 | -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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|-------------|-------------|--------------|--------------|
| Cash flow from current operations | 29 020 | 15 906 | 74 168 | 38 748 |
| Number of share (thousands) | 13 283 | 12 500 | 13 283 | 12 500 |
| Cash flow from current operations per share (SEK) | 2.18 | 1.27 | 5.58 | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--------------------------------------|------------|------------|--------------|--------------|
| Net sales, the period | 81 786 | 68 917 | 289 696 | 244 307 |
| Net sales, same period previous year | 68 917 | 57 522 | 244 307 | 900 |
| Growth in net sales | 19% | 20% | 19% | 20% |

Net liabilities

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

| TSEK | 2019-12-31 | 2018-12-31 |
|--|---------------|---------------|
| Interest-bearing non-current liabilities | 56 617 | 78 000 |
| Non-current leasing liabilities | 9 232 | 1 815 |
| Other non-current liabilities | 8 642 | 0 |
| Interest-bearing current liabilities | 28 240 | 26 000 |
| Current leasing liabilities | 9 448 | 1 298 |
| Financial assets | -31 879 | -21 690 |
| Net liabilities | 80 300 | 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 | Q1 2019 - Q4 2019 | Q1 2018 - Q4 2018 |
|-------------------------------|-------------------|-------------------|
| Trailing 12-month net sales | 289 696 | 244 307 |
| Number of employees | 223 | 195 |
| Net sales per employee | 1 297 | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|---------------|---------------|----------------|----------------|
| Net sales, period | 81 786 | 68 917 | 289 696 | 244 307 |
| Acquired net sales, last 12 months | -3 417 | -440 | -7 919 | -9 400 |
| Organic net sales | 78 369 | 68 477 | 281 777 | 234 907 |
| Organic net sales, same period last year | 68 477 | 50 887 | 234 907 | 184 956 |
| Adjusted for acquired net sales last 24 months | 440 | 6 635 | 8 230 | 16 733 |
| Comparable organic net sales | 68 917 | 57 522 | 243 137 | 201 689 |
| Organic net sales growth (%) | 14% | 19% | 16% | 16% |

Recurring revenue

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

| TSEK | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--------------------------|---------------|---------------|----------------|----------------|
| Subscription revenue | 33 233 | 26 123 | 122 620 | 94 192 |
| Support agreements | 11 020 | 10 993 | 44 565 | 44 268 |
| Recurring revenue | 44 253 | 37 115 | 167 185 | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|--|------------|------------|--------------|--------------|
| Recurring revenue | 44 253 | 37 115 | 167 185 | 138 460 |
| Operating expenses | -65 848 | -63 548 | -238 219 | -212 972 |
| Recurring revenue in relation to operating expenses | 67% | 58% | 70% | 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 | Q4 2019 | Q4 2018 | Q1 - Q4 2019 | Q1 - Q4 2018 |
|-------------------------|----------------|----------------|-------------------------|-------------------------|
| Operating income | 16 251 | 5 464 | 52 053 | 31 827 |
| Net sales | 81 786 | 68 917 | 289 696 | 244 307 |
| Operating margin | 20% | 8% | 18% | 13% |

Operating income, EBIT

Operating income according to the income statement.

About Lime Technologies

Our 250 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 Nordic supplier of CRM systems, by supplying systems that make our customers' work both easier and more fun.



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