Annual report 2021

Lime Technologies AB (publ)

lime
CRM with a twist

The year in brief

Recruitment record
Acquisition and German expansion
New CEO

Read more on page 4

The CEO's view

We intend to scale up the operation in Europe through long-term investments

Read more on page 5

Growth & sales

19%

MSEK 403.8

Net sales growth and net sales

Dividend

The Board of Directors proposes a dividend of SEK 2.60 per share to the Annual General Meeting

Read more on page 20

This is Lime

CRM with a twist

Since day one, our goal has been to make it easy to create exceptionally good customer relationships. With just over 30 years of experience behind us, our balance between commitment and technology has made us one of the Nordic Region's leading suppliers of CRM (Customer Relationship Management). We are now helping thousands of companies in Europe to exceed their customers' expectations. This is what we call CRM with a twist.

Business idea:

To be a full-service SaaS supplier for customer care solutions with strong local roots

Lime is a one-stop-shop organisation providing development, sales, implementation and support for CRM systems. It generates a competitive comprehensive offering and enables effective and value-generating customer care solutions.

Development – 30 years of experience in developing CRM software

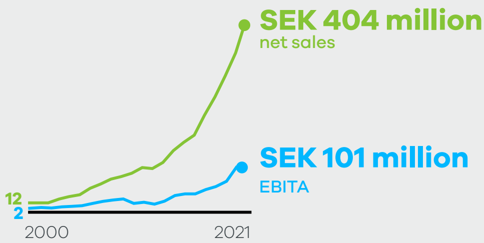
Sales – Our local experts keep our customers on the right track

Introduction – We make hundreds of implementations every year. We have seen it all.

Support – Top-rated, local support available to all customers

Long history of profitable growth

Lime was founded in 1990, and has generated an average growth rate of 19% and EBITA margin of 25% since 2020.



*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*

Product portfolio & expertise

Lime CRM is a flexible, scalable SaaS platform, consisting of a well-proven base of basic functionality which is combined with additional modules and packaged to meet unique industry requirements and workflows.

Lime Go is a cloud-based SaaS service developed to maximise sales in sales organizations. The tool provides effective control over future transactions, and is uploaded with company and contact information.

Userlike is a webchat and Customer Messaging solution which improves and simplifies communication between companies and customers. By bringing together all types of messages in the same inbox, it enables effective dialogue with the customer in all modern channels.

Customer care is more than just software, and to succeed in the implementation of new systems, behavioural changes are required. Via Lime Intenz, we assist companies in strengthening a successful corporate culture, proactive sales culture and an effective leadership.

Customer base

Over 80,000 users and 7,000 customers of all sizes and in every industry, with a special focus on the SME segment (small and medium-sized enterprises, as well as local organisations).

Industry verticals: real estate, consultancy, utility and wholesale

Large customers: Castellum, Öresundskraft, Sigma, Timo Office AB, Entra Ejendom AS, Junkers A/S and Lujatalo Oy

Over **80,000** users

Over **7,000** customers

9 offices in 6 countries

Lime's head office is where it all began – in the University city of Lund.

In addition, we have eight offices in Sweden, Norway, Denmark, Finland, the Netherlands and Germany.

Employees

354 (280) employees of whom 118 (98) are women and 236 (186) are men. More than 100 new stars were recruited to the company in 2021. 42% of these were women.

354

100

Shares & shareholders

Lime Technologies' shares were listed on 6 December 2018 in the Technology sector on Nasdaq Stockholm at an offering price of SEK 72.

Since January 4, 2021, the share is traded on the Mid Cap List. On 31 December 2021, the Company's market capitalisation amounted to SEK 4.6 billion (5.4), which represents a share price of SEK 344.20. Total turnover in 2021 was 6,854,154 shares (10,484,998) with a total value of SEK 2.5 billion (2.8).

The five largest owners

- Syringa Capital AB
- Aktiebolaget Grenspecialisten
- Swedbank Robur
- SEB
- Cliens Småbolag

Sustainability

Lime's basic characteristic is a performance-driven and caring culture, with an ambition always to do positive things – for customers, colleagues, owners, the community and the environment. Our approach to sustainability focuses primarily on three areas, linked to one or more of the UN's global goals and targets.

- Equal opportunities for all
- Promote digitalisation & entrepreneurship
- Positive climate impact

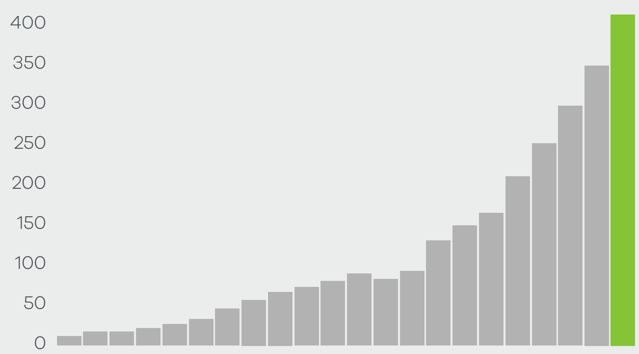
Read more in our separate Sustainability Report.

150,000 hours of expertise

We deliver 150,000 hours of CRM expertise every year. This enables us to help our customers get the most out of our software.

>**100** million points of contact

Over 100 million annual points of contact with people all over the world via our software.



Net sales year 2000 – 2021, MSEK

Contents

2021 in brief

- Establishes an office in Germany
- Acquires the German company, Userlike, which creates software for webchat and chatbots
- Nils Olsson takes over as MD and Chief Executive Officer in May
- Recruits over 100 new stars and is nominated as one of Sweden's Career Companies and one of the top three employers for new graduates in Denmark
- Decides on a new development hub in Krakow
- Lunches new functionality including Marketing Automation, e-signing and webchat
- Welcomes many new customers, including Sundsvall Energi, Stendörren Fastigheter, Junkers A/S, Fjordkraft AS, Koja-Yhtiöt Oy and Bevela BV
- The Board of Directors proposes a dividend of SEK 2.60 per share to the Annual General Meeting

NET SALES GROWTH **19%**

EBITA MARGIN **27%**

ARR GROWTH **35%**

Key figures

	2021	2020
Net sales (MSEK)	403.8	338.7
Net sales growth (%)	19%	17%
Organic net sales growth (%)	11%	14%
Recurring revenue (MSEK)	246.0	194.4
Adjusted EBITA (MSEK)	108.6	99.3
Adjusted EBITA (%)	27%	29%
Operating income, EBIT (MSEK)	76.0	83.2
Operating income, EBIT (%)	19%	25%
Earnings per share, basic (SEK)*)	4.42	4.72
Earnings per share, diluted (SEK)*)	4.42	4.72
Cash flow from current operations (MSEK)	124.6	119.1
Number of employees (average)	297	244

On the cover
In November, when the pandemic situation permitted, we were finally able to gather the organisation physically together again. Some of Lime's product team appears in the foreground of the photograph.

The CEO's view

We intend to scale up the operation in Europe through long-term investments

We can sum up 2021 as a year of 19% growth, 27% profit margin and a record number of recruitments. We continue to invest in long-term profitable growth in multiple areas, and acquire Userlike, which is also the starting gun for our expansion into the German market. Sales during the year total SEK 403.8 million, and, as a tech company, we are particularly proud of the growth in annual recurring revenue (ARR), which reaches 35%.

A world that has been rocked to its foundations creates uncertainty, but also generates new ideas and new habits

2021 becomes another year in which the world is defined by the Covid 19 pandemic. At the time of writing, most markets have again opened, and we are approaching our "new normal". At the same time, we are closely watching the Russian invasion of Ukraine, and it is too early to foresee its impact on the world and on the economy. We are also convinced that tough times generate scope for new ideas and habits in general, and in technological progress in particular. The pace of digitalisation continues to accelerate, opening up new arenas and approaches – a positive development which clearly benefits our business and gives us the opportunity to help even more companies exceed their customers' expectations. We are, of course, particularly proud when four of our customers - Volvofinans Bank, Skellefteå Kraft, Mälarenergi and Öresundskraft - win prizes for best customer service in 2021.

During 2021, the business climate continues to improve, particularly in our markets around Europe. At the same time, the lockdown has had a negative impact on us, particularly on the new sales side. We are again approaching the rate we had before the outbreak of the pandemic, and the sales processes are increasingly returning to normal. We are ending the year well, with strong growth in ARR, showing an increase of 35% for the full year.

Our future investments will be aimed at strengthening our growth internationally

During 2021, we moved into the German market through the acquisition of the German company, Userlike - an exciting company focusing on unified communication and webchat. Userlike's services also provides an excellent complement to our other solutions, and strengthen Lime's product offering to both new and existing customers. We see great potential in the German market, where, as a local supplier, we enjoy a competitive advantage in our offering to the SME sector.

With our strong roots in the Nordic Region and our investments in the rest of Europe, we are creating a solid base for future growth and profitability, as we build the local brand in our focus verticals ever stronger year on year.

Attractive employer in a competitive market

At Lime, we are building a team of high-performing and caring people. As the markets open up, we are also seeing the tug-of-war for talent intensifying in an already competitive labour market. Just like the sector in general, we are, consequently, experiencing a high level of mobility among employees. This had a negative impact on us during 2021, particularly in Sweden and in our Expert Services business area.

I am gratified and proud of how we as a company are tackling the challenges arising around staffing, and I feel that we are now well placed for 2022, with over a hundred new stars - a recruitment record we are determined to beat next year. Since the competition on developers is particularly fierce, we are also establishing a development hub in Krakow, Poland. This gives us a more extensive base to recruit from, and the opportunity to accelerate product development over time.

As a satisfying tribute to the strength of our brand, we were once again nominated as one of Sweden's Career Companies 2022, and one of the top three employers for new graduates in Denmark by the Graduateships organisation in Copenhagen.

Future focus for long term sustainable growth in all markets

During 2022, we will continue to invest to scale our operations across Europe. In order to strengthen all six of our existing markets, we will focus even more on selected verticals and on our strategy for establishing ourselves in markets outside Sweden. We will also continue to prioritise product development, with the initiative in Krakow as one stage in this. By continuing to construct and broaden our platforms, we will strengthen our competitiveness, while helping companies improve their handling of their customers still more, and offering exceptionally good customer experiences.

Finally, I would like to offer my warmest thanks to all of you, our customers, colleagues and shareholders, for your trust and effective cooperation during 2021. In true Lime spirit, I promise you that we will always do everything we can to build an even better company in the future.

/Nils Olsson, MD & Chief Executive Officer, Lime Technologies

6 reasons to to invest in Lime

1. Growing markets

Lime is one of the leading CRM suppliers in the Nordic Region and we are approaching in the long term the rest of Europe in growing markets with low CRM penetration and a high rate of digitalisation.

2. Full-service SaaS supplier with strong competitive advantages

With 30 years' experience and hundreds of implementations every year, we are responsible for everything from development to support. We work locally via a direct channel and offer solutions for small, medium-sized and local organisations, as well as well-established industry solutions.

3. Strong and growing cash flows

Pricing is subscription-based, and 60% of revenue is recurring. Our customers pay in advance, which gives us a strong cash flow and satisfactory profitability.

4. Scalable and profitable business model - our history shows that we can

Since 2000, Lime has had an average growth rate of 19% and an EBITA margin of 25%. We carry out hundreds of transactions every year, and we have a low customer concentration in which the ten largest customers are responsible for less than 7% of revenue.

5. Acquisition strategy for further growth and a strong product offering

We are looking actively for acquisitions which can complement our product portfolio, strengthen our competitiveness and contribute to increased growth.

6. Strong organisation and value-driven corporate culture

At Lime, we are building a team of high-performing and caring people. As an attractive employer, we have well-proven recruitment and onboarding processes, as well as a dedicated management team with solid experience.

Strategic focus areas for long term growth

Lime makes long-term investments for sustainable and profitable growth. With their sights set on 2025, we have decided to focus on four strategic areas.

A strong, competitive product offering

With a product vision for Lime CRM which is summarised as 1-1-100; "One system - one supplier - 100% satisfied customers and users", we are investing in strengthening both the basic functionality and the breadth of our product offering. Using standardised product packaging, more extensive launches of new functionality and clear strategies for the full product flora, including Lime Go and Userlike, we aim to simplify and make our offering more available. This will also generate more efficient projects and lead to even more satisfied customers and users.

Upgrades for existing customers

Through a major focus on upgrading from our outgoing product, Lime Easy, to Lime CRM, we have great opportunities to increase both revenue and customer satisfaction. The same applies to the transition from up-front payment to subscription, since we can offer a better customer experience with our modern SaaS solution. We have also increased our ability to help our existing customers handle large parts of the customer journey with the help of our package solutions for marketing, case management and sales.

Attracting and retaining talent

Lime's performance-driven and caring culture helps us attract key competences, and in 2021, we again broke a record, with over 100 new recruitments. To strengthen further our ability to attract and retain talent, we will focus on improved career development and our leadership programme, and also invest in employer branding. Lime will also expand the opportunities for distributed teams partly through establishing a development hub in Krakow, Poland.

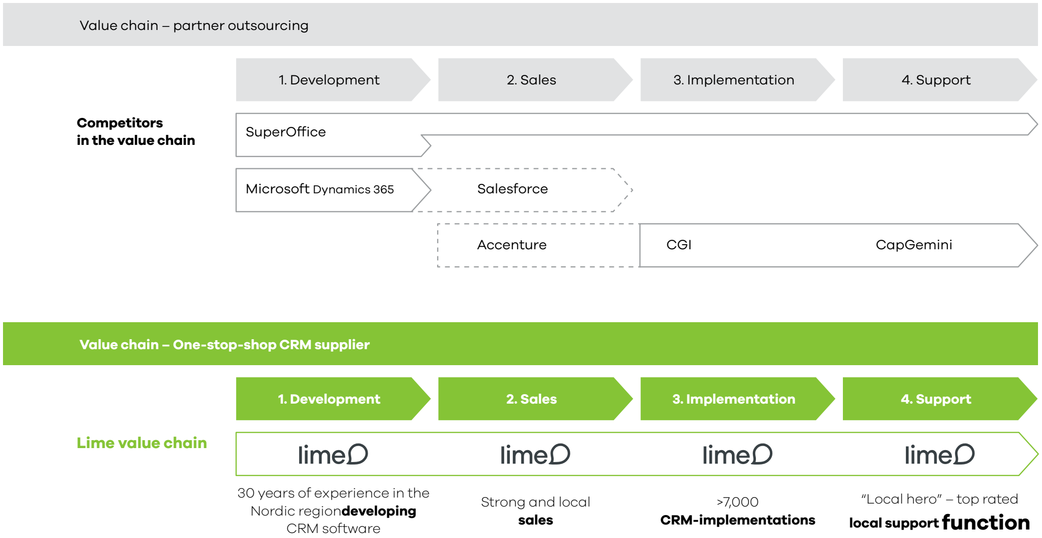
Internationalisation

Lime has a long history of excellent results in Sweden, and has held a market-leading position since 2015. To increase growth in our existing markets in the rest of Europe and to successfully expand into new markets, we will have greater verticalising focus, concentrating on our expertise industries. Lime's sales and marketing organisations were merged during 2021, and will jointly focus on building stronger brand awareness about us as a local, full-service supplier of industry-specific solutions.

Lime's business model and market position

We are the local supplier who covers the entire value chain

Lime's business model is based on a competitive full-service offering with a strong local identity. As a full-service supplier of CRM software, we cover every part of the value chain, from development and sales to implementation and support. This gives us a major competitive advantage, thanks to our comprehensive competence bank, as well as a closer and stronger relationship with our customers.

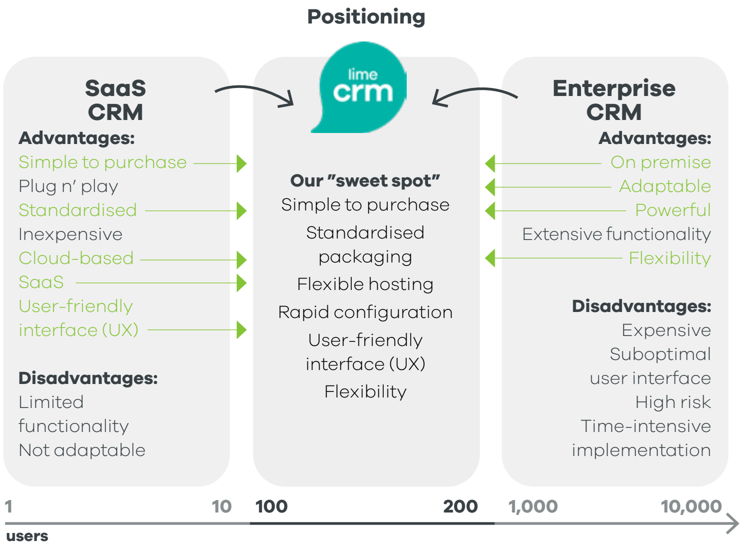


Source: Market report from CapGemini / the company's assessment.

A strong position in the SME segment

Through our broad and flexible product portfolio, we offer effective SaaS solutions focusing on small, medium-sized and local organisations, as well as well-established solutions within our industry verticals of real estate, consultancy, utility and wholesale.

Lime's customer base is large, and covers all types of company - from small companies to major global organisations. The vast majority, however, are in the SME segment. Within the microsegment (1-3 users), competition is particularly fierce, with a major focus on freemium software, a high churn rate and extreme price sensitivity. The global organisations on their side, often require highly comprehensive implementation processes with a high level of customised functionality. For other companies, i.e. small (3-20 users), medium-sized (20-200 users) and local companies, Lime's unique offering stands very strong, and this is also the market in which we see the greatest growth potential.



With its main product, Lime CRM, Lime occupies a strong position in the SME segment, bringing the best from less complex SaaS solutions and more adaptable, global CRM products. The Lime Go sales tool and Userlike's livechat are also aimed at smaller companies, since these products are more standardised and require minimal implementation.

A product portfolio that suits the times perfectly

As a well-established, fast-moving player in a highly competitive and changing market, we keep our finger constantly on the pulse and re-evaluate strategy on an ongoing basis. At this moment, we see certain trends dominating the European CRM market and enabling an even stronger position for Lime.

4 main trends in the CRM market

1

Accelerating digital transition among small and medium-sized companies

The growth of the CRM market is being accelerated by a general trend towards digitalisation which has been further strengthened by the pandemic. Not least among small and medium-sized companies, we are seeing an ever greater openness to testing new and innovative SaaS solutions. This is especially the case in Germany, where around 84% of companies still run on-prem and are increasingly open to transitioning to cloud-based solutions.

2

Broader platforms through customisation and expanded functionality

The market is heading increasingly towards collective platform thinking, in which CRM does not only deal with organising customer data, but rather on using the system as a hub for analysis, Marketing Automation, e-signing, omnichannels and integration with other systems. Accordingly, a wider selection of functionality and greater flexibility are increasing competitiveness.

3

Demand for shorter implementation times and customised solutions

Customers are increasingly demanding solutions that are ready for use and can be implemented in a short time to accelerate market introduction. Verticalised industry solutions, which provides user-friendly systems tailored to companies' unique requirements, are one example of this.

4

”CRM Marketing” drives rapid growth

Automated market flows (”Marketing Automation”) is expected to be an important growth factor within CRM Marketing, since it enables personal customer journeys and an improved user experience. An increasing demand may also be linked to the pandemic, since more traditional marketing channels of a physical type had to take a back seat.

Our offering to the market

> *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*

Customer experiences which exceed expectations

Lime delilvers user-friendly software, razor-sharp expertise and lasting results which make everyday life simpler and help companies become really good at customer care.

Spot-on software – software which is used

By "spot on software", we mean technical solutions which are precisely what the specific customer needs - neither more nor less. No important functionality will be missing, but users will not bog down in a system in which only a fraction is used. Thanks to a broad, flexible SaaS platform, smart standardised solutions for sales, marketing and case management, as well as well-established industry packaging, we can deliver value with every function and in every detail.

"On-point expertise" - value-generating with every invoiced hour

Lime delivers 150,000 hours of CRM expertise every year. We help our customers throughout the entire journey - not only with smart technology but also with behavioural changes, since we know that this is equally important for the users as is the software itself. This gives us a unique competitive advantage. Every customer, logged hour, programmed line of code and all interaction via our support - all of these are collected within our four walls and given back to our customers in the form of understanding of their industry, challenges and workflows. This enables us to deliver the most CRM for the money.

Our product vision – one system, one supplier, 100% satisfied customers

Lime's objective is to be the full-service provider who makes it easy to purchase, implement and succeed with CRM and customer care. No matter whether it involves complete CRM systems, customised to suit specific requirements or more standardised solutions for sales support, marketing, case management and customer interaction, it is always our aim to exceed our customers' expectations.

Lime CRM – a flexible platform for the full customer journey

Our main product, Lime CRM, is designed to support companies throughout the customer journey and provide an overall picture – from finding new customers and closing deals to providing support and refining existing customer relationships. The powerful SaaS platform consists of modules, which means that we can efficiently design unique solutions for the customer. In a very short time, the customer can have a solution with automated flows, support for key demands - such as transaction and case management, contacts, customer history and market activities - and a clear overview of the entire business. In combination with a broad palette of add-ons and integrations with existing systems, this creates an ecosystem which provides significant customer benefits.

Lime CRM, platform

Lime CRM is a flexible, scalable SaaS platform, consisting of a well-proven base of basic functionality which is combined with additional modules (add-ons).

Insights

Business Intelligence
Reporting
Analysis

Sales

Deal management
Agreements
E-signing
Customer management

Customer channels

Web forms
Customer portal
Chat

Marketing

Newsletters
Events
Forms
Marketing Automation
SMS

Behavioural changes

Organisational changes
Sales culture
Leadership
Gamification

Unified messaging

Omnichannel
Chat
Messenger
WhatsApp
SMS
Email

Work order

Work order
Resource planning
Checklists
Time reporting

Case management

Incoming cases
- Telephone
- Email
- SMS
- Chat

Workflows, checklist

Standardised product packaging for effective and affordable best practice solutions

Lime works actively to develop packaged solutions which bring together relevant functionality and expertise starting from basic requirements and best practice. Standardised product packages create cost-effective, rapidly implemented and well-proven solutions for the customer, while the flexibility of the platform makes it possible to supplement with customised functionality for unique requirements.

Over the next year, we will launch even more powerful solutions for sales and marketing. The integrated workflows and collected information facilitate cooperation between sales and marketing organisations and help customers deliver better results.

Industry-specific solutions and expertise

Thanks to our many years of experience in industry-specific implementations, Lime has a strong market position in four industry verticals:

- Real estate
- Utility
- Consultancy
- Wholesale

The industry competence in combination with pre-packaged solutions for each vertical, leads to advantages for the customer in terms of customised full-service solutions as well as time and cost savings. Sales to the four verticals represented around half of total net sales in 2021. An increased focus on verticalising is a central element in Lime's growth strategy.

Lime Go – sales tool loaded with company data and smart deal management flows

Lime Go is designed to maximise sales within sales organisations. The design of the software reflects Lime's more than 30 years of sales experience and helps companies streamline and improve the efficiency of their sales process. The typical customer has 3–20 users, a great need of new business opportunities and a constant flow of new customers. The cloud-based SaaS service provides effective control over future deals and comes with a large library of company and contact information for nearly all companies in the local market.

Userlike – webchat & Customer Messaging on the customers' terms

Userlike is a Customer Messaging solution which improves and simplifies communication between companies and customers. By bringing together the most popular channels for messaging – webchat, Facebook Messenger, WhatsApp, SMS etc. – in a single inbox, companies can be where their customers are and offer immediate service.

Userlike is run as a separate company within the Lime Group. The Product is sold separately under its own brand, but the functionalities offered are the same as those in the standardised add-on, Lime Chat, which connects webchat and Lime CRM in an integrated full-service solution.

Lime Intenz – the technology is just the beginning

Even though Lime offers one of the market's most user-friendly systems, customer care is more than just software. 85% of success stems from changing behaviour and processes. Through Lime Intenz, we help companies strengthen an already successful corporate culture, proactive sales culture and an effective leadership.

Our history

**As long as we can remember Lime has been growing profitably.
Below are some of the important milestones that have been critical for our success.**

1990

Once upon a time in a basement in the small town of Lund... Three math geniuses, who got to know each other at the Faculty of Engineering, founded the company "Lundalogik". Initially they took on programming assignments.

Why did we get involved in CRM?

The company did well, many new customers appeared on the doorstep and the guys who founded the company were a bit lost as to how to keep track of it all. (To be honest, they would rather just be coding.)

The solution? They developed a software to manage the customers – no surprise!

One visiting customer glanced over the shoulder of one of the guys who was using the new, internal system. "That's EXACTLY what we need!", the customer burst out. Well, that's how it all started.

WE ♥ CRM

2000

The basement was deserted long ago and we are now spread across Sweden and the business is 100% focused on CRM-software.

2002

The brand Lime is born and we launched our new CRM software Lime PRO. Lime stands for "Lund Intelligent Magnets Experts". Rumours has it that someone came up with that explanation after the brand was already established.

2006

We launch our very own trainee program, a program that today has thousands of applicants each year.

2010

Hello Oslo & Helsinki! With two new markets, we are more than 75 employees and can brag about having installed thousands of CRM systems.

2013

A new product enters the market. Let us introduce our new webbased sales tool: Lime Go!

2014

Copenhagen now offers not only hygge, but also a CRM system, since we have opened the doors of our new office.

2015

#1 in CRM & sales support! We overtake Microsoft, and are now the largest player in the Swedish CRM market.

2017

We welcome RemoteX and Netoptions to the Lime family. The following year we also acquire Sparta. With mobile field management, e-marketing and gamification, we are now able to create CRM-magic for even more of our customers!

lime
CRM with a twist

2018

To ensure that our profile reflects our ambitions for the future, we now leave the Lundalogik company name behind us. We are making it easy by naming ourselves after our most treasured asset: Lime! The 6th of December we ring the opening bell at Nasdaq Stockholm as a public company.

2019

We acquire shares in two companies, More intenz and janjoo. They both strengthen our customer offering significantly, in their different ways.

2020

Lime's strategy during the pandemic is to continue to invest in the long term, and this leads, among other things, to record-high recruitment and the establishment of an office in Utrecht in the Netherlands.

2021

We acquire the German webchat company, Userlike, and open an office in Cologne. With 16 years' experience in different roles at Lime, Nils Olsson is appointed as MD and Chief Executive Officer.

30 years of experience of long-term profitable growth

1. The entrepreneurial phase 2000–2007

- Founded in Lund in 1990. Launch of the first sales tool two years later
- Transition from assignment-based programming to 100 % CRM focus in year 2000
- Lime CRM is launched in 2002
- Offices are established in Stockholm & Gothenburg

3. The expansion phase 2008–2013

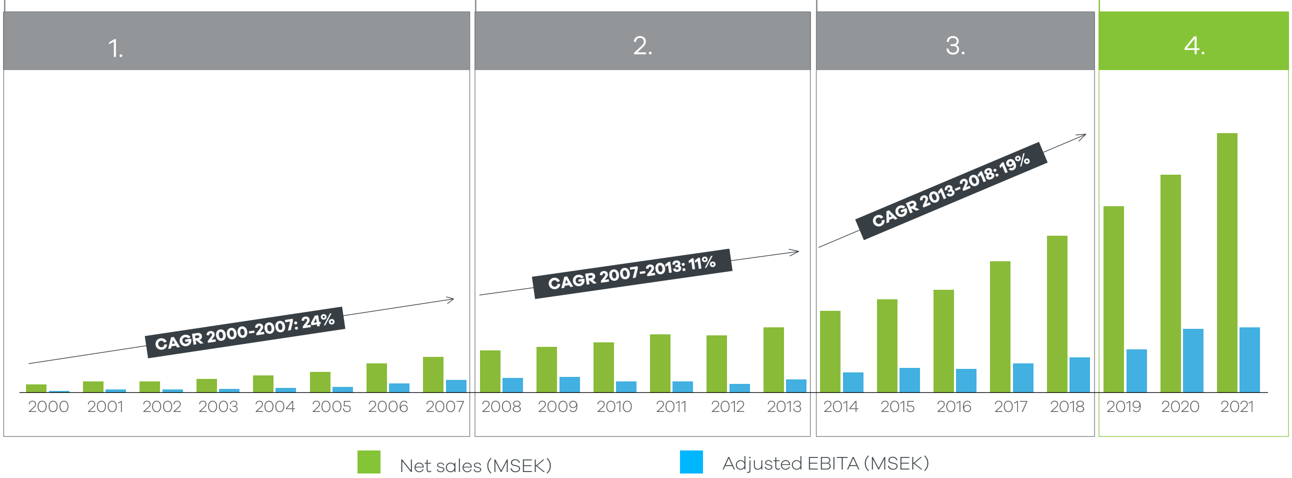
- Subsidiary of Bisnode from 2008
- Expansion into Finland & Norway in 2010
- Investments in product development by making the platform more cloud-compatible and customised for SMEs
- Launch of the new platform Lime Go

3. The transformation phase 2014–2018

- Monterro and Lime's executive managers become owners in 2014
- New pricing model by changing from up-front payments to subscriptions
- Strengthened organisation and product development to bolster further growth
- Focus on upscaling of operations in Norway and Finland, as well as expansion in Denmark
- Name change from Lundalogik to Lime
- Acquisition of companies RemoteX, Netoptions and Sparta

4. The public phase 2019 -

- Public listing of the company on Nasdaq Stockholm in December 2018
- Focus on growth outside Sweden
- Acquisition of three companies, janjoo, More Intenz and Userlike
- Expansion into the Netherlands during 2020 and Germany in 2021
- Hiring of more than 100 new employees in 2021



Our people & core values

A high-performing & caring corporate culture

"We are a high-performing and caring group of people, who spread customer love."

Culture and core values

Our employees are the key to Lime's growth and continued success. We are a culture- and business-driven organisation, with clearly defined core values that form the basis for both our daily and long-term work.

We are characterised by an aspiration to keep things simple, which permeates both products and processes, as well as all types of communication.

Core values

Lime's core values are summarised in our coat of arms, and all employees are recruited in light of these.

- Keep it simple
  Communicate and act in a simple way that is easily understood. The products must be easy and intuitive to use.
- Just do it
  Don't wait for someone else to solve the problems you encounter. If you have ideas - have the guts to try them out!
- Don't break the chain
  We are ONE company, not a number of departments.
- Spend resources wisely
  Money, time – whether that of customers, colleagues or your own – and Earth's limited resources, must be utilised in a smart way and with great care.
- Make a mark
  Don't be like everyone else – make a difference.

Recruitment for growth

Traineeprogram

We feel very proud of our successful trainee programme, which attracts thousands of applicants every year. 67 of these joined the trainee programme during 2021. The programme is an investment from the company's perspective. It's how we form the stars of the future.

During one year, new graduates are employed and get a unique opportunity to kick-start their career at Lime. All trainees from all markets start their training together at the head office in Lund. Strong ties are built here from day one. The training covers culture, values and Lime's identity, in parallel with how we jointly run the company. By involving more senior colleagues, our trainees get involved in practical work after a few weeks only. We believe in "learning by doing", which is why senior colleagues are always there to provide support to new staff members.

Senior recruitments

In parallel with the trainee programme, we work intensively on recruiting senior employees and developing our existing staff members to become experts in CRM, sales and other areas requiring a high level of competence.

We are there for our customers through the entire journey

Developers

As a tech company, our development team is the backbone of our business. Our work is agile, and we use new technology to design user-friendly core products, highly appreciated by our customers. We constantly develop our competences and we amuse ourselves by running hachatons, that encourages creativity and innovation within product development.

Account Management & Customer Success

Being a salesperson at Lime means you have a long-term focus. Rather than sending an email, we prefer to meet our customers, to build trust and create good relationships. Complex sales activities require knowledge within business development, technology and a large dose of curiosity. We are not satisfied until our customers feel they get enduring returns from their investments in our products and services. Our objective is to make their work easier and more fun.

Project Managers

We often say that our project managers are like Swiss army knives. That's because they are an amazing mix of management consultants and technical project managers. The success builds on being result-oriented and having a strong commitment to our customers. Having a deep understanding of the customer's needs means we can create unique solutions, completely customised to optimise the customer's workflows and outcomes.

Application consultants

On a daily basis, our application consultants ("appers") transform our customers' problems and needs into creative technical solutions. They do programming in close collaboration with the customer, including everything from interfaces to other IT systems, to customer specific customisations in our own systems.

Support

We cannot boast enough about our support team and how they stick with our customers in all weathers. When you call us, our customer service team picks up within two to three signals and provides support to you in your local language. That's probably why 98.5% of 6,338 respondents in our latest customer survey said they would recommend others to contact our support team.

Support functions

Where would we be without our support functions? It is absolutely critical for a growth company to have well-oiled teams within marketing, communication, HR and finance. We are proud that we can do most things in-house.

Number of employees

At the end of the financial year, the number of employees amounted to 354 (280), split between eight offices: Lund, Stockholm, Gothenburg, Copenhagen, Oslo, Helsinki, Gävle, Utrecht and Cologne.

The table below shows the average number of employees per office as of 31 December 2018-2021.

Office	2021	2020	2019	2018
Lund (head office)	123	114	108	89
Stockholm	63	55	53	48
Gothenburg	36	32	27	25
Gävle	6	5	-	-
Oslo	18	15	13	11
Helsinki	14	15	14	14
Copenhagen	9	7	7	8
Utrecht	6	1	-	-
Cologne	22	-	-	-
Total	**297**	**244**	**223**	**195**

The table below shows the average number of employees per function as of 31 December 2018-2021.

Office	2021	2020	2019	2018
Development	50	36	31	32
Product & marketing	20	12	13	13
Sales	62	54	53	48
Expert Services	128	115	98	79
Customer Support	20	15	18	13
Finance, IT & Management	17	12	11	10
Total	**297**	**244**	**223**	**195**

The proportion of women among Lime's employees during 2021 was 34% (30%).

"Don't break the chain"

Most importantly, we are ONE Lime. This, in combination with all our colleagues' daily efforts, is what spreads customer love and delivers quality and outcomes. Our pace is fast, we work as one team and – first and foremost – we have a lot of fun together.

Lime's three focus areas for sustainability

1 Equal opport-unities for all

As a fast-growing innovation company, we are dependent on attracting competent staff who contribute a range of backgrounds and perspectives. Lime is committed to a healthy, value-driven culture, reflecting care, participation and equality.

We are investing in areas such as...

- Objective internal recruitment procedures and measurements for anonymised screening
- Training in unconscious bias
- Long-term targets: 40 - 60% women in all departments and markets

5 JÄMSTÄLLDHET
10 MINSKAD OJÄMLIKHET

UN's global targets: 5.5 & 10.3

2 Digitalisation & entrepreneurship

Innovation and technological progress are decisive factors in solving both economic and environmental challenges in a sustainable way. We aim to promote this development by sharing our expertise in digitalisation, enterprise and entrepreneurship.

We are investing in areas such as...

- Forums which promote entrepreneurship and the creation of job opportunities
- Clear career development paths in all departments
- Improved customer and member care for universities, NGO:s etc. through access to our products

8 ANSTÄNDIGA ARBETSVILLKOR OCH EKONOMISK TILLVÄXT
9 HÅLLBAR INDUSTRI, INNOVATIONER OCH INFRASTRUKTUR

UN's global targets: 8.3 & 9.3

3 Positive climate impact

The environmental and climate impact is an area which demands everyone's best efforts. There is a strong commitment among Lime's employees, customers and investors to make a positive contribution and minimise our negative impact throughout the value chain.

We are investing in areas such as...

- Recycling technology – mobile phones, computers and other hardware has a severe negative impact on the climate and the environment
- Continued investments in solar parks
- Climate-smart electricity, server and car leasing agreements

13 BEKÄMPA KLIMATFÖRÄNDRINGARNA

UN's global targets: 13.2

Read more about Lime's approach to sustainability in the separate Sustainability Report.

The Lime share

The Lime Technologies share has been listed and traded in the Technology sector on Nasdaq Stockholm, since December 6, 2018. Since January 4, 2021, the share is traded on the Mid Cap List. The ticker symbol is LIME and the ISIN code is SE0011870195.

Turnover and share price performance

Total turnover in 2021 was 6,854,154 shares (10,485 th shares) with a total value of MSEK 2,520.6 (2,759.3). The average daily turnover amounted to 27,092 shares (41,607), corresponding to a daily value MSEK 10.0 (10.9). At the end of the year the share price was SEK 344.2 (407.5), and Lime Technologies' market capitalisation was MSEK 4,572.2 (5,413.9). The highest price paid during the year was SEK 492 (February 19) and the lowest price was SEK 299 (March 16).

Share capital

On December 31 2021, Lime Technologies' share capital amounted to SEK 531,339 (531,339). The number of shares amounted to 13,283,481 (13,283,481), whereof none are owned by the company. The quota (par) value per share was SEK 0.04. Each share entitles the holder to one vote. All shares carry equal rights to dividend and to the company's assets. Lime Technologies does not own any of its own shares and has not owned any of its own shares during the 2021 financial year.

Ownership structure

As of December 31, 2021, the company had a total of 6,218 (7,868) shareholders. The total share capital was 66.0 percent (75.6) owned by Swedish and foreign institutions, 2.3 percent (12.9) by the company's management and 31.7 percent (11.5) by others, including other personnel and the Board of Directors. At the end of the period, 69.2 percent (70.1) and 30.8 percent (29.1) of the total share capital was owned by Swedish and foreign shareholders respectively.

The 10 largest shareholders as of December 31, 2021		Shares	%
1	Syringa Capital AB	1,347,222	10.14%
2	Aktiebolaget Grenspecialisten	1,330,000	10.01%
3	Swedbank Robur	1,270,000	9.56%
4	SEB	713,836	5.37%
5	Cliens Småbolag	562,667	4.24%
6	Capital Group	500,526	3.77%
7	Spiltan Småbolagsfond	486,634	3.66%
8	Invesco Ltd.	437,054	3.29%
9	Svolder AB	422,665	3.18%
10	Tin Ny teknik	382,091	2.88%
		7,452,695	56.10%

Dividend policy

The board of directors has adopted a dividend policy in accordance with Lime Technologies' financial targets. According to the policy, the target for the board of directors is to pay dividends corresponding to available cash flow after consideration of Lime Technologies' debt ratio and future growth opportunities, including business acquisitions. Dividend is expected to correspond to at least 50 percent of the group's net profit.

Ordinary dividend

Lime Technologies' Board of Directors proposes a dividend for the financial year of SEK 2.60 (2,50) per share, corresponding to MSEK 35 and 59% of the net profit for 2021.

Development of the share capital

Date	Transaction	Change in number of shares	Total number of shares	Change in share capital (SEK)	Share capital (SEK)	Quota (par) value (SEK)
Dec 10, 2013	Incorporation	-	50,000	-	50,000	1
Mar 28, 2018	Bonus issue	-	50,000	450,000	500,000	10
Oct 16, 2018	Split 250:1	12,450,000	12,500,000	-	500,000	0.04
March 25, 2019	New share issue	783,481	13,283,481	31,339	531,339	0.04

Investor Relations (IR) at Lime Technologies

Lime Technologies' goal is for the share to be valued on the basis of relevant, correct, and current information. This involves a clear financial communication strategy, reliable information and regular contacts with various stakeholders in the financial markets. Contacts with the financial markets take place through presentations of quarterly reports and meetings with analysts, investors and the media at various events, seminars, and during visits to Lime Technologies' offices. Interested parties can download presentation materials and listen to audio recordings from presentations of quarterly reports on Lime Technologies' website.

Analysts

SEB – Erik Larsson
Carnegie – Predrag Savinovic

Financial information regarding Lime Technologies is available to download from www.investors.lime-technologies.com. This includes financial reports, press releases and other presentations. The company's press releases are distributed via Cision and are also available on the company's website.

Management can be reached at:
Phone: +46 46 270 48 00
E-mail: ir@lime.tech

Shareholder contact

Nils Olsson, CEO, and Magnus Hansson, CFO, Lime Technologies. Lime Technologies' management has an explicit target to keep an ongoing dialog with the media and the capital market.

Financial targets and outcomes 2021

Lime prioritises growth ahead of profitability, and invests for the long term. We adhere to four financial targets and in 2021, we stayed within the frameworks of all of them, with exceeded outcomes for both growth and profitability.

TARGETS	OUTCOME
Growth > 18% Lime has a medium-term objective to achieve annual net sales growth exceeding 18 percent	**Growth, 19%**
Profitability > 25% Lime has a medium-term objective to achieve an annual EBITA margin exceeding 25 percent	**Profitability, 27%**
Capital structure < 2.5 X The capital structure objective is to keep the net debt to EBITDA ratio below 2.5.	**Capital structure, 1.6 X**
Dividend > 50% Lime intends to distribute available cash flow after consideration of the company's indebtedness and future growth opportunities, including acquisitions. Dividend is expected to correspond to at least 50 percent of net profit.	**Dividend, SEK 2.60 per share (59%)** The Board of Directors proposes a dividend of SEK 2.60 per share to the Annual General Meeting.

The Chairman of the Board's view

Long-term focus on a growing market

As Chairman of the Board, I am very pleased to say that 2021 was another successful year for Lime, in growth, profitability and recruitment. At the same time, we have a further year noted for the spread of Covid 19 behind us. Lime responded to the challenges which followed for the operations from the uncertain business climate and varying degrees of lockdown for the various markets, with a continuing strong focus on future growth. Investments in competence, product development, sales and marketing, the acquisition of Userlike and the establishment in the German market make the organisation well fitted for the reopening of society.

The accelerating transition to digitalisation is fuelling a positive market climate

Russia's invasion of Ukraine has just begun. In the present situation, it is difficult to foresee the consequences that will arise for the business climate in Europe. Likewise, the long-term effects of the pandemic is still difficult to foresee. At the same time, the changed behaviour caused by the pandemic means an ever faster rate of digitalisation. During 2021, Lime already noted an increased demand for digital solutions for customer management and case management, and made an assessment that this trend will accelerate further in the medium and long terms. As an experienced full-service supplier of CRM, with a clear strategy to work locally through a direct channel, Lime is in the unique position within the SME segment and within the Company's focus verticals. Not least, the increase in recurring revenue of 35% demonstrates that the Company is poised to deliver the solutions of the future in a growing European market. The continuing high demand for Lime's services will enable more companies to deliver world-class customer care and exceed their customers' expectations.

Acquisition strategy and long-term internationalisation

Over the years, Lime has demonstrated its ability to grow both organically and through acquisitions. With the purchase of the German company, Userlike, in May 2021, Lime carried out its first acquisition outside Sweden. The process of integrating Userlike begun during the year, and this has resulted, among other things, in a standardised integration with Lime's main product, Lime CRM. The acquisition also became the starting gun for Lime to establish itself in the German market. We know from experience that it takes time to build up a brand and a customer base in a new market. Gaining a springboard, in the form of an already established company of German origin, we see as a crucial strategic stage in the establishment phase. The organisation evaluates the opportunities for further corporate acquisitions on an ongoing basis, focusing on the different ways in which they could strengthen our product portfolio and increase both revenue and customer satisfaction.

Corporate governance which challenges and strengthens the organisation strategically

During the year, the Board had the pleasure of welcoming Nils Olsson as Lime's new MD and Chief Executive Officer. One of the most important tasks of the Board of Directors is to support Nils and the rest of the management team, not least by lifting their eyes and focusing on the long term trend, in which the Company's business opportunities and risks in a changing market are balanced. With valuable collective experience at senior levels in areas such as the software industry, the stock market, corporate acquisitions and HR issues, the members of the Board demonstrate excellent insight and understanding of the challenges facing the Company's management. During the past year, accordingly, the Board has played an important part in the management team's effort to develop strategic focus areas which will characterise Lime's operations over the next few years. Through initiatives in internationalisation, competence maintenance, a strong product offering and a transition to subscription services for existing customers, Lime will continue to develop for future growth. *

/Martin Henricson, Chairman of the Board

** These focus areas are presented in greater depth on p. 8 of the Annual Report.*

Corporate Governance

The Corporate Governance Report is submitted in accordance with the regulations set out in The Swedish Annual Accounts Act and The Swedish Corporate Governance Code (the "Code").

The Code applies to all Swedish companies whose shares are listed on a regulated market. The Code defines a norm for good corporate governance on a higher level of ambition than the Swedish Companies Act and the minimum requirements of other regulations. The Code is based on the principle of "comply or explain". This means that Lime is not required to apply every rule of the Code at all occasions but may choose alternative solutions deemed to better respond to particular circumstances, provided the company openly discloses all such deviations, describes the alternative solution and states the reason for the deviation.

The Corporate Governance Report has been reviewed by the company's auditor in accordance with statutory auditing. Effective and clear corporate governance contributes to ensuring confidence from Lime's stakeholder groups and also increases focus on business purpose and shareholder value in the company. With a high level of transparency, Lime's board of directors and management aim to facilitate the individual shareholder's understanding of the company's decision paths, and to clarify where powers and responsibilities lie in the organization. The board of directors and management aim for the company to comply with requirements set on the company by Nasdaq Stockholm, shareholders and other stakeholders. Further, the board of directors follows the general debate on the subject and recommendations issued by various bodies.

Lime's corporate governance is mainly based on Swedish law, primarily the Swedish Companies Act (Sw. *aktiebolagslagen*), Lime's articles of association, and internal policies and instructions. Lime further complies with rules under the Code and the Nasdaq Stockholm rulebook for issuers.

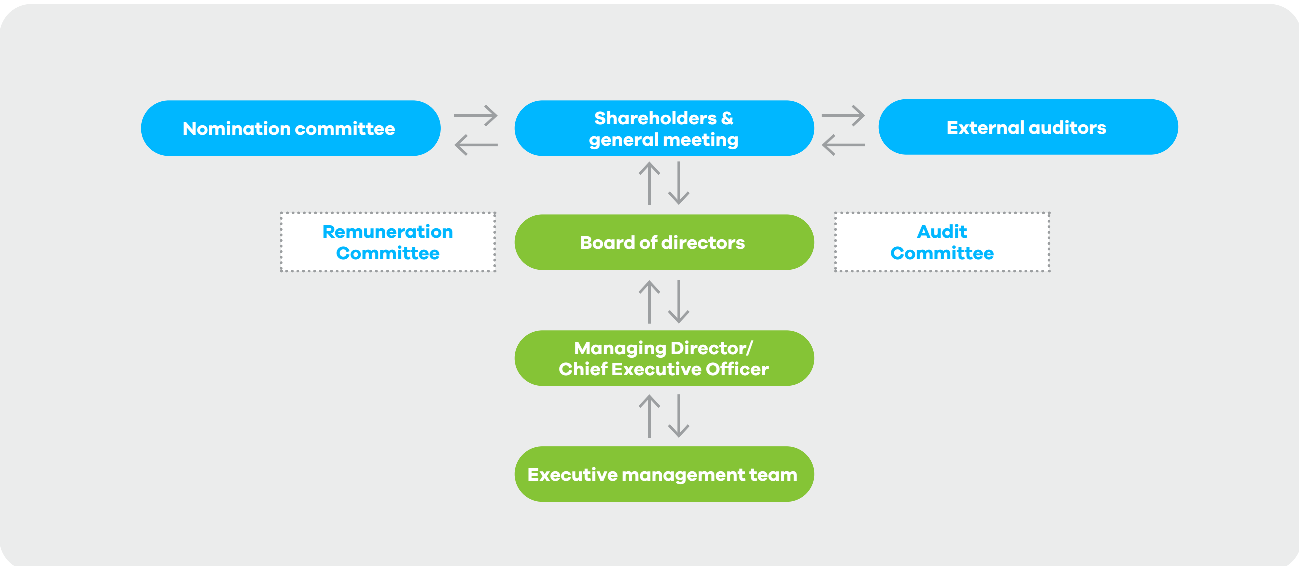
Corporate governance within Lime is primarily exercised through the annual general meeting and the board of directors. In a wider perspective, it also includes management, its responsibilities and the control and reporting functions within the Group.

Governance structure

Lime's shareholders are the ultimate decisionmakers in respect of the Group's governance. At the annual general meeting, the shareholders appoint the board of directors, the chairman of the board and the auditor, and resolve how to appoint the nomination committee.

The board of directors is responsible to the shareholders for the Group's organization and management of the Group's affairs.

The auditor reports on their review to the annual general meeting.



Shareholders & general meeting

According to the Swedish Companies Act (Sw. *aktiebolagslagen*), the general meeting is the company's ultimate decision-making body. At the general meeting, the shareholders exercise their voting rights on issues such as the adoption of income statements and balance sheets, the appropriation of the Company's profit or loss, the discharge from liability of members of the Board of Directors and the CEO, the election of members of the Board of Directors and the auditors and the determination of the fees paid tothe Board of Directors and the auditors. Members of the board of directors are appointed and dismissed in accordance with the Swedish Companies Act and the articles of association contain no special rules for this. The annual general meeting must be held within six months from the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened. According to Lime's articles of association, general meetings are convened by publication of the convening notice in the Swedish National Gazette (Sw. *Post- och Inrikes Tidningar*) and on Lime's website. At the time of the notice, information regarding the notice shall be published in Dagens Industri.

The company's articles of association contain no restrictions on how many votes each shareholder can cast at a general meeting.

Amendments to the articles of association are decided in the manner that follows from the Swedish Companies Act and the articles of association contain no special rules for this.

Right to participate in general meetings

Shareholders who wish to participate in a general meeting must be included in the shareholders' register maintained by Euroclear Sweden AB on the date occurring five business days prior to the meeting and notify Lime of their intention to participate not later than the date indicated in the notice convening the meeting. Typically, it is possible for a shareholder to register for the general meeting in several different ways, as indicated in the notice of the meeting. To participate in the general meeting, shareholders who have nominee-registered their shares must, in addition to registering their intention to participate, register the shares in their own name so that the person concerned is registered as a shareholder in the register kept by Euroclear Sweden AB five weekdays before the general meeting.

Shareholders who are not personally present at the general meeting may exercise their right to attend the meeting by proxy. Shareholders who are personally present at the general meeting, or proxies for absentee shareholders, may bring no more than two assistants.

Shareholder initiatives

Shareholders who wish to have a matter discussed at a general meeting must submit a written request in that regard to Lime's board of directors. Matters shall be discussed at the general meeting if the request has been received by the board of directors at least seven weekdays prior to the time when the convening notice according to the Swedish Companies Act may be submitted at the earliest, or thereafter but within such time that the matter can be included in the convening notice to the general meeting.

2021 annual general meeting

The Annual General Meeting was held on April 27, 2021. For the purpose of counteracting the spread of the virus which causes Covid 19, the Board resolved that the Annual General Meeting should be held without the physical presence of shareholders, representatives or outside parties, and that the shareholders should have the opportunity to exercise their votes ahead of the Meeting through postal voting. 56% of the shares and voting rights were represented at the meeting.

Decisions by the shareholders at the annual general meeting included:

- payment of dividend of SEK 2.50 per share. Payment of dividend amounted to MSEK 33.2 in total
- the board of directors shall consist of five members and no deputy members
- re-election of Martin Henricson as Chairman of the Board.
- re-election of Martin Henricson, Malin Ruijsenaars and Marlene Forsell
- election of Lars Stugemo and Erik Syrén as new members of the Board
- approval of board of directors fees until the next annual general meeting of SEK 350,000 to the chairman of the board and, SEK 200,000 to each of the other board members. It was also resolved that, in the event the board implements an audit committee, compensation of SEK 40,000 be paid to the chairman of the audit committee and SEK 25,000 to each of the other audit commitment members.
- election of Öhrlings PricewaterhouseCoopers AB (PwC) as auditors, with Ola Bjärehäll as the auditor in charge.
- authorisation of the board of directors to decide – at one or more occasions during the period extending until the next annual general meeting in 2021 – with or without deviation from the shareholders' preferential rights and with or without provisions regarding payment in kind or by set-off – to issue new shares in the company. The number of shares issued under the authorisation is restricted to ten percent (10%) of the total number of shares outstanding on the occasion

of the decision of authorisation. If deviating from shareholders' preferential rights, then the issue under this authorisation must be made on market terms.

- long-term incentive programme through a targeted issue of share options with subsequent transfer to the participants.

Nomination committee

The annual general meeting resolves how the nomination committee will be appointed. The nomination committee's task is to prepare and propose a chairman and other members of the board of directors, including remuneration to the chairman and other members. The nomination committee's task is furthermore to evaluate the work of the board, primarily based on the report provided by the chairman to the nomination committee. The nomination committee applies Lime's diversity policy in its proposal for election of board members.

On 29 June 2020, the annual general meeting of Lime Technologies AB (publ) adopted the following instructions for the nomination committee.

The chairman of the board shall contact the three largest shareholders, in terms of voting rights, listed in the shareholders' register maintained by Euroclear Sweden AB as of the last business day in August the year prior to the annual general meeting will be held. The three largest shareholders shall each be offered an opportunity to appoint a member who together will constitute the nomination committee for the term that extends until such time that a new nomination committee has been appointed. Should any of these shareholders decline to exercise their right to appoint a member, the right will be extended to the next largest shareholder. The nomination committee may adjunct the chairman of the board to the nomination committee.

The chairman of the nomination committee shall be the member representing the largest shareholder in terms of voting rights, unless the members unanimously agree on another chairman. However, the chairman of the nomination committee may not be a director of the board.

The majority of the members of the nomination committee shall be independent in relation to the company and its management. Neither the CEO nor any other member of the company's management may be a member of the nomination committee. At least one of the members of the nomination committee must be independent in relation to the company's largest shareholder in terms of voting rights, or group of shareholders who cooperates in terms of the company's management. The board of directors must not represent a majority of the members of the nomination committee. If more than one member of the board of directors is a member of the nomination committee, only one of them may be dependent in relation to the company's largest shareholder.

The members of the nomination committee shall receive no fee. If necessary, the company shall cover reasonable costs for the retention of external consultants to enable the nomination committee to perform its duties.

The composition of the nomination committee shall be announced by separate press release as soon as the nomination committee has been appointed and no later than six months before the annual general meeting. The information shall also be available on the company's website, where it shall also be explained how shareholders may submit proposals to the nomination committee.

A member of the nomination committee shall step down if the shareholder by whom they were appoin-ted is no longer one of the three largest shareholders, after which a new shareholder in size order shall be offered the opportunity to appoint a member. Such an offer only needs to be extended to the next three shareholders in order of size. In the absence of special reasons, however, no changes shall be made to the composition of the nomination committee if only minor changes in voting numbers have occurred or if the changes occur later than three months before the annual general meeting. In the event a member resigns from the nomination committee before its work is completed, such shareholder who appointed the member shall be entitled to appoint a new member to the nomination committee, provided the shareholder is still one of the three largest shareholders in terms of voting rights who are represented in the nomination committee.

The nomination committee is entitled, if it is deemed appropriate, to adjunct a member who is appointed by a shareholder who, after the constitution of the nomination committee, has become one of the company's three largest shareholders and who is not already represented on the nomination committee. Such an adjunct member does not take part in decisions made by the nomination committee.

Nominations Committee preparing for the Annual General Meeting 2022

Name/represented	Percentage of votes, 31 Dec 2021
Veronica Sandman, Syringa Capital AB	10.1%
Emil Hjalmarsson, AB Grenspecialisten	10.0%
Jan Dworsky, Swedbank Robur Fonder	9.6%
Co-opted member, Martin Henricson, Chairman of the Board	

Apart from AB Grenspecialisten and Syringa Capital AB – who represent 10.0% and 10.1% of the shares respectively – there are no other shareholders who represent more than 10% of the voting rights on 31 December 2021.

External auditors

The auditor reviews Lime's annual report and accounts, as well as the management by the board of directors and the CEO. Since Lime is parent company in a Group, Lime's auditor shall also review the consolidated accounts and the Group companies' interrelationships. The auditor submits an audit report and a Group audit report to the annual general meeting following each financial year.

Lime's auditors are Öhrlings PricewaterhouseCoopers AB. Ola Bjärehäll is the auditor in charge. The Company's auditors are presented in more detail under the section "Board of Directors, senior executives & auditor" in the Annual Report published on Lime's website.

During the 2021 financial year, the total fees paid to the Company's auditors amounted to TSEK 888 of which TSEK 336 related to the Parent (TSEK 991 in 2020, of which TSEK 322 related to the Parent). In 2021, TSEK 784 related to audit services (whereof TSEK 336 to the parent company).

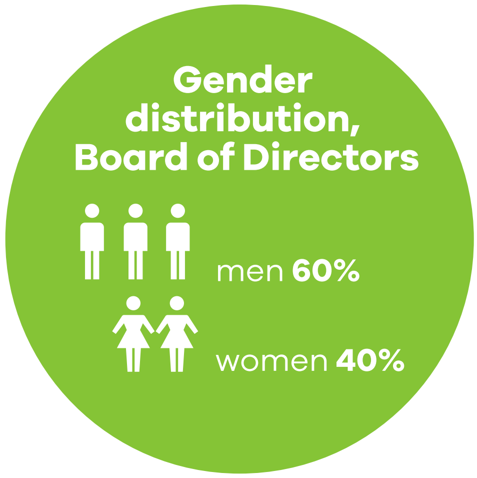
The board of directors

Composition of the board of directors

Members of the board of directors are normally appointed by the annual general meeting for the term until the next annual general meeting. According to Lime's articles of association, the members of the board of directors shall not be fewer than three and not more than eight members with no deputy members.

According to the Code, the chairman of the board of directors shall be elected at the annual general meeting.

Not more than one of the members of the board of directors – insofar as elected by the general meeting - shall be a member of Lime's management or its subsidiaries' management. The majority of the board of directors – insofar as elected by the general meeting – shall be independent of Lime and its management. At least two of the members of the board of directors who are independent in relation to Lime and its management shall also be independent in relation to Lime's major shareholders. For more information about the members of Lime's board of directors, and a description of their independence in relation to the company and its management, as well as in relation to Lime's largest shareholders, see section "Board of directors, senior executives and auditor" in the annual report published on Lime's website.



Work and responsibilities of the board of directors

Lime's board of directors is the second-highest decision-making body, after the general meeting. The Swedish Companies Act prescribes that the board of directors be responsible for Lime's organization and the management of Lime's business. The board of directors shall continuously assess Lime's and the Group's financial position. The board of directors shall ensure that Lime's organization is structured such as the accounting, asset management and Lime's financial conditions are otherwise controlled in a secure manner.

Under the Code, the board of directors is responsible for, among other things, setting the company's targets and strategies, appointing, evaluating and, if necessary, removing the CEO, defining appropriate guidelines to govern the company's conduct in society, with the aim of ensuring the company's longterm capability for value creation, ensuring there are appropriate systems in place for follow-up and control of the company's operations and for the risks to which the company and its operations are associated, ensuring there are satisfactory controls in place of the company's compliance with laws and other regulations applicable to the company's operation, as well as the company's compliance with internal guidelines, and ensuring that the company's disclosure of information is characterized by transparency and is accurate, relevant, and reliable. It is also part of the Board's duties to identify how sustainability issues affect the Company's risks and business opportunities. Should responsibilities be delegated to one or more of the board's members or to others, the board of directors shall, in compliance with the Swedish Companies Act, act responsibly and continuously ensure that the delegation is maintained. The chairman of the board shall ensure that the work of the board of directors is effective and that the board of directors complies with its obligations.

The work of the board of directors is regulated by written rules of procedures. The rules of procedure include regulations of the functions and distribution of work and responsibilities between the board members and the CEO, as well as between the board of directors and the various committees and certain procedural issues relating to the convening of board meetings. The board of directors convenes according to an annual determined schedule. In addition to these meetings, the board meetings can be convened if the chairman of the board considers it necessary or if a member of the board of directors or the CEO so requests. In accordance with the Swedish Companies Act, the board of directors has adopted an instruction for the CEO, including instructions for both internal reporting to the board of directors and the company's external reporting to the market.

Diversity

Lime has a policy in place that governs the principles for diversity among its board of directors.

Lime's board of directors shall, as a whole, have appropriate comprehensive competence and experience in relation to Lime's business operations, and be able to identify and understand the risks the company is exposed to. The aim is for the board to consist of members of varying ages, with balanced gender composition and from varied geographical origins, as well as from varied educational and professional backgrounds, which together lead to independent and critical scrutiny from the board.

Remuneration committee

The board of directors has decided it shall manage matters in their entirety, which, according to the Code, otherwise would have been the responsibility of a separate remuneration committee. This means the board of directors shall:

- make decisions on issues concerning remuneration principles, remuneration and other terms of employment for the executive management,
- monitor and evaluate, both ongoing and during the year finalized, programs for variable remuneration
- monitor and evaluate the application of the guidelines for remuneration to senior executives, which, according to law, the annual general meeting is required to adopt, as well as applicable remunertion structures and remuneration levels in the company, and
- the remuneration committee prepares matters for the board of directors, which has the right of decision.

Audit committee

The board of directors has decided to constitute a separate audit committee. The audit committee shall:

- monitor the company's financial reporting and provide recommendations and proposals for ensuring the reliability of the reporting,
- with respect to the financial reporting, monitor the efficiency in the company's internal controls, internal audit and risk management,
- keep itself informed of the audit of the annual report and consolidated financial statements and the conclusions of the Audit Council's (Sw. *Revisionsinspektionen*) quality control,
- keep itself informed regarding the results of the audit and the manner in which the audit contributed to the reliability of the financial reporting and the function played by the committee,
- review and monitor the auditor's impartiality and independence and thereupon to note in particular whether the auditor provides the company with services other than audit services,
- assist in the preparation of proposals regarding the resolutions from the general meeting concerning the election of auditor, and

The audit committee prepares matters for the board of directors, which has the right of decision. In 2021, the Audit Committee consisted of Marlene Forsell and Anders Fransson.

Lime's Managing Director and CFO participate in the Committee's meetings as rapporteur and secretary respectively.

Remuneration to the board of directors

The 2021 annual general meeting resolved to pay compensation to the board of directors for the period until the next annual general meeting of SEK 350,000 to the chairman of the board and SEK 200,000 to each of the other board members. It was also resolved that, in the event the board implements an audit committee, compensation of SEK 40,000 be paid to the chairman of the audit committee and SEK 25,000 to each of the other audit commitment members. A total of SEK 1,215,000 shall thus be paid as compensation to the board of directors for the period until the end of the 2022 annual general meeting. The amount is distributed among the board members as shown in the table below.

Name	Function	Board Fee (SEK)
Martin Henricson	Chairman	350,000
Erik Syrén	Board member	200,000
Lars Stugemo	Board member	200,000
Malin Ruijsenaars	Board member/ audit committee	225,000
Marlene Forsell	Board member / Chair. Audit committee	240,000
Total		**1,215,000**

The chairman of the board

The board's rule of procedure states, among other things, that the chairman of the board shall ensure the work of the board is performed in an efficient manner and that the board of directors fulfils its obligations. This involves organizing and leading the work of the board of directors and creating the best possible conditions for its work. In addition, the chair- man of the board shall ensure the members of the board of directors continuously update and deepen their knowledge about the company and that new members receive appropriate induction and education. The chairman shall be available as an advisor and discussion partner to the CEO, but also evaluate the CEO's work and report the evaluation to the board of directors. Further, it is the chairman of the board's responsibility to ensure the board of directors' work is evaluated annually and to provide such evaluation to the nomination committee. Martin Henricson was elected chairman of the board at the annual general meeting on June 29, 2020. The chairman does not participate in the operational management of the company.

The work of the board of directors 2021

Since the Annual general Meeting on April 27, 2021, up to and including the date on which this Annual Report was adopted, the Board of Directors has conducted 11 minuted meetings. Lime's Managing Director and CFO participate in Board meetings as rapporteur and secretary respectively. At the meetings, the board of directors addressed standard business issues that, as stated in the board's rule of procedure, were presented at each board meeting. These include the business environment, budget, interim reports and annual accounts. Otherwise, work was focused on further development of the previously developed market and acquisition strategies. In addition to the scheduled meetings, the board's work is made up of ongoing financial reviews, strategic product development, recommendations regarding remuneration levels, acquisition matters, and issues relating to accounting and auditing.

The Board's work has been reviewed in a systematic way since the constituent Board meeting on 27 April, 2021. The review showed that the board's work was well-functioning.

Attendance board meetings

Board member	Present (of 11)
Marlene Forsell	11
Martin Henricson	11
Malin Ruijsenaars	10
Erik Syrén	11
Lars Stugemo	11

Since the annual general meeting on June 27, 2021, and until the adoption of this Annual Report, the Audit Committee has conducted 6 minuted meetings.

Attendance audit committee meetings

Board member	Present (of 6)
Marlene Forsell	6
Malin Ruijsenaars	6

Attendance remuneration committee

Board member	Present (of 1)
Erik Syrén	1
Marlene Forsell	1
Lars Stugemo	1
Martin Henricson	1
Malin Ruijsenaars	1

The CEO and other senior executives

The senior executives' work and responsibilities

The CEO is tasked with the handling of the ongoing management and daily operations of the company in accordance with the guidelines and instructions from the board of directors. The division of work between the board of directors and the CEO is set out in the rules of procedure for the board of directors and the board's instructions to the CEO.

The CEO leads the work in the Group's management and makes decisions after consultation with its members. The CEO is also responsible for the presentation of reports and information at the board meetings and must continuously keep the board of directors informed about matters necessary to evaluate the company's and the Group's financial position.

The CEO and other senior executives are presented in the section *"Board of Directors, senior executives & auditor" in the Annual Report* published on Lime's website.

Remuneration of senior executives

The table below shows the remuneration received from the company and its subsidiaries by the CEO and other senior executives during the 2020 financial year.

Total average number of senior executives, including the CEO, was 7 (8) in 2021.

January 1 - December 31, 2021 (TSEK)	Base salary/fee	Variable pay	Pension cost	Other compensation	Total
CEO up to and including April 30, 2021	899	0	154	68	1,122
CEO from and including May 1, 2021	1,041	137	129	52	1,359
Other senior executives	5,836	330	1,077	246	7,489
Group total	**7,777**	**466**	**1,360**	**366**	**9,969**

Terms of employment for the CEO and other senior executives

Remuneration and pensions

According to his employment contract, the CEO is entitled to a monthly compensation of SEK 130,000 and pension benefits according to the company's prevailing pension policy. However, pension benefits shall never exceed an amount for which the company can make tax deductions. Provided that certain predefined targets are met, the CEO may also receive a company bonus of not more than four months' salary. The bonus is based on the performance of the Group, whereby 50 percent of the bonus is based on how well the company performs in relation to the net sales target and 50 percent is based on how well the company performs in relation to its profitability target. The CEO is also entitled to other normal employment benefits.

Other senior executives are entitled to a fixed base salary, company bonus and, if applicable, individual bonuses, pensions and other benefits, as well as other common terms of employment.

Termination and severance pay

In case of termination of the CEO's employment contract, a notice period of nine months applies upon termination by the company and a notice period of six months in the case of termination by the CEO. The CEO is not entitled to severance pay in connection with termination of employment.

A mutual notice period of three months applies to other senior executives (or the period otherwise applicable under law or collective agreement) and they are not entitled to severance pay in connection with the termination of their employment.

Guidelines for the remuneration of senior executives

The annual general meeting on June 29, 2020, resolved on the following guidelines for remuneration to senior executives.

Senior executives

For the purposes of these guidelines, senior executives include the Chief Executive Officer and executives who report to the Chief Executive Officer and are members of the Group Management. Information on the composition of the management team is available at investors.lime-technologies.com.

General remuneration principles

In short, the Company's business strategy is to be a comprehensive CRM expert that offers a powerful and flexible SaaS platform, which leads to a loyal customer base and a profitable business model, strong cash flow and profitable growth.

For more information, please refer to the Company's Annual Reports and the Company's website, https://www.lime-technologies.se/.

A prerequisite for implementing the Company's business strategy, safeguard its long-term interests, including sustainability, is that the Company can recruit and retain qualified employees. The Company should therefore offer conditions of employment, including remuneration, that enable attracting and retaining senior executives with the competence and experience required to achieve the Company's goals. The remuneration shall be based on terms that are competitive and in line with market terms.

When evaluating whether these guidelines and the limitations set out herein are reasonable, the Board of Directors (including the Remuneration Committee) has considered the total remuneration of all employees of the Company including the various components of their remuneration as well as the increase and growth rate over time.

Principles for fixed and variable remuneration

The remuneration covered by these guidelines may consist of fixed basic salary, variable cash salary, pension and other benefits. In addition the general meeting may decide on, inter alia, long-term incentive programs.

Principles for fixed base salary

Every senior executive will be paid a fixed base salary based on the expertise, responsibility and performance of the senior executive and shall be on market terms and competitive.

Fixed base salary may not amount to more than eighty-five (85) per cent of the total remuneration, assuming that full variable cash salary, pension benefits and other benefits are paid (if there is no variable cash salary, pension benefits or other benefits, the fixed basic salary will constitute the entire remuneration).

Principles for variable remuneration

Variable cash remuneration shall be based on how well the Company meets its financial targets for organic growth and EBITDA. Accordingly, the criteria for variable remuneration is linked to how well the Company is fulfilling its business strategy and long-term interests, including sustainability. To which extent the criteria for awarding variable remuneration have been satisfied shall be determined when the relevant measurement period of the performance criteria has ended. This will be evaluated and documented on an annual basis.

For each senior executive (except for senior executives whose main responsibility is own sales), variable remuneration may amount to a maximum of twenty-five (25) per cent of total remuneration if full variable remuneration, pension benefits and other benefits are paid. For senior executives whose main responsibility is own sales, the total remuneration may amount to a maximum of eighty (80) per cent of the total remuneration if full variable remuneration, pension benefits and other benefits are paid.

The Company has the right to recover variable remuneration if it turns out that the Company's accounts contain material errors.

Pension

Senior executives shall have pension terms and pension levels that are in line with market terms. The pension benefits shall be premium based. Variable remuneration shall only constitute a basis for pension benefits if it follows from provisions in the applicable collective bargaining agreement. Unless applicable collective bargaining agreements state otherwise, pension benefits may amount to a maximum of thirty (30) per cent of the fixed salary for each senior executive and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of twenty (20) per cent of the total remuneration.

Other benefits

The Company offers other benefits to senior executives such as company car and health insurance. The benefits shall be in line with market terms and the costs of such benefits may, for each senior executive, amount to a maximum of eight (8) per cent of the fixed basic salary and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of five (5) per cent of the total remuneration.

Termination notice and severance pay

Employment agreements entered into between the Company and senior executives shall, as a principal rule, apply until further notice. If the Company terminates the employment of a senior executive, the notice period may not exceed twelve (12) months.
Severance pay
Severance pay shall only be paid upon termination by the Company and shall not exceed an amount equivalent to the agreed fixed base salary during the notice

period. The notice period shall not exceed six (6) months and no severance shall be payable upon the senior executive's own termination of his or her employment.

Decision-making process

The Board of Directors has appointed a Remuneration Committee to prepare the Board's proposal for guidelines. Based on the recommendation of the Remuneration Committee, the Board shall, when the need arises for significant changes to the guidelines, at least every four years, prepare guideline proposals to be presented at the Annual General Meeting. The guidelines shall apply to each commitment of remuneration to senior executives, and to any change in such commitment, that is decided after the Annual General Meeting at which the guidelines were adopted. The guidelines thus have no effect on previously binding contractual obligations. Other General Meetings than the Annual General Meetings may amend the guidelines.

The Remuneration Committee shall also monitor and evaluate the application of these guidelines, ongoing and completed programs for variable remuneration to senior executives and the Company's remuneration structures and remuneration levels.

Within the scope and on the basis of these guidelines, the Board of Directors shall, based on the remuneration committee's preparation and recommendations, annually decide on the specific revised remuneration terms for each individual senior executive and also make other decisions on remuneration to senior executives that may be required. The Chief Executive Officer and the other senior executives do not participate in the Board of Directors' handling of and resolutions regarding remuneration-related matters if they are affected by such matters.

Deviation from these guidelines

The Board of Directors may temporarily resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for such deviation and if the deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, it is part of the Remuneration Committee's tasks to prepare the Board's decision on remuneration matters. This includes decisions on deviations from the guidelines. Deviations shall be reported and justified annually in the remuneration report.

The board of directors' report on internal control

General

Lime has established an internal control system aimed at achieving an efficient organization that achieves the targets set by the board of directors. The internal control of financial reporting is an integrated part of the corporate governance. This system includes work to ensure Lime's operations are conducted correctly and efficiently, that laws and regulations are complied with and that financial reporting is accurate and reliable and in accordance with applicable laws and regulations. Lime has chosen to structure internal control work in accordance with the so-called COSO framework, which includes the following elements: control environment, risk assessment, control activities, information and communication as well as monitoring and follow-up.

The control activities carried out shall cover the key risks identified within the Group. Powers and responsibilities are defined in instructions for power of authority, manuals, policies and routines, for example Lime's accounting and reporting instruction, finance and credit policy, communications policy, IT security policy and HR policy. These guidelines constitute, together with laws and other external regulations, the so-called control environment.

In order to provide the board of directors with a basis for determining the level of internal governance and control, Lime continued its review of existing internal controls in 2021, in accordance with established guidelines. The work results in an evaluation and verification of the governing documents and guidelines that form the basis of the Group's operational control.

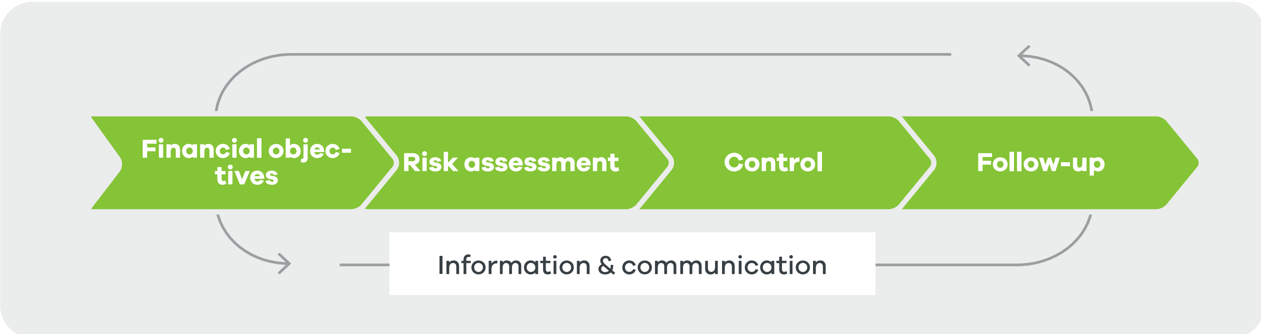
Control environment

Lime's control environment is based on the distribution of work among the board of directors, the committees and the CEO, and the corporate values on which the board of directors and the Group management communicate and base their work. The control environment is based on an organization with clear decision paths in which responsibilities and powers are defined in clear instructions, as well as a corporate culture with shared values and the individual's awareness of their responsibilities in maintaining good internal control. The Group's ambition is that its corporate values will permeate the organization.

In order to maintain and develop a well-functioning control environment, to comply with applicable laws and regulations, and to ensure compliance within the entire Group with the Group's desired business practices, the board of directors, as the ultimately responsible body, has established a number of basic documents relevant to risk management and the internal control which consists of operational control documents, policies, procedures and instructions. Among these documents are the board's rules of procedure, instructions for the CEO, instructions for financial reporting, the Group's code of conduct, communications policy, and insider policy.

Policies, routine descriptions and instructions are distributed to and signed by all relevant employees within Lime through Lime's compliance portal. The Group's employees are obliged to comply with Lime's code of conduct and insider policy. The code of conduct describes expected behaviors in various situations. Lime's employees regularly perform relevant tests to ensure they are aware of the content of relevant policies, routine descriptions and instructions.

The board of directors is responsible for the internal control of the financial reporting. The responsibility to maintain an effective control environment and the continuous internal control work is delegated to the CEO who, in turn, has delegated function specific responsibilities to managers on various levels within the Group.



Risk assessment

Lime has established a risk assessment procedure, meaning the company conducts annual risk analysis and risk assessment. Based on this procedure, risks are identified and categorized according to the following four areas:

- Strategic risks
- Operational risks
- Financial risks
- Compliance risks

Lime's objective with the risk analysis is to identify the most significant risks that may prevent Lime from achieving its targets or realizing its strategy. The objective is further to evaluate these risks based on the probability that they will arise in the future and to what extent the risks may affect the company's targets if they were to occur.

Each individual risk is assigned a so-called risk owner. The risk owner has a mandate and responsibility to ensure actions and controls are established and implemented. The risk owner is also responsible for monitoring, follow-up and reporting of changes in the Group's risk exposure to identified risks.

Identified risks are reported by the Group management to the board of directors. The board of directors evaluates Lime's risk management system, including risk assessments, in an annual risk report in which the ten most significant risks are examined in detail. The purpose of this procedure is to ensure that significant risks are managed and that controls that counteract identified risks are implemented.

The overall financial risks are identified as liquidity risk, currency risk, interest risk and customer credit risk. The risks are mainly managed by the accounting and finance functions, in accordance with the Group's finance policy. The risk assessment includes identifying the risks that may arise if the fundamental requirements for the financial reporting (completeness, accuracy, valuation and reporting) are not met within the Group. Focus is placed on risks in the financial reporting related to significant income statement and balance sheet items, which are relatively higher due to the complexity of the process or where the effects of possible errors are likely to be substantial, as the value of the transactions are significant. The outcome of the reviews may lead to actions such as improved control routines to further safeguard accurate financial reporting.

Control activities

Lime has established a risk management process that includes a number of key controls pertaining to matters that must be in place and function in the risk management processes. The control requirement is an important tool that enables Lime's board of directors to lead and evaluate information from Group management and to take responsibility for identified risks.

Lime focuses on documenting and evaluating the major risks related to financial reporting to ensure that the Group's reporting is accurate and reliable. An example of such control is that Lime makes a yearly impairment test of intangible assets with the purpose of assessing returns and potential depreciation requirements.

The control activities limit identified risks and ensure correct and reliable financial reporting, as well as process efficiency. The control activities include both high level and detailed controls and they aim to prevent, detect, and correct errors and deviations. The central accounting and finance department is responsible for the consolidated accounts and statements, as well as for financial and administrative control systems. The department's responsibilities further include ensuring instructions that are critical for the financial reporting, are made known and available to relevant personnel. Within the accounting and control functions, reconciliations and checks of reported amounts are performed continuously, in addition to analysis of the income and balance sheet statements. The financial controller function conducts control activities on all levels within the company. The function analyses and follow-up on budget deviations, prepares forecasts, follow-up on significant fluctuations across reporting periods and report their findings back into the company, which reduces the risks for errors in the financial reporting.

High IT security is a necessity for good internal control of financial reporting. Therefore, there are rules and guidelines in place to ensure accessibility, accuracy, confidentiality, and traceability of the information in the business system. In order to prevent both accidental and intentional incorrect registration, access to the business system is limited based on authority, responsibility and job position based on Segregation of Duties.

As a step forward in the work to quality assure the financial reporting, the board of directors has established an audit committee. Issues examined by the committee include critical accounting matters and monitoring of the effectiveness of the internal control and risk management related to financial reporting.

Information and communication

Internal communication to Lime's employees is carried out through, among other things, the intranet and formal policies and instructions are communicated to management and employees through a compliance portal, through which it is possible to monitor that all employees have received and acknowledged the policies and instructions relevant to their particular role within Lime.

Such policies include, inter alia, the policies established by Lime for the purpose of informing employees and other persons within Lime of the laws and regulations applicable to the company's distribution of information and the specific requirements imposed on persons active in a listed company regarding, for example, insider information. In view of this, Lime has also established procedures for effective management and restriction of distribution of information not yet available to the public. The board of directors has delegated to the CEO the overall responsibility for dealing with matters relating to insider information and the board of directors has appointed Lime's CFO as the person responsible for the handling of insider lists.

Lime's IR function is led and supervised by Lime's Head of Communications and IR and Lime's CFO. The main responsibilities of the IR function are to support the CEO and senior executives in relation to the capital markets. The IR function also works with the CEO in preparing Lime's financial reports, general meetings, capital market presentations and other regular reporting of IR activities.

The board of directors has established a communication policy that specifies what is to be communicated, by whom and in what way the information shall be disclosed in order to ensure the external information is accurate and complete. In addition, there are instructions in place on how financial information shall be communicated between management and other employees. A precondition for accurate disclosure of information is further to have solid procedures for information security. Lime's routines and system for disclosure of information aim to provide the market with relevant, reliable, accurate and up-to-date information about the Group's development and financial position. Lime has a communication policy in place that meets the requirements of a listed company.

Financial information provided are:

- Interim reports and the year-end report published as press releases.
- Annual report.
- Press releases that Lime are obliged to publish in accordance with applicable law or Nasdaq Stockholm's regulations
- Presentations and telephone conferences for financial analysts, investors and media in connection with the publication of annual and interim reports, as well as the publication of other important information.
- Meetings with financial analysts and investors. All reports, presentations and press releases are published simultaneously on the Group's website www.lime-technologies.com

Monitoring and follow-up

A self-assessment of the effectiveness of key controls is carried out annually and a risk report is prepared summarizing the completed self-assessments and explains any deviations that need to be addressed. The risk report is presented to the board of directors every year. The follow-up covers both formal and informal routines applied by managers and process owners as well as those performing the internal controls. The routines include follow-up of outcomes against budget and plans, analyses and key ratios. Controls that fail are actioned, meaning measures are taken and implemented to tackle the deviations.

The board of directors receives reports on the Group's revenue, earnings and financial position each month.

Lime's interim reports, other financial reports and the annual report are always considered by the board of directors prior to being published.

Furthermore, Lime's policies are subject to annual review by the board of directors. The financial reporting is analyzed in detail by the finance department and management on a monthly basis.

Furthermore, the forecasting process is an essential part of the internal control. Sales are fore- casted per segment and income stream by responsible sales organization. The sales forecasts are consolidated and validated when the forecast is prepared for the entire organization. Complete forecasts are prepared monthly. In addition to the complete forecast, a budget is prepared that forms the basis for the board's approval in the fourth quarter of the financial year.

In addition to forecasts and budgets, Group management also work with comprehensive strategic plans.

The audit committee monitors the financial reporting and receives the audit report, which includes observations and recommendations, from the company auditor. The effectiveness of the internal control activities is regularly monito- red at different levels within the Group and findings are reported back to the board of directors.

Based on the scope of the operations and existing control activities, the board of directors has decided there is currently no need to establish a special audit function (internal audit function).

Stockholm, March 22, 2022

Martin Henricson	Malin Ruijsenaars
Marlene Forsell	Erik Syrén
Lars Stugemo	

The auditors' opinion on the Corporate Governance Report

To the Annual General Meeting of Lime Technologies AB (publ), Corporate ID No. 556953-2616

Assignment and division of responsibility
It is the Board of Directors which is responsible for the Corporate Governance Report for 2021 on pages 25-36, and for ensuring that it has been drawn up in accordance with the Swedish Annual Accounts Act (1995:1554).

The focus and scope of the review
Our review has been carried out in accordance with FAR's statement RevU 16 The auditor's review of the Corporate Governance Report. This means that our review of the Corporate Governance Report has a different focus and a significantly smaller scope than the focus and scope of an audit in accordance with the International Standards on Auditing and generally accepted auditing standards in Sweden. We consider that this review gives sufficient grounds for our opinion.

Opinion
A Corporate Governance Report has been drawn up. Disclosures in accordance with Chap. 6 § 6 second paragraph, articles 2–6 of the Swedish Annual Accounts Act and Chap. 7 § 31 second paragraph of the same Act are compatible with the Annual Report and the Consolidated Financial Statements and are also in conformity with the Swedish Annual Accounts Act.

Stockholm, Sweden, March 22, 2022

Öhrlings PricewaterhouseCoopers AB

Ola Bjärehäll
Authorised Public Accountant
Auditor in charge

Board of Directors & auditor

Martin Henricson

Chairman since 2020, Board member since 2019
Born: 1961
Education: Bachelor of Arts (Behavioural Sciences/ Economics) and postgraduate studies at Stockholm University
Other assignments: Managing Director, Monterro AB. Chairman of the Board of Outpost 24 Group AB and Umbraco AB. Board member of Systemite AB and Consafe Logistics AB
Previous positions: Board member of Episerver Group AB, Formpipe AB and Tacton AB
Shareholding in the Company: 5,000 shares

Marlene Forsell

Board member since 2018, Chairman of the Audit Committee
Born: 1976
Education: Master of Science in Business and Economics at Stockholm School of Economics
Other assignments: Board member of Nobia Group, STG, Kambi Group, Index Pharmaceuticals AB and Addsecure AB
Previous positions: Group CFO of Swedish Match AB (and several assignments as Board member and senior executive in the Swedish Match Group), Board member of Scandinavian Tobacco Group A/S and Arnold André GmbH & Co. KG
Shareholding in the Company: 3,150 shares

Malin Ruijsenaars

Board member since 2019
Born: 1971
Education: Bachelor of Arts (Human Resource Management/Business Administration) at Lund University, Masters in Business Administration and Sociology at UC Berkeley, USA and Master of European Studies Bruges, Belgium
Other assignments: Board member of IDL Biotech, responsible for Talent Management and business development at AB Grenspecialisten Förvaltning
Previous positions: Board member of Arcam AB, board member of Auranest AB, Chief Personnel Officer Axis Communications AB
Shareholding in the Company: 2,000 shares

Erik Syrén

Board member since 2021
Born: 1978
Education: Master of Science in Business and Economics at Lund University
Other assignments: Partner in Monterro AB. Board member of Wiraya Solutions AB, Maintmaster AB, NEXT AB, Syringa Capital and Syringa Consulting. Chairman of the Board of Moment A/S.
Previous positions: Managing Director (CEO) and Chief Executive Officer of Lime Technologies 2012-2021
Shareholding in the Company: 1,347,222 shares

Lars Stugemo

Board member since 2021
Born: 1961
Education: Master of Science in Engineering, KTH Royal Institute of Technology in Stockholm, Computer Technology
Other assignments: Chairman of the Board of Kambi Ltd. Board member of Camfil AB and Lumera AB. Member and Vice Chairman of Svenska Bilsportförbundets Förbundsstyrelse. Member of the Royal Swedish Academy of Engineering Sciences (IVA) Div. VI, and of IVA's Business Council. Nominated to the Board of Creades 2022.
Previous positions: CEO, Group Chief Executive, co-founder & Board member of HiQ
Shareholding in the Company: 622 shares

Ola Bjärhäll

Authorised Public Accountant, PwC (Öhrlings PricewaterhouseCoopers AB)
Auditor in charge for Lime Technologies since: 2018

Executive management team

Nils Olsson

MD & CEO since 2021, Lime since 2006
Born: 1983
Education: Master of Science in Business and Economics at Linköping University
Previous positions: Sales Manager, COO Lime Technologies
Shareholding in the Company: 138,951 shares

Magnus Hansson

CFO since 2015, Head of Investor Relations since 2021
Born: 1973
Education: Master of Science in Business and Economics at Jönköping International Business School
Other assignments: Board member of Östersjövägen Invest AB and Östersjövägen Konsult AB
Previous assignments: Board member of European House of Beds Seden AB (and several of its Group companies), CEO of Wondland AS Norge Filial
Shareholding in the Company: 60,894 shares

Filip Arenbo

CPO (Chief Product Officer) since 2021, Lime since 2011
Born: 1987
Education: Master of Science in Engineering in Nano Science at the Institute of Technology at Lund University
Previous positions: Group Product Manager, Lime Technologies
Shareholding in the Company: 22,500 shares

Anna Hansen

Head of Loyalty & Expansion since 2021, Lime since 2008
Born: 1978
Education: Master of Political Science at Lund University
Previous positions: Head of Customer Success, Lime Technologies
Shareholding in the Company: 39,589 shares

Vishal Ganatra

Head of Sales & Marketing since 2021, Lime since 2013 (as well as 2006-2011)
Born: 1982
Education: Master of Science in Business and Economics at Karlstad University
Previous positions: Sales Manager Lime Technologies
Shareholding in the Company: 28,314 shares

Tommas Davoust

Head of Expert Services since 2020, Lime since 2017
Born: 1983
Education: Master of science in engineering at the Institute of Technology at Lund University
Previous positions: Consulting Manager, Lime Technologies, Chairman of the Board of Balltravels Sweden AB
Shareholding in the Company: 1,466 shares

Pernilla Möller

Head of People & Culture since 2022
Born: 1979
Education: Masters in Strategic Human Resources Management at the University of Gothenburg
Previous positions: HR Manager Frigoscandia AB, HR specialist/Strategist Diversity Riksbyggen AB, Organisational consultant in own business, Area Manager StudentConsulting AB, Career Counsellor Lund University
Shareholding in the Company: -

Financial reports

Contents

Directors' report

The board of directors and the CEO of Lime Technologies AB (publ), Corporate ID No. 556953-2616, hereby presents its Directors' report for the 2020 financial year.

Group structure

Lime Technologies AB (publ) is the Parent of a Group with two subsidiaries; Userlike UG, corporate ID number HRB 73211, Cologne, Germany and Lime Technologies Sweden AB, corporate ID number 556397-0465, Lund, Sweden, which in turn has six wholly-owned subsidiaries; Lime Technologies Norway AS, corporate ID number 989 711 393, Oslo, Norway, Lime Technologies Denmark A/S, corporate ID number 360 532 91, Copenhagen, Denmark, Lime Technologies Finland OY, corporate ID number 232 081 11, Helsinki, Finland, Lime Technologies Netherlands B.V., corporate ID number 78107482, Utrecht, the Netherlands, Lime Technologies Germany GmbH, corporate ID number 105940 , Cologne, Germany and Hysminai AB, corporate ID number 556948-5831, Stockholm, Sweden. In addition, Lime has two partly owned subsidiaries; Lime Intenz AB, corporate ID number 556661-4714 and Lime Technologies Gävle AB (formerly janjoo AB), corporate ID number 559022-0298. The Group, in which Lime Technologies AB (publ) is the Parent, is hereinafter referred to as Lime.

Lime Technologies AB (publ) is listed on Nasdaq Stockholm, Mid Cap.

About Lime

The Lime Group develops, sells and implements flexible, user-friendly CRM and customer management systems.

The Lime Group primarily addresses the markets in Sweden and the rest of Europe.

Lime's overall core and purpose is 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."

Products

Lime sells the following products:

Lime CRM

Lime CRM is a flexible platform with CRM as its basic functionality. The platform is always tailored to the customer's needs, and can be modified to match exactly what the customer wants. The product is sold in all markets and is the key engine in Lime's business.

Lime Go

Lime Go is a unique sales and exploration tool. The product contains essential functionality required to best support and serve a sales representative and sales manager. The product is preloaded with information about all companies and decision makers in the relevant market. The product is sold in Sweden, Norway and Denmark.

Lime Easy

Lime Easy is a standardised CRM System, for small businesses with simple CRM needs and the system is at the end of its life cycle. By using a proven technical solution, LIME Easy keeps track of customers, business opportunities, contacts, business deals, projects and what has been said, done and promised.

Userlike

Userlike is a Customer Messaging solution which improves and simplifies communication between companies and customers. By bringing together the most popular channels for messaging – webchat, Facebook Messenger, WhatsApp, SMS etc. – in a single inbox, companies can be where their customers are and offer immediate service.

Lime offers several modules, in addition to the above, including;

Lime Workorder which is a mobile work order and case management system, Field Service Management.

Lime Newsletter which is a software program for marketing, sales and communications via e-mail, mobile phone, social media and websites.

Lime Engage is a software which aims at increasing employees' commitment through competitions.

Lime Forms is a program which uses forms to link the customer's website to your CRM.

Lime Portals is a software tool which provides customised web forms tailored to the customer's specific processes.

Business model

The Group's business model is based on signing long-term licensing and maintenance agreements, as well as assisting customers in implementing and adapting the Group's software to the customer's specific needs. A growing part of Lime's revenue comes from the sale of so-called SaaS services, reported as subscription fees, meaning the customer pays a periodic fee covering both the license right and the maintenance agreement. Lime reports its revenue in four categories: subscription revenue, license rights, support and maintenance revenue, and consulting services. The subscription fee is paid annually or quarterly in advance. The license, which is paid by the customer upon signing of the contract, and the maintenance agreement, which entitles the customer to upgrades and software support, are both paid annually in advance. Consultant revenue is reported on a continuous basis throughout the progression of the project.

Financial Year 2021

Financial year 2021 continued to be pervaded by the pandemic which affected our world. At Lime, we decided at an early stage to make the most of the opportunities generated by the pandemic. We continued to recruit, invest in sales and marketing, and we launched more functions in our software than ever before.

On 26 March 2021, additional shares in Lime Intenz AB were acquired, equivalent to 14% of the total number of shares.

On 26 April, an Agreement was signed to acquire the shares of Userlike UG, who are experts in UM – Unified Messaging. The first part of the acquisition involved 90% of the shares and votes, and was completed on 30 April 2021.

Net sales growth during the 2021 financial year was 19 % compared to last year. In particular, it was the sale of subscriptions and the acquisition of Userlike subscriptions and consulting services that contributed to the improved performance. SaaS revenue is thus continuing to develop positively.

The development of our platforms is continuing with increased intensity, not least in respect of the web-based Lime CRM platform

Recruitment of competent personnel is a critical process within Lime and 2021 saw 100 successful recruitments into the sales, consulting, and development departments, in particular.

The development of our four focus verticals continued during 2021: Energy, Real Estate, Consulting and Wholesale. The four verticals are over-represented in our customer base, and Lime has decided to develop pre-packaged industry solutions based on the unique competences and skills we have in these areas. This makes it easier and more efficient for Lime to reach these industries through its marketing efforts, to present references and to deliver Lime to customers. These industries will continue to form the basis for our product developments in the future, without limiting flexibility which is the strength in Lime's products.

Sweden

75% (81) of revenue within the Group comes from the Swedish operations, which, accordingly, largely, mirrors the Group's business.

Rest of Europe

Business in the rest of Europe was more severely affected by the restrictions introduced in response to the Covid 19 pandemic. In our judgement, the pandemic had a greater impact on the wider European business climate than it did in Sweden.

During the year, we commenced operation in Germany. The operation in Germany is developing according to plan, focusing on building up the local organisation and management. The former Rest of the Nordic Region segment has been renamed Rest of Europe.

The Group's net sales in the Rest of Europe grew by 61% in 2021 compared to 2020, and amounted to MSEK 103 in 2021.

The Market

The Lime Group addresses the markets in Sweden and the Nordic region, with focus on B2B within the industry verticals mentioned above.

Growth is largely driven by the prevalent need within organizations and companies to streamline their sales organizations and to ensure systematic and effective prospecting of new customers. These drivers are continuously becoming stronger during periods of growth.

Sustainability

Under the provisions of Chap. 6 § 11 of the Swedish Annual Accounts Act, Lime does not prepare a full Sustainability Report, but a separate overview of the Company's sustainability initiatives is published on Lime's website in connection with the Annual Report. As part of the published Annual Report, but separate from the Directors' report, Lime provides a brief summary of the sustainability work Lime performs.

Events during the reporting period

Nils Olsson took over as MD and Chief Executive Officer of Lime Technologies AB (publ) on 1 May. Lime has been affected by the policy measures taken to combat the spread of Covid 19, and the effects these have had on the economy. Since the outbreak of the pandemic, Lime's new sales have suffered to some extent from procurements being postponed or failing to materialise. During the third quarter of 2021, the previously imposed restrictions were eased to varying extents in the different markets. At the end of the fourth quarter of 2021, restrictions were reintroduced to a certain extent and then again eased during the first quarter of 2022.

Lime has taken a number of precautionary measures to monitor and counteract the effects of the Covid 19 virus, including health and safety measures for our employees, as well as initiatives to ensure we can deliver our services.

Lime's business model, with its focus on subscription sales, and a substantial proportion of repeat revenue, in combination with our large customer base, has made Lime better equipped to cope with an economic downturn, and the impact on our results and position in the second quarter has been limited.

Lime decided an early stage to meet the pandemic by continued recruitments and investments in product development, as well as sales and marketing activities. Through the pandemic, we have achieved a satisfactory sales growth and an improved margin.

On 26 March 2021, Lime acquired an additional 14% of Lime Intenz AB. The acquisition of Lime Intenz AB consists of additional options for the acquisition of the remaining 28 percent of the shares, divided into two tranches over the next two years. The purchase price of the options on call is based on the Company's sales for each financial year.

On 26 April, an Agreement was signed to acquire the shares of Userlike UG. The first part of the acquisition involved 90% of the shares and votes, and was completed on 30 April 2021.

Lime has agreed to take out a new bank loan of MSEK 250 and on the repayment of the existing bank loan of MSEK 50.

During the quarter, a joint sales and marketing department was formed. The new department is led by Vishal Ganatra who is currently part of the Management Team.

During the quarter, Customer Success and Customer Support were merged into a new department, Loyalty & Expansion. The new department is led by Anna Hansen who is currently part of the Management Team.

In addition, Filip Arenbo has taken over as CPO, and is now part of the Management Team.

Events after the reporting period

Lime agreed on a bank overdraft facility of MSEK 25 after the end of the reporting period.

Lime acquired the remaining 35% of the shares in Lime Technologies Gävle AB on 9 February 2022. Since then, Lime Technologies Gävle AB has been wholly owned by Lime Technologies Sweden AB.

Multi-year overview, Group (MSEK)

	2021	2020	2019	2018	2017
Net sales	403.8	338.7	289.7	244.3	203.9
Recurring revenue	246.0	194.4	167.2	138.5	110.2
Adjusted EBITA	108.6	99.3	66.8	54.3	45.3
Total assets	665.1	364.4	313.6	269.4	257.5
Avarage number of employees	297	244	223	195	185

Comments on the income statement

Revenue

Net sales for the period amounted to MSEK 403.8 (338.7), which is equivalent to an increase of 19 (17) percent. Growth is primarily related to increased revenues from subscriptions and the acquisition of Userlike.

Organic net sales growth in 2021 reached 11 (14) percent.

Subscription revenue increased by 37 (23) percent from the previous year and amounted to MSEK 206.5 (151.0).

Revenue from Expert Services increased by 10 (25) percent from the previous year and amounted to MSEK 152.9 (138.5). A major part of Expert Service revenues come from existing customers. As the customer base expands, growth is generated in the Expert Service revenues.

Total recurring revenue for the period increased by 27 (16) percent from the previous year and amounted to MSEK 246.0 (194.4), corresponding to 61 (57) percent of total net sales.

During 2020, the liability for the acquisition of the remaining shares of Lime Intenz was impaired by SEK 1.4 million. The acquisition price in relation to the remaining shares is related to Lime Intenz's net sales. The revenue related to the impairment is treated as an item affecting comparability.

Annual recurring revenue

The trailing twelve-month value of recurring revenue, Annual Recurring Revenue, amounted to MSEK 279 (206) at the end of 2021. The Annual Recurring Revenue increased by 35 (14) percent from the previous year.

Expenses

Operating expenses for the year increased by 27 (7) percent from the previous year and amounted to MSEK 349.0 (275.6). The increase in expenses during 2021 is mainly related to an increase in the number of employees and the acquisition of Userlike UG.

In 2021, expenses amounting to MSEK 1.1 relating to acquisition-related expenses were treated as affecting comparability. No expenses in 2020 are considered expenses affecting comparison.

The major part of the Group's operating expenses relates to personnel, and personnel expenses for the year amounted to MSEK 222.2 (184.7), rendering an increase of 20 (9) percent. The number of employees at the end of the year was 354 (280) and the average number of employees for the year was 297 (244). Staff distribution and salaries and compensations are shown in note 8.

Other expenses amounted to MSEK 70.0 (52.6). As a consequence of the pandemic, Lime was unable to travel, hold conferences or carry out physical sales activities to any great extent during 2020 and 2021. This has had a positive impact on other costs.

Capitalised development work of own account amounted to MSEK 20.9 (17.8).

In 2020, depreciations amounted to MSEK 56.8 (38.4). Depreciations have increased compared to 2020 as a result of both increased investments in own development work and intangible assets relating to acquired subsidiaries.

Financial net amounted to MSEK -4.8 (-3.2) and consists mainly of interest expenses and currency exchange rate losses.

Taxes for the year amounted to MSEK 12.6 (17.3).

Income

Operating income before depreciation/amortisation and items affecting comparability (adjusted EBITDA) for the year amounted to MSEK 134.0 (121.6), rendering an EBITDA margin of 33 (36) percent. See note 31 for definitions of performance measures.

Operating income before anmortisation of acquired intangible assets and items affecting comparability (Adjusted EBITA), amounted to MSEK 108.6 (99.3) for the year, rendering an EBITA margin of 27 (29) percent. See note 31 for definitions of performance measures.

Operating income amounted to MSEK 76.1 (83.2) for the year, rendering an EBIT margin of 19 (25) percent.

Income before tax amounted to MSEK 71.3 (80.0), rendering a margin of 18 (23) percent.

Net income for the year amounted to MSEK 58.7 (62.7), rendering a profit margin of 15 (18) percent and divided per share according to the table below.

The Parent

Income after financial items for the Parent amounted to MSEK -8.4 (-3.9). The Parent has received Group contributions, recognised as appropriations, from subsidiaries of MSEK 77 (85).

Earnings per share

Basic	1 Jan 2021 - 31 Dec 2021	1 Jan 2020 - 31 Dec 2020
The Group's earnings attributable to shareholders of the Parent	58,691	62,711
Weighted average number of ordinary shares outstanding (thousands)	13,283	13,283
Earnings per share	**4.42**	**4.72**

Diluted	1 Jan 2021 - 31 Dec 2021	1 Jan 2020 - 31 Dec 2020
The Group's earnings attributable to shareholders of the Parent	58,691	62,711
Weighted average number of ordinary shares outstanding (thousands)	13,283	13,283
Weighted average number of ordinary shares outstanding (thousands) after dilution	13,283	13,283
Earnings per share, diluted	**4.42**	**4.72**

Comments on the balance sheet

Investments and acquisitions

Total investments for the January – December period amounted to MSEK 309.6 (25.9), including intangible assets but excluding changes to right-to-use assets and leased vehicles.

Further, cash flow from investments in subsidiaries amounted to MSEK -202.2 (-8.3).

Intangible assets

The Lime Group continuously invests resources in the development of new and existing applications and platforms. During the year, a total of MSEK 20.9 (17.8) was invested in capitalised development expenditure.

Tangible assets

Investments in property, plant and equipment amounted to MSEK 1.2 (0.2).

Financial position and liquidity

Cash and cash equivalents

Cash and cash equivalent amounted to MSEK 55.2 (64.7) at the end of the year. At the end of the year the Lime Group had interest-bearing liabilities of MSEK 294.5 (97.7), meaning the Group's net debt amounted to MSEK -238.6 (-33.0). Of the interest-bearing liabilities, MSEK 27.5 (23.6) are leasing liabilities.

During the second quarter of 2020, an agreement was signed with the Swedish bank, SEB, for an overdraft facility of SEK 25 million to minimise the liquidity crisis caused by the Covid 19 outbreak. The agreement made the overdraft facility available until close of business on 31 December 2020. The overdraft facility was not used.

Deferred tax assets

The Group's deferred tax assets relating to accumulated tax losses amounted to MSEK 0.0 (0.0) at the end of the period. The Group has not yet utiliSed accumulated tax losses carried forward of MEK 12.0 (13.0) at the end of the year.

Equity

Equity at the end of the year amounted to MSEK 135.1 (110.8), corresponding to SEK 10.17 (8.34) per outstanding share.

Interest-bearing liabilities

In April 2021, Lime Technologies AB entered into an interest-bearing loan agreement of MSEK 250 with a tenor of 5 years, and repaid the old bank loan of MSEK 50. At the end of the year, the Group's interest- bearing liabilities amounted to MSEK 294.5 (97.7), including liabilities to leasing companies.

Comments on the consolidated cash flow analysis

Cash flow from operating activities amounted to MSEK 124.6 (119.1).

Cash flow from investment activities amounted to MSEK -223.8 (-25.9), investment in intangible assets amounted to MSEK -20.9 (-17.8) and investments in property, plant and equipment amounted to MSEK -1.3 (-0.2). In addition, acquisition of subsidiaries came to MSEK -202.2 (-8.3).

Cash flow for the year from financing activities amounted to MSEK 89.0 (-58.9) and consists of the repayment of interest-bearing liabilities of MSEK -132.6 (-39.3), dividend of MSEK -33.2 (-19.9) and proceeds from borrowings MSEK 254.8 (0.3).

The Group's net cash flow for the year amounted to MSEK -10.1 (34.3).

Significant risks & uncertainties

The most significant uncertainties in the Lime Group's operations relate to the Group's sales, establishments in the Nordic region and the ability to retain and attract competent personnel.

The Group's net sales of MSEK 403.8 (338.7) was to 61 (57) percent made up of recurring revenue, support and maintenance income, and subscription revenue.

Recurring revenue has increased over time and forms a stable foundation for the Group's earning capabilities in the short to medium term. Other revenue is made up of new license sales and consultancy services, and subject to higher uncertainty, as they are more directly impacted by changes in demands. The sensitivity in sales of consultancy services is somewhat reduced, as these services relate to Lime's own products and mostly to existing customers.

The group is well-established on the Swedish market, where Lime has been operating since it was first founded. The Group has seen a boost to its sales and presence on other European markets but is still not as well recognised there as on the Swedish market. This suggests that more activities to achieve new sales are required. The sensitivity to falling sales is also higher as these operations are smaller in size. Operations in Rest of Europe have been more affected by the restrictions imposed as a result of the pandemic. Lime continues to invest in sales and marketing activities in Norway, Denmark, Finland and the Netherlands. Lime established its operation in Germany in 2021. The company's strategy for establishments on new markets is to align its investments with sales growth. This strategy ensures certain risk limitation of new business establishments.

Human capital is vital to the Lime Group and access to competent employees is a critical success factor. The Group is managing this by offering employees marketable and compatible employment terms. The Group is running annual trainee programs to underpin an increasing inflow of competent resources. However, the access to the right resources may vary over time, which can lead to increased costs and a fall in operational standards and strategic execution.

Covid-19

As explained under Events during the Reporting Period, the outbreak of Covid 19 and the measures taken by various governments to counteract the spread of the virus affected our operation. Over and above the effects which are already known, the macroeconomic uncertainty led to a certian degree of caution, and it is not possible in the current situation to say what the long-term effects will be, but negative consequences cannot be ruled out.

Russia's invasion of Ukraine

The macroeconomic uncertainty resulting from Russia's invasion of Ukraine may affect our operation. In the current situation, we see no direct impact on Lime, but the long-term effects are difficult to judge and negative consequences cannot be ruled out.

The sensitivity analysis below highlights the effect on the Lime Group's income before tax in 2021, which amounted to MSEK 71.3, in the case of changes in a number of factors:

Sensitivity analysis	Change	Impact on income before tax, MSEK
Demand for licenses / subscriptions	+/– 5 %	+/– 10.4 (7.7)
Demand for Expert Services	+/– 5 %	+/– 7.6 (5.5)
Personnel expenses	+/– 5 %	–/+ 11.2 (9.2)
STIBOR	+/– 10 bps	–/+ 0.2 (0.1)
EUR/SEK	+/– 10 %	+/– 0.2 (0.8)

* The change in the reference interest rate for the loans (STIBOR) is calculated as the full-year effect based on average interest-bearing liabilities during the year. Comparative figures in brackets.

Further disclosure of risks and uncertainties to which the company is exposed to is found in notes 3 and 4.

Research & development

The Lime Group develops software for sales and customer management. This work involves surveying, program development and testing. During the year, a total of MSEK 20.9 (17.8) was invested in capitalised development expenditure. The capitalization principle is described in note 2.6 to the accounts.

The Lime Group bases its development on existing research and develops and applies this in new applications.

The Board's proposal for the remuneration to senior executives

The Board of Directors of Lime Technologies AB (publ) ("the Company") proposes that the Annual General Meeting approves the following guidelines for the remuneration of the Company's senior executives. The remuneration which the shareholders resolved on at the Shareholders' Meeting falls outside these guidelines. Accordingly, share-based incentive programmes for the Management Team or the remuneration of members of the Board of Directors for their work on the Board are not covered by these guidelines.

Senior executives

For the purposes of these guidelines, senior executives include the Chief Executive Officer and executives who report to the Chief Executive Officer and are members of the Group Management.

General remuneration principles

In short, the Company's business strategy is to be a comprehensive CRM expert that offers a powerful and scalable SaaS platform, which leads to a loyal customer base and a profitable business model, strong cash flow and profitable long-term growth.

For more information, please refer to the Company's Annual Reports and the Company's website, https://www.lime-technologies.se/.

A prerequisite for implementing the Company's business strategy, safeguard its long-term interests, including sustainability, is that the Company can recruit and retain qualified employees. The Company should therefore offer conditions of employment, including remuneration, that enable attracting and retaining senior executives with the competence and experience required to achieve the Company's goals. The remuneration shall be based on terms that are competitive and in line with market terms.

When evaluating whether these guidelines and the limitations set out herein are reasonable, the Board of Directors (including the Remuneration Committee) has considered the total remuneration of all employees of the Company including the various components of their remuneration as well as the increase and growth rate over time.

Principles for fixed and variable remuneration

The remuneration covered by these guidelines may consist of fixed basic salary, variable cash salary, pension and other benefits. In addition the general meeting may decide on, inter alia, long-term incentive programs.

Principles for fixed base salary

Every senior executive shall receive a fixed base salary, based on the senior executive's skills, responsibility and performnce, and shall be on market terms and competitive.

Fixed base salary may not amount to more than eighty-five (85) per cent of the total remuneration, assuming that full variable cash salary, pension benefits and other benefits are paid (if there is no variable cash salary, pension benefits or other benefits, the fixed basic salary will constitute the entire remuneration).

Principles for variable remuneration

The variable salary shall be linked to specific performance criteria. Performance criteria, their weighting, thresholds and target levels, are established at the beginning of each programme. The performance criteria are established by the Board of Directors for the Chief Executive Officer, and by the Remuneration Committee for other members of Group management. The criteria must be formulated to promote the Company's business strategy and long-term interests, including its sustainability A majority of the criteria shall be linked to clear and measurable financial performance indicators (e.g. operating profit and net sales). Non-financial criteria (e.g. operational criteria or criteria linked to sustainability) may also be included.

For each senior executive, variable cash remuneration may amount to a maximum of 25 percent of total remuneration if full variable remuneration, pension benefits and other benefits are paid. For senior executives whose main responsibility is own sales, the total remuneration may amount to a maximum of eighty (80) per cent of the total remuneration if full variable remuneration, pension benefits and other benefits are paid.

The Company has the right to recover variable remuneration if it turns out that the Company's accounts contain material errors.

Pension

Senior executives shall have pension terms and pension levels that are in line with market terms. The pension benefits shall be premium based. Variable remuneration shall only constitute a basis for pension benefits if it follows from provisions in the applicable collective bargaining agreement. Unless applicable collective bargaining agreements state otherwise, pension benefits may amount to a maximum of thirty (30) per cent of the fixed salary for each senior executive and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of twenty (20) per cent of the total remuneration.

Other benefits

The Company offers other benefits to senior executives such as company car and health insurance. The benefits shall be in line with market terms and the costs of such benefits may, for each senior executive, amount to a maximum of eight (8) per cent of the fixed basic salary and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of five (5) per cent of the total remuneration.

Termination and severance pay

Employment agreements entered into between the Company and senior executives shall, as a principal rule, apply until further notice. If the Company terminates the employment of a senior executive, the notice period may not exceed twelve (12) months. Severance pay shall only be paid upon termination by the Company and shall not exceed the amount of the agreed fixed basic salary during the notice period. The notice period shall not exceed six (6) months and no severance shall be payable upon the senior executive's own termination of his or her employment.

Decision-making process

The Board of Directors has appointed a Remuneration Committee to prepare the Board's proposal for guidelines. Based on the recommendation of the Remuneration Committee, the Board shall, when the need arises for significant changes to the guidelines, at least every four years, prepare guideline proposals to be presented at the Annual General Meeting. The guidelines shall apply to each commitment of remuneration to senior executives, and to any change in such commitment, that is decided after the Annual General Meeting at which the guidelines were adopted. The guidelines thus have no effect on previously binding contractual obligations. Other General Meetings than the Annual General Meetings may amend the guidelines.

The Remuneration Committee shall also monitor and evaluate the application of these guidelines, ongoing and completed programs for variable remuneration to senior executives and the Company's remuneration structures and remuneration levels.

Within the scope and on the basis of these guidelines, the Board of Directors shall, based on the remuneration committee's preparation and recommendations, annually decide on the specific revised remuneration terms for each individual senior executive and also make other decisions on remuneration to senior executives that may be required. The Chief Executive Officer and the other senior executives do not participate in the Board of Directors' handling of and resolutions regarding remuneration-related matters if they are affected by such matters.

Deviation from these guidelines

The Board of Directors may temporarily resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for such deviation and if the deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, it is part of the Remuneration Committee's tasks to prepare the Board's decision on remuneration matters. This includes decisions on deviations from the guidelines. Deviations shall be reported and justified annually in the remuneration report.

For resolved guidelines, see note 8.

Forward-looking statement

Russia's invasion of Ukraine and the spread of the Corona virus make the economic trend difficult to assess. Lime has taken a number of measures to limit the risks from changed economic trends. The Company has a growing percentage of recurring revenue from an increasing customer base. In the short-term, we expect limited direct impacts, however indirect impacts such as prolonged sales processes and customers facing financial difficulties, will most likely adversely impact demands in the medium term.

Measures taken to generally strengthen the operations in the other European countries are showing anticipated effect and are expected to continue to develop in the right direction.

The Lime Group will continue to develop its operations for profitable growth in 2022. Projects to be implemented include:

- Launch of new versions of the web-interface for Lime CRM
- Continue to upgrade customers to the Lime CRM web interface
- Recruiting new employees to the sales, consulting and development departments in particular
- Continuing to focus on our segments and verticals
- Continuing to focus on the acquisition strategy

Financial objectives

Lime has a medium-term objective to achieve annual net sales growth exceeding 18 percent and an annual EBITA margin exceeding 25 percent.

The capital structure objective is that net debt relative to EBITDA shall be less than 2.5.

Lime intends to distribute available cash flow after consideration of the company's indebtedness and future growth opportunities, including acquisitions. Dividend is expected to correspond to at least 50 percent of net profit.

Lime's financial objectives constitute forward- looking information. The financial objectives are based upon a number of assumptions relating to, among other factors, the development of Lime's industry, business, results of operation, and financial position. This, as well as the macroeconomic environment in which Lime operates, may differ materially from, and be more negative than assumed by Lime when the financial objectives were established. As a result, Lime's ability to reach these financial objectives is subject to uncertainties and contingencies, some of which are beyond the company's control, and no assurance can be given that Lime will be able to reach the financial objectives or that Lime's financial position or results from operations will not be materially different from these financial objectives.

Share structure

At the end of 2021, the share capital of Lime Technologies AB (publ) amounted to SEK 531,339.24 divided into 13,283,481 shares.

Lime Technologies AB did not own any of its own shares at the end of 2021.

There are no significant agreements which the Company is a party to and which will take effect, change or cease to apply if control over the Company changes as a result of a public takeover bid, nor is there any agreement of such a nature that a takeover bid could seriously harm the Company.

Corporate Governance Report

The board of directors provides the corporate governance report in a separate document.

Proposed disposition of earnings

The following retained earnings are at the disposal of the annual general meeting:

Retained earnings	45,357,910
Net profit for the year	54,484,581
Total	**99,842,491**

The board proposes:

dividend to be paid	34,537,051
to be retained	65,305,440
Total	**99,842,491**

The board proposes a dividend of SEK 34,537,051, equivalent to SEK 2.60 per share, and retained earnings of SEK 65,305,440.

At the end of the year, consolidated equity amounted to MSEK 135.1 (110.8) and net assets/liabilities amounted to MSEK -243.1 (-32.3)

The statement of the board in accordance with chapter 18, section 4 of the Swedish Companies Act

The 2021 annual report shows the company's and the group's financial position as at 31 December 2021. On 31 December 2021 restricted equity in the Parent totalled SEK 531,339 and non-restricted equity totalled SEK 99,842,495. On the same date, the group's total equity totaled SEK 135,065,513. The proposed dividend reduces the group's solidity from 20 percent to 15 percent.

The nature and scope of the group's business are described in the articles of association and the annual report. The business in which the group engages involves no other risks than those associated with or which may be assumed to be associated with the industry or the risks normally associated with business operations. The board has taken into account the company's and the group's consolidation needs by making a general assessment of the company's and the group's financial position and expectations to meet its obligations in both the short and the long term. It is the board's opinion that the proposed dividend does not affect the company's and the group's ability to meet known as well as unforeseen payment obligations or jeopardize investments that may be deemed necessary or investments in the group's continued development. The group's financial position does not give rise to any other assessment than that the group can continue its operations and that the company can be expected to fulfil its obligations in the short and long term.

With reference to the above and otherwise to the best knowledge of the board of directors, the board is of the opinion that the proposed distribution of profits is justified with regard to the requirements that the nature, scope and risks of the company's business place on the size of the equity in the company and the group, and on the company's and the group's consolidation needs, liquidity, and position in general.

Consolidated income statement

	Note	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Net sales	6	403,848	338,689
Other income	11	252	1,758
Total operating income		**404,100**	**340,447**
Operating expenses			
Compensation to employees	8	-222,206	-184,671
Capitalised development work done by own employees		20,964	17,794
Amortisation		-56,808	-38,359
Other expenses	7, 11	-70,018	-52,558
Income from shares in associated companies		0	547
Total operating expenses		**-328,069**	**-257,247**
Operating income	6	**76,031**	**83,200**
Financial income	9	218	701
Financial expenses	9	-4,915	-3,896
Profit/loss after financial items		**71,334**	**80,005**
Income tax	10	-12,643	-17,294
Net profit for the year		**58,691**	**62,711**
Income attributable to:			
Shareholders of the Parent		58,691	62,711
		58,691	**62,711**
Earnings per share, based on income attributed to shareholders of the Parent during the year (SEK / share)	12		
Earnings per share			
- basic		4.42	4.72
- diluted		4.42	4.72
Average number of shares, basic		13,283,481	13,283,481
Average number of shares, diluted		13,283,481	13,283,481

Consolidated statement of other comprehensive income

	Note	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Net profit for the year		**58,691**	**62,711**
Other comprehensive income			
Items that may be reversed in profit or loss:			
Translation adjustments		1,050	-573
Other comprehensive income for the period, net of tax		1,050	-573
Other comprehensive income for the year		**59,741**	**62,138**
Other comprehensive income for the year, attributable to:			
Shareholders of the Parent		59,741	62,138
		59,741	**62,138**

Other Comprehensive Income refers in its entirety to foreign exchange differences without tax effect.
The following notes form an integral part of this consolidated financial statement.

Consolidated balance sheet

	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Intangible assets	14		
Capitalised development expenditure		69,136	62,122
Software		129,983	38,403
Trademarks		53,675	33,478
Customer relations		28,832	12,658
Goodwill		222,076	69,763
Total intangible assets		**503,702**	**216,424**
Property, plant and equipment	15		
Vehicles		1,581	1,658
Machinery and equipment		1,211	647
Right-to-use assets		25,828	21,970
Total property, plant and equipment		**28,620**	**24,275**
Financial assets			
Associated companies		0	0
Other financial assets	16	700	706
Total financial assets		**700**	**706**
Deferred tax assets	22	61	58
Total non-current assets		**533,083**	**241,463**
Current assets			
Trade debtors	17	64,929	51,604
Current tax assets		2,013	1,504
Other receivables		571	733
Prepaid expenses and accrued income	18	9,324	4,385
Total current receivables		**76,837**	**58,226**
Cash and cash equivalents	19	55,167	64,662
Total current assets		**132,004**	**122,888**
Total assets		**665,087**	**364,351**

Consolidated balance sheet

	Note	31 Dec 2021	31 Dec 2020
EQUITY AND LIABILITIES			
Equity attributable to the Parent's shareholders			
Share capital	20	531	531
Additional contributed capital		58,100	58,100
Reserves		17,744	-210
Retained earnings including net profit for the year		58,691	52,419
Total equity		**135,066**	**110,840**
Liabilities			
Non-current liabilities			
Non-current interest-bearing liabilities	21	162,509	28,523
Non-current lease liabilities	21	17,381	14,240
Deferred tax liabilities	22	74,979	27,959
Other provisions	21	40,294	15,183
Total non-current liabilities		**295,163**	**85,905**
Current liabilities			
Current interest-bearing liabilities	21	64,189	30,404
Current lease liabilities	21	10,079	9,319
Trade creditors		8,028	2,777
Current tax liabilities		17,342	13,871
Other liabilities	23	21,449	19,555
Accrued expenses and prepaid income	24	113,771	91,680
Total current liabilities		**234,858**	**167,606**
Total liabilities		**530,021**	**253,511**
Total equity and liabilities		**665,087**	**364,351**

The following notes form an integral part of this consolidated financial statement.

Consolidated statement of changes in equity

		Attributable to the Parent's shareholders				
	Note	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
Opening balance 1 January 2020 according to adopted balance sheet		**531**	**58,100**	**363**	**9,633**	**68,627**
Net profit for the year					62,711	62,711
Other comprehensive income for the year				-573		-573
Total comprehensive income		**0**	**0**	**-573**	**62,711**	**62,138**
Transactions with shareholders in their capacity as owners						
Dividend paid					-19,925	-19,925
Total transactions with shareholders		**0**	**0**	**0**	**-19,925**	**-19,925**
Closing balance 31 December 2020		**531**	**58,100**	**-210**	**52,419**	**110,840**
Opening balance 1 January 2021 according to adopted balance sheet		**531**	**58,100**	**-210**	**52,419**	**110,840**
Net profit for the year					58,691	58,691
Other comprehensive income for the year				1,050		1,050
Total comprehensive income		**0**	**0**	**1,050**	**58,691**	**59,741**
Transactions with shareholders in their capacity as owners						
Revalued options liability					-2,307	-2,307
Dividend paid					-33,209	-33,209
Total transactions with shareholders		**0**	**0**	**0**	**-35,516**	**-35,516**
Closing balance 31 December 2021		**531**	**58,100**	**840**	**75,595**	**135,066**

The following notes form an integral part of this consolidated financial statement.

Consolidated statement of cash flows

	Note	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Cash flow from operating activities			
Cash flow from operations	31	144,028	135,696
Interest paid		-4,915	-2,619
Income taxes paid		-14,470	-13,987
Cash flow from operating activities		**124,643**	**119,090**
Cash flow from investing activities			
Purchase of intangible assets	14	-20,964	-17,794
Purchase of property, plant and equipment	15	-1,288	-185
Sales of property, plant and equipment		666	525
Acquisition of subsidiaries		-202,190	-8,338
Acquisition of associates		0	0
Purchase of financial assets	16	-21	-168
Interest received		0	98
Cash flow from investing activities		**-223,797**	**-25,862**
Cash flow from financing activities	32		
Dividend paid		-33,209	-19,925
Proceeds from borrowings		254,804	299
Repayment of borrowings		-132,571	-39,292
Cash flow from financing activities		**89,024**	**-58,918**
Total cash flow		**-10,130**	**34,310**
Reduction/increase in cash and cash equivalents			
Cash and cash equivalents, beginning of year	19	64,662	31,342
Exchange rate differences in cash and cash equivalents		635	-990
Cash and cash equivalents, end of year	**19**	**55,167**	**64,662**

The following notes form an integral part of this consolidated financial statement.

Parent's income statement

	Note	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Net sales		0	0
Other income		5,281	5,577
Total operating income		**5,281**	**5,577**
Operating expenses			
Cost of remuneration of employees		-6,571	-6,635
Other expenses		-3,023	-931
Total operating expenses		**-9,594**	**-7,566**
Operating profit/loss		**-4,313**	**-1,989**
Financial income	9	169	518
Financial expenses	9	-4,223	-2,410
Profit/loss after financial items		**-8,367**	**-3,881**
Appropriations		77,000	85,000
Income tax	10	-14,149	-17,389
Net profit for the year		**54,484**	**63,731**

Parent's statement of other comprehensive income

	Note	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Other comprehensive income			
Items that may be reversed in profit or loss:			
-		0	0
Other comprehensive income for the period, net of tax		0	0
Comprehensive income for the year		**54,484**	**63,731**

The following notes form an integral part of this consolidated financial statement.

Parent's balance sheet

ASSETS	Note	31 Dec 2021	31 Dec 2020
Financial assets			
Shares in subsidiaries	16	353,332	133,360
Total financial assets		**353,332**	**133,360**
Current assets			
Other receivables		56	58
Receivables from Group companies		0	29,609
Prepaid expenses and accrued income	18	683	131
Total current receivables		**739**	**29,798**
Cash and cash equivalents	19	27	717
Total current assets		**766**	**30,515**
Total assets		**354,098**	**163,875**
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	20	531	531
Unrestricted equity			
Share premium reserve		5,065	5,065
Retained earnings		45,358	14,836
Net profit for the year		54,485	63,731
Total equity		**105,439**	**84,163**
Liabilities			
Non-current liabilities			
Borrowings	21	162,500	28,286
Interest-bearing liabilities to Group companies		0	0
Total non-current liabilities		**162,500**	**28,286**
Current liabilities			
Borrowings	21	50,000	28,286
Trade creditors		226	179
Current tax liabilities		16,522	13,660
Liabilities to Group companies		17,180	6,303
Other liabilities	23	926	547
Accrued expenses and prepaid income	24	1,305	2,451
Total current liabilities		**86,159**	**51,426**
Total liabilities		**248,659**	**79,712**
Total equity and liabilities		**354,098**	**163,875**

Items affecting comparability have been revalued to facilitate comparison.

Parent's statement of changes in equity

	Note	Share capital	Share premium reserve	Retained earnings	Net profit for the year	Total equity
Opening balance 1 January 2020 according to adopted balance sheet		**531**	**5,066**	**3,768**	**30,993**	**40,358**
Profit/loss carried forward				30,993	-30,993	0
Net profit for the year					63,731	63,731
Total comprehensive income		**0**	**0**	**0**	**63,731**	**63,731**
Transactions with shareholders in their capacity as owners						
Dividend paid				-19,925		-19,925
Total transactions with shareholders		**0**	**0**	**-19,925**	**0**	**-19,925**
Closing balance 31 December 2020		**531**	**5,066**	**14,835**	**63,731**	**84,163**
Opening balance 1 January 2021 according to adopted balance sheet		**531**	**5,066**	**14,835**	**63,731**	**84,164**
Profit/loss carried forward				63,731	-63,731	0
Net profit for the year					54,484	54,484
Total comprehensive income		**0**	**0**	**0**	**54,484**	**54,484**
Transactions with shareholders in their capacity as owners						
Dividend paid				-33,209		-33,209
Total transactions with shareholders		**0**	**0**	**-33,209**	**0**	**-33,209**
Closing balance 31 December 2021		**531**	**5,066**	**45,357**	**54,484**	**105,439**

Parent's statement of cash flows

	Note	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Cash flow from operating activities			
Cash flow from operations	31	34,903	-24,161
Interest paid		-4,223	-2,410
Income taxes paid		-11,287	-10,801
Cash flow from operating activities		**19,393**	**-37,372**
Cash flow from investing activities			
Acquisition of subsidiaries		-219,972	0
Dividend / Group contributions received		77,000	85,000
Interest received		170	518
Cash flow from investing activities		**-142,802**	**85,518**
Cash flow from financing activities			
Dividend paid		-33,209	-19,925
Proceeds from borrowings		250,000	0
Repayment of borrowings		-94,072	-28,286
Cash flow from financing activities		**122,719**	**-48,211**
Total cash flow		**-690**	**-65**
Reduction/increase in cash and cash equivalents			
Cash and cash equivalents, beginning of year	19	717	782
Cash and cash equivalents, end of year	**19**	**27**	**717**

Notes

1. General information

Lime Technologies AB (publ), Parent, and its subsidiaries (jointly the Group) develop, distribute and sell software for CRM systems, and also provide consultancy services. The Group has sales offices in Sweden, Denmark, Finland, Norway, the Netherlands and Germany.

The Parent is a public liability company incorporated in Sweden with its registered office in Stockholm. The address of the head office is S:t Lars väg 46, 222 70 Lund, Sweden.

On 22 March 2022, the Board of Directors approved these consolidated financial statements for publication.

2. Summary of significant accounting principles

Significant accounting principles applied in the preparation of the financial statements for this Group and Parent are listed below. These principles have been applied consistently for all years presented, unless otherwise stated.

2.1 Basis for preparation of the statements

Group

The consolidated financial statements for the Lime Technologies AB (publ) Group have been prepared in accordance with the Swedish Annual Accounts Act (Årsredovisningslagen), RFR1 Supplementary Accounting Rules for Groups, and International Financial Reporting Standards (IFRS) and interpretations from IFRS Interpretations Committee (IFRS IC) as endorsed by EU. The consolidated statements are prepared in accordance with the purchase method.

The preparation of statements in accordance with IFRS requires the use of some important estimates for accounting purposes. Furthermore, it requires that management makes certain assessments when applying the Group's accounting principles. Areas that include a high degree of assessment and which are complex, or areas where assumptions and estimates are essential for the consolidated accounts, are presented in note 5.

The Parent

The Parent applies the Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities. The recommendation requires the Parent to use the same accounting principles as for the Group, except in cases where the Annual Accounts Act or current tax rules limit the use of IFRS. The deviations between accounting policies adopted for the Parent and accounting policies for the Group are described below. The Parent has no leased assets.

Since Lime Technologies AB (publ) has no control in civil law over the remaining 10% of the shares in Userlike UG, no expected contingent consideration has been taken into account in the Parent's balance sheet.

Holdings in subsidiaries

Holdings in subsidiaries are accounted for at cost less any impairment. The cost of shares in subsidiaries includes the transaction costs and conditional consideration.

Financial instruments

The Parent does not apply IFRS 9. Non-current financial assets in the Parent are valued at cost less any impairment, and current financial assets are valued at the lower of cost and fair value, less selling expenses.

New standards and interpretations

No IFRS standards or IFRIC interpretations that have taken effect since 1 January 2021 have had any significant impact on the Group.

New standards and interpretations not yet applied by the Group

A number of new standards and interpretations come into effect for financial years starting on or after 1 January 2022 and these have not been applied in the preparation of this Annual Report and are not expected to have any effect on the Consolidated Financial Statements.

2.2 Consolidated financial statement

(a) Subsidiaries

Subsidiaries are all companies over which the Group has control. The Group controls a company when it is exposed to, or has the right to, variable returns from its holding in the company and has the ability to affect returns through its influence over that company. Subsidiaries are included in the consolidated financial statements from the date that control is transferred to the Group. They are excluded from the consolidated financial statements from the date such control ceases.

The purchase method is applied for the Group's business acquisitions. The purchase price for an acquired subsidiary is the fair value of the assets given, liabilities assumed by the Group to the previous owners of the acquired company, and the shares issued by the Group. The purchase price also includes the fair value of any assets or liabilities arising from a conditional purchase price. Identifiable acquired assets and assumed liabilities in a business acquisition are initially measured at fair value on the day of the acquisition. For every acquisition, on an acquisition-by-acquisition basis, the Group will decide whether a holding without a controlling interest will be recognised at fair value or at the proportional share of the acquired company's net assets.

Transaction costs attributable to the acquisition are expensed as incurred.

Intra-Group transactions, balance sheet items, and unrealised gains and losses on transactions between Group companies are eliminated. The accounting principles for subsidiaries are amended, if necessary, to ensure consistent application of the Group's principles.

2.3 Segment reporting

Operating segments are reported in a manner that complies with the internal reports submitted to the highest executive decision maker. The highest executive decision maker is the function responsible for allocating resources and assessing the operating segments' performances. In the Group, this function has been identified as the CEO. See also note 6.

2.4 Translation of foreign currency

(a) Functional currency and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the economic environment in which the entity mainly operates (the functional currency). The consolidated financial statements are presented in Swedish Kronor (SEK), which is the Group's presentation currency.

(b) Transactions and balance sheet items

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of each respective transaction or on the date on which the items are translated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the closing rate of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss

Exchange gains and losses resulting from borrowings and cash and cash equivalents are recognised in profit or loss as financial income or expense. All other exchange gains and losses are recognised in Other income or Other expense in profit or loss.

Transaction differences related to changes in the accrued cost are recognised in profit or loss, and other changes in the carrying amount are recognised in Other Comprehensive Income.

(c) Group companies

The results and financial position of all Group companies (of which none has a high inflation currency as its functional currency) that have a functional currency other than the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet are translated at the closing rate;

(ii) income and expenses for each income statement are translated at the average exchange rate (as long as this average rate represents a reasonable approximation of the cumulative effect of the rates applying on the transaction date; otherwise revenues and expenses are translated at the transaction date rate); and a

(iii) all resulting net exchange differences are recognised in Other Comprehensive Income.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange rate differences are recognised in Other Comprehensive Income.

2.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The cost includes expenditure directly attributable to the acquisition of the asset.

Additional expenditure is added to the asset's carrying amount or recognised as a separate asset, whichever is appropriate, only when it is likely that the future economic benefits associated with the asset will flow to the Group and the asset's cost can be measured reliably. The carrying amount of the replaced part is removed from the balance sheet. All other kinds of repairs and maintenance are recognised as expenses in profit or loss during the period in which they arise.

Depreciation of property, plant and equipment, to allocate their cost or translated value down to the estimated residual value over the estimated useful life, is made linearly as follows:

Vehicles	5 years
Machinery and equipment	3-8 years

The assets' residual value and estimated useful life is tested at the end of each reporting period and adjusted if necessary.

An asset's carrying amount is impaired immediately to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount (note 2.7).

Gains and losses on disposals are determined by comparing the selling proceeds and the carrying amount and are recognised within Other income or Other expenses in the in profit or loss.

2.6 Intangible assets

(a) Goodwill

Goodwill arises from the acquisition of subsidiaries and refers to the amount by which the consideration, and any non-controlling interest in the acquired company and the fair value on the acquisition date on a previous equity interest in the acquired company, exceeds the fair value of the identifiable acquired net assets. If the amount is lower than the fair value of the acquired subsidiary's net assets, which is the case in a low-cost acquisition, the difference is recognised directly in profit or loss. Goodwill that has been recognised by the acquired company is eliminated in the acquisition analysis.

In order to test impairment need, goodwill acquired in a business acquisition is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from synergies from the acquisition. Each unit or group of units to which goodwill has been allocated corresponds to the lowest level in the Group at which the goodwill in question is monitored in the internal control. Goodwill is monitored at the operating segment level.

Goodwill is impairment tested annually or more often if there events or changes in circumstances which indicate a possible impairment. The carrying amount of the cash-generating unit to which the goodwill is attributed is compared to the recoverable amount, which is the higher of the value in use and the fair value less selling expenses. Any impairment loss is recognised immediately as a cost and is not reversed.

(b) Trademarks

Trademarks acquired through a business acquisition are recognised at fair value on the acquisition date. Trademarks are deemed to have an indefinite useful life.

Trademarks are impairment tested annually or more often if there are events or changes in circumstances which indicate a possible impairment. The carrying amount of the cash-generating unit to which the trademark is attributed is compared with the recoverable amount, which is the higher of the value in use and the fair value less selling expenses. Any impairment loss is recognised immediately as a cost and is not reversed.

(c) Software

Trademarks acquired through a business acquisition are recognised at fair value on the acquisition date. Software recognised as an asset is depreciated over its estimated useful life, 5-10 years.

(d) Customer relationships

Customer relations acquired through a business acquisition are recognised at fair value on the acquisition date. Customer relations recognised as assets are depreciated over their estimated useful life, 5-10 years.

(e) Capitalised development expenditure

Expenses for software maintenance are expensed as incurred. Development costs directly attributable to the development and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically possible to complete the software so that it can be used,
- the company intends to complete the software and to use or sell it,
- prerequisites for using or selling the software exist,
- it can be shown how the software is likely to generate future economic benefits,
- adequate technical, financial and other resources to complete the development and use or sale of the software are available, and
- the expenditure related to the software during its development can be calculated reliably.

Directly attributable expenditure that is capitalised as part of the software include staff expenses and other direct costs.

Other development costs which do not meet these criteria are expensed when incurred. Development costs previously expensed are not recognised as assets in subsequent periods.

Capitalised work on own account is recognised as a cost reduction in the consolidated income statement.

Development expenditure for software recognised as assets are amortised over their estimated useful life, 5-7 years.

2.7 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets that are not ready for use are not subject to amortisation but are tested annually for any impairment loss. Amortised assets are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is made by the amount at which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less selling expenses, and its value in use. When assessing impairment requirements, assets are grouped at the lowest levels on which there are essentially independent cash flows (cash-generating units). For assets (other than goodwill) that have previously been impaired, a test is made on each balance sheet date as to whether reversals should be made.

2.8 Financial instruments

The Group applies IFRS 9 Financial Instruments as of 1 January 2018. IFRS 9 deals with the classification, valuation, and recognition of financial assets and liabilities and introduces new regulations for hedge accounting. IFRS 9 replaces the sections of IAS 39 that deal with the classification and measuring of financial instruments and introduces a new loss impairment model. The full version of IFRS 9 was issued in July 2014 and is applicable for financial years commencing on or after 1 January 2018. The standard is adopted by the EU.

2.8.1 Classifications

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans, and trade debtors. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and trade debtors
Loans and trade debtors are non-derivative financial assets that have fixed or determinable payments and are not quoted on an active market. They are included in current assets with the exception of items with due dates more than 12 months after the end of the reporting period, which are classified as non-current assets.

2.8.2 Recognition and valuation

After the acquisition date, loans and trade debtors are recognised at accrued cost using the effective interest rate method.

2.9 Impairment of financial assets

(a) Assets recognised at accrued cost

At the end of each reporting period, the Group assesses whether there is objective evidence that there is an impairment need in respect of a financial asset, or a group of financial assets. A financial asset, or group of financial assets, requires impairment only if there is objective evidence of impairment as a consequence of the occurrence of one or more events after the asset has been recognised for the first time (a "loss event"), and that this event (or events) have an impact on estimated future cash flows for the financial asset or group of financial assets that can be estimated reliably.

Objective evidence of impairment includes indications that the debtor or group of debtors has significant financial difficulties, that payments of interest or capital amounts have not been paid or are overdue, that it is probable that the debtor or group of debtors will enter bankruptcy or other financial reorganisation, or that there is observable information indicating a measurable reduction of estimated future cash flows, such as changes in overdue liabilities or other financial conditions that correlate with credit losses.

Impairment of loans and trade debtors is calculated as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not occurred), discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss for the Group.

If the impairment need is reduced in a subsequent period and the reduction can objectively be attributed to an event that occurred after the impairment was recognised (such as an improvement in the debtor's creditworthiness), the reversal of the previously recognised impairment is recognised in profit or loss for the Group.

2.10 Derivatives and hedges

The Group has no derivatives on the balance sheet date and has not utilised any during the reporting period.

2.11 Trade debtors

Trade debtors are amounts to be paid by customers for goods sold or services rendered in operating activities. If payments are expected within one year or earlier (or during the normal business cycle if this is longer), they are classified as current assets. If not, they are recorded as non-current assets.

Trade debtors are initially recognised at fair value and subsequently at cost using the effective interest rate method, less any provision for impairment.

2.12 Cash and cash equivalents

Cash and cash equivalents, in both the balance sheet and the statement of cash flows, include cash, bank balances and other short-term investments with maturity within three months from the date of acquisition.

2.13 Share capital

Ordinary shares are classified as equity.

2.14 Trade creditors

Trade creditors are liabilities to pay for goods and services purchased in operating activities from suppliers. If trade creditors are due within 12 months or earlier (or during the normal business cycle if this is longer), they are classified as current liabilities. If not, they are recorded as non-current liabilities.

Trade creditors are initially recognised at fair value and subsequently measured at amortised value using the effective interest rate method.

2.15 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between the proceeds (net of transaction costs) and the repayment amount is recognised in profit or loss over the borrowing period using the effective interest method.

2.16 Current and deferred income tax

The tax expense for the period includes current and deferred tax. Income taxes are recognised in profit or loss unless the underlying item is recognised in Other Comprehensive Income or directly in equity. For those items, the related income tax is also recognised in other Comprehensive Income or directly in equity.

The current tax expense is measured based on the tax laws that have been enacted or practically enacted by the reporting date in the countries in which the Parent and its subsidiaries operate and generate taxable income. Management regularly evaluates the claims made in tax returns regarding situations where applicable tax rules are subject to interpretation. When deemed appropriate, management makes provisions for amounts that are likely to be paid to the tax authorities.

Deferred tax is recognised for temporary differences between the tax value of assets and liabilities and their carrying amount in profit or loss for the Group. However, deferred tax is not recognised if it arises as a result of the initial recognition of goodwill.

Deferred tax is measured at the tax rates (and laws) that have been enacted or announced on the reporting date, and that are expected to be applied to the deferred tax asset when it is realised or the deferred tax liability when it is settled.

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available, against which the temporary differences can be utilised.

Deferred tax liabilities are calculated on taxable temporary differences arising on holdings in subsidiaries except for deferred tax liabilities where the Group can control the timing of reversal of the temporary difference and it is likely that the temporary difference will not be reversed in the foreseeable future.

Deferred tax assets in relation to deductible temporary differences relating to holdings in subsidiaries are reported only to the extent it is likely that the temporary difference will be reversed in the future and there will be taxable surpluses for which the deduction may be utilised.

Deferred tax assets and tax liabilities are offset when there is a legal right to offset current tax assets and tax liabilities, and when deferred tax assets and tax liabilities relate to taxes charged by one and the same tax authority and concern either the same tax subject or different tax subjects, where there is an intention to settle balances through net payments.

2.17 Remuneration of employees

Liabilities relating to salaries and remuneration, including paid absence, which are expected to be settled within 12 months after the end of the financial year, are recognised as current liabilities at the undiscounted amount that is expected to be paid when the liabilities are settled. The cost is recognised in line with the services being performed by the employees. The liability is recognised as an obligation for employee remuneration in the balance sheet.

The Group companies have different plans for post-employment benefits, including defined-benefit and defined-contribution pension plans and health benefits after termination of employment.

(a) Pension obligations

The Group has defined-contribution pension plans. A defined-contribution plan is a pension plan under which the Group pays fixed fees to a separate legal entity. The Group has no legal or constructive obligations to pay additional fees if this legal entity does not have sufficient assets to pay all employee benefits related to the employees' work during the current or previous periods.

For defined-contribution plans, the Group pays contributions to publicly or privately managed pension plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the fees have been paid. The contributions are recognised as personnel costs when paid. Prepaid contributions are recognised as assets to the extent that repayment or reduction of future payments may be granted to the Group.

For employees in Sweden, the ITP 2 occupational pension plan's defined-benefit pension commitments for retirement and family pensions are secured through insurance with Alecta. According to a statement from the the Swedish Financial Reporting Board, UFR 10 Accounting for the Pension Plan ITP 2, this is a multi-employer defined-benefit plan. For financial year 2021 or 2020, the Company has not had access to information to enable it to to account for its proportional share of plan liabilities, plan assets and expenses, which means that it has not been possible to recognise the plan as a defined-benefit plan. The ITP 2 pension plan, secured by insurance with Alecta, is therefore recognised as a defined-contribution plan. At the end of 2021, Alecta's surplus in the collective consolidation level was 172 percent (148).

(b) Severance pay

Severance pay applies when an employee's employment is terminated by the Group prior to normal retirement or when an employee accepts voluntary redundancy in exchange for such payment. The Group recognises severance pay at the earlier of the following: (a) when the Group is no longer able to withdraw the offer of severance pay; and (b) when the company recognises expenses in relation to restructuring within the scope of IAS 37, which includes the payment of severance pay. Where the company has made an offer to encourage voluntary redundancy, severance pay is calculated based on the number of employees expected to accept the offer. Benefits due more than 12 months after the end of the reporting period are discounted to present value.

(c) Bonus programmes

The Group recognises a liability and a cost for bonuses. The Group recognises a provision when there is a legal obligation or an constructive obligation due to previous practice.

2.18 Revenue recognition

The Group develops and sells software. The major part of the Group's revenues consists of sales of license rights, subscription revenue and consultant revenue.

IFRS 15 is the new standard for revenue recognition, and has been since 2018. IFRS 15 replaced IAS 18 Revenue and IAS 11 Construction Contracts and all related interpretations (IFRIC and SIC). Revenue is recognised when the customer assumes control over the goods or services sold, a principle that supersedes the former principle that revenue is recognised when the risks and rewards have passed to the buyer. The basic principle of IFRS 15 is that the Group recognises revenue in the manner that best reflects the transfer of control of the product or service sold to the customer. Revenue recognition is accounted for in the Group using a five-step model applied to all customer contracts:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations
- Recognise revenue as the performance obligations are fulfilled

Based on the above five-step model, the Group's customer contracts may include various performance obligations identified as License Revenue, Subscription Revenue (Software as a Service), Support Agreements and Service Revenue. Revenue is recognised once control over the service or product sold is deemed to have been transferred to the customer for each type of revenue/performance obligation.

Revenue is the fair value of what has been or will be received for goods and services sold in the Group's current operations. Revenue is recognised excluding VAT, returns and discounts, and after the elimination of sales between Group companies.

The accounting principles applied by the Group for these performance obligations are set out below.

Transitional implications of IFRS 15

The Group has analysed and evaluated IFRS 15 as a regulatory framework. The implementation of IFRS 15 in 2018 has not led to any transitional implications for the Lime Group.

Subscription revenue (Software as a Service)

The Group sells software as a service, by providing access rights to its customers. This service, which includes license, support & maintenance and, in some cases, operations, is received by the customer continuously during the term of the contract. The corresponding revenue is recognised on a straight-line basis over the contract period as control is transferred to the customer continuously during the contract period.

Licence revenue

The Group develops and sells software. The sale of license rights, right to use, is recognised upon delivery in accordance with the contract and when the customer has assumed control over the purchased licenses and when no significant obligations remain outstanding after the delivery date.

Support agreements

sale of licences. Revenue from Support Agreements is invoiced in advance and recognised on a straight-line basis over the contract period as control is transferred to the customer continuously during the contract period.

Expert Services (consultant revenue)

The Group sells consultant and training services, provided predominantly as time-based, but also as fixed price contracts. Revenue from time-based contracts is recognised at contracted prices and as service hours are delivered.

Revenue relating to services from fixed price contracts for consulting services is recognised progressively, in line with time spent on the same principles as described above. Revenue relating to services from fixed price contracts is commonly recognised during the period the services are delivered.

If any circumstances arise that affect the initial estimate of revenue, costs or percentage of completion, the estimates will be revised. Such revision may result in increased or decreased estimated revenues or expenses and affect revenue during the period when the circumstance that caused the change came to the management's knowledge.

2.19 Interest income

Interest income is recognised over the term using the effective interest rate method.

2.20 Dividend income

Dividend income is recognised when the right to receive payment has been determined.

2.21 Leases

With effect from 1 January 2020, IFRS 16 Leases replaces IAS 17 Leases and the associated interpretations. The new standard is described in note 15.1.

2.22 Dividends

Dividends to the shareholders of the Parent are recognised as liabilities in the consolidated financial statements during the period when the dividend is approved by the Parent's shareholders.

2.23 Group contributions

The Parent applies the main principle in RFR 2 IAS 27 regarding Group contributions, which means that Group contributions received from subsidiaries are recognised as appropriations.

2.24 Consolidated statement of cash flows

The consolidated statement of cash flows is prepared in accordance with IAS 7, Statement of Cash Flows, using the indirect method. The year's change in cash is divided into current operations, investing activities and financing activities. The starting point of the indirect method is the operating profit adjusted for transactions that did not entail payments received or paid. Cash and cash equivalents include short-term investments with maturity within 3 months from the date of investment. All items included in cash and cash equivalents can be converted to cash very quickly.

3. Financial risk management

3.1 Financial risk factors

The Group is exposed to a variety of financial risks through its operations: market risk (including currency risk, interest rate risk in fair value and interest rate risk in cash flow), credit risk and liquidity risk. The Group's overall risk management policy focuses on unpredictability in the financial markets and strives to minimize potential adverse effects on the Group's financial results.

Risk management is handled by a finance department in accordance with policies established by the Board of Directors. Group Finance identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board of Directors draws up, as required, written policies for overall risk management as well as for specific areas.

(a) Market risk

(i) Currency risk
The Group operates internationally and is exposed to currency risks arising from different currency exposures, mainly in respect of Norwegian Krone (NOK), Danish Krone (DKK) and Euro (EUR). Currency risk arises from future business transactions, recognised assets and liabilities and net investments in foreign businesses operations.

Since the Group's Swedish operations largely have their currency flow in Swedish Kronor, there is no need for currency hedging. In 2020 and 2021 operations in the Rest of Europe were of a volume at which currency hedging was not deemed necessary.

The Group has holdings in foreign operations whose net assets are exposed to currency risks.

If the Swedish Krona had weakened/strengthened by 10% relative to the EUR, with all other variables being constant, the recalculated income after taxes as of 31 December 2021 would have been MSEK 0.2 lower/higher, largely as a result of profits/losses on recalculation of current assets and liabilities.

According to the finance policy, Lime's holdings of cash and cash equivalents in currencies other than SEK, shall not exceed 15% of net sales in the respective currency.

(ii) Interest-rate risk in relation to cash flows and fair values
The Group's interest rate risk arises through long-term borrowings. Loans with variable interest rate expose the Group to interest rate risk relating to cash flow, which is partly offset by cash invested at variable interest rates. In 2020 and 2021, the Group's borrowings at variable interest rates were in Swedish Kronor. For more information regarding Lime's borrowings see note 22.

At the end of the period, interest-bearing bank borrowings amounted to MSEK 212.7 (57.1) with a variable rate linked to STIBOR. A change of 10 bps in underlying reference rates would not impact on net profit for the year and equity as STIBOR would still be negative and the reference rate under the Agreement is a minimum of 0.

According to the finance policy, Lime shall minimize its interest risk exposure by, for example, fixing the interest margin over 1-5 years.

(b) Credit risk

Credit risk is managed at Group level Each Group company is responsible for monitoring and analysing the credit risk associated with each new customer before standard terms for payment and delivery are offered. Credit risk arises in cash and cash equivalents with banks and financial institutions, as well as in credit exposures to customers, including outstanding receivables and contracted transactions. If independent credit rating assessors rate customers, these assessments are used. In the absence of an independent credit assessment, a risk assessment of the customer's creditworthiness is conducted, taking into account the customer's financial position, as well as previous experiences and other factors. Credit exposure to customers is limited by the Group's low customer concentration.

(c) Liquidity risk

The Group manages liquidity risk by maintaining sufficient cash and cash equivalents Cash flow projections are prepared at Group level. Management closely monitors rolling forecasts of the Group's cash reserves to ensure that the Group has sufficient cash funds to meet the needs of operating activities.

The table on the next page analyses the Group's financial liabilities, broken down by the time remaining until the contractual maturity date, as of the balance sheet date. The amounts stated in the table are the contractual, undiscounted cash flows.

According to Lime's finance policy, Lime shall not use any surplus liquidity to trade in financial assets, and cash and cash equivalents over time shall amount to at least 8% of annual net sales.

Liquidity risk - the Group

As of 31 December 2021	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years
Borrowings (excl. liabilities under leases)	13,507	40,200	52,588	122,795
Liabilities related to leasing	3,480	6,841	6,577	11,775
Exercise price recognised as a liability More Intenz, Lime Technologies Gävle and Userlike	13,965	0	40,293	0
Trade creditors and other liabilities	8,028	-	-	-
Total	**38,979**	**47,041**	**99,458**	**134,570**

As of 31 December 2020	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years
Borrowings (excl. liabilities under financial leases)	7,410	22,027	28,839	0
Liabilities relating to finance leases	3,294	8,707	5,652	6,701
Exercise price recognised as a liability More Intenz and Lime Technologies Gävle	1,869	0	3,001	12,801
Trade creditors and other liabilities	2,777	-	-	-
Total	**15,350**	**30,734**	**37,492**	**19,502**

3.2 Capital risk

Capital is defined as total equity. The Group's objective regarding the capital structure is to secure the Group's ability to continue its operations and to continue to generate returns to shareholders and benefit to other stakeholders, as well as to maintain an optimal capital structure to keep the cost of capital low.

In order to maintain or adjust the capital structure, the Group may change the dividend paid to shareholders, repay capital to shareholders, issue new shares or sell assets to reduce liabilities.

As the Group's strategy is partly based on evaluating acquisition opportunities, indebtedness can fluctuate significantly from year to year.

The Board of Directors and the Management continuously assess future payment obligations and decide, from an overall perspective, how the Group's funds are to be managed.

The capital structure objective is to keep the net debt, excluding lease liabilities, to EBITDA ratio below 2.5. Under the terms and conditions of Lime's bank loan agreement, the net debt to EBITA ratio shall be less than 2.0.

Group	2021	2020
Interest-bearing non-current liabilities	-162,509	-28,524
Non-current lease liabilities	-17,381	-14,590
Other non-current liabilities	-40,294	-15,183
Interest-bearing current liabilities	-64,189	-30,404
Current lease liabilities	-10,079	-9,303
Financial assets	55,867	64,662
Net liabilities	**-238,585**	**-33,342**
EBITDA	132,839	121,574
Net debt / EBITDA	**1.8**	**0.3**

3.3 Refinancing risk

Lime has entered into a loan agreement of MSEK 250, with an outstanding amount at 31 December 2021 of MSEK 212.5. The refinancing risk is the risk that no further financing is available, or no financing at all is available, or if financing can only be obtained at a higher cost, if such need arises.

4. Operational risks

The group is exposed to various risks through its operations. The Group's overall risk management policy aims at minimising potential adverse effects on the Group's financial results. Should any of the risks described below occur, the results and financial position may be adversely affected. The risks below are not the only risks the Group is exposed to.

The risks resulting from the spread of the Covid 19 virus as well as Russia's invasion of Ukraine are described in greater detail in the Directors' Report.

4.1 Competitive market

Lime is continuously working to ensure it has an attractive offering for its customers. Lime's revenue model is largely based on subscription revenue, meaning the proportion of recurring revenue is high, which increases predictability. However, Lime operates its business in a highly competitive market with both global and local competitors. Some of Lime's competitors are thus large, efficient companies with significant financial, technical and marketing resources. Furthermore, competition may intensify if new CRM suppliers enter the market. The competitors' actions and potential success could have an adverse effect on Lime's operations, financial position or results.

4.2 Retaining and recruiting key personnel

There is fierce competition for highly qualified personnel for many of Lime's staff categories, including software developers. The Group's operations and future success are to a large extent dependent of its ability to retain and recruit key personnel. Should the company have difficulties in recruiting competent personnel or if the cost of employing competent personnel should increase, this could have an adverse effect on Lime's operations, financial position or results.

4.3 Technical development

Lime is constantly working on further developing and updating its products to meet its customers' demands. However, the software industry is characterised by rapid development of both new products, services and technology, as well as customers' demands on products, services and technology. In the event that developments progress in a direction different from what Lime expects or is able to adapt to, this could have an adverse effect on Lime's operations, financial position or results.

4.4 IT security

The Group's ability to provide software to the customer relies on the security, integrity, reliability and operational performance of the systems, products and services offered. Disruptions in the IT environments of Lime or any of Lime's suppliers could have an adverse effect on Lime's operations, financial position or results.

4.5 Compliance with laws and regulations

Lime's operations rely on a large number of legal frameworks and regulatory requirements. These laws and rules are complex and vary between different jurisdictions. In the event of geographical expansion, or in the event that Lime's regulatory compliance is deemed to be insufficient, this could have an adverse effect on Lime's operations, financial position or results.

5. Critical accounting estimates and judgements

Estimates and judgements are continuously evaluated and based on historical experience and other factors, including expectations of future events considered reasonable under prevailing conditions.

5.1 Critical accounting assumptions and judgements

The Group makes assumptions and judgements about the future. The impact such assumptions have on how certain values are reported will, by definition, rarely correspond to the actual result. The estimates and assumptions that involve an important risk of significant adjustments in the reported values of assets and liabilities in the next fiscal year are discussed in broad terms below.

(a) Impairment testing of goodwill and trademarks

The Group impairment tests goodwill and trademarks annually, in accordance with the accounting principles described in note 2.6. Recoverable amounts for cash-generating units have been determined by calculating the value in use. To make these calculations, some assumptions must be made (note 14). In addition, assessments and assumptions have been made in relation to valuation models, interest rates (weighted average cost of capital) and royalties ("relief from royalty").

(b) Software

The Group has assessed the useful life of software identified in acquisition analyses, which affect the recognised cost of amortisation in profit or loss and the valuation of assets in the balance sheet. The Group has also made assessments and assumptions about valuation models, interest rates (weighted average cost of capital) and royalties ("relief from royalty").

(c) Capitalised expenses

Development expenditure is capitalised on the basis described under "Intangible assets" in note 2. The Group has assessed useful life periods which impact recognised amortisation costs in profit or loss and the valuation of assets in the balance sheet.

(d) Business acquisitions

A number of estimates and assumptions are made in connection with business acquisitions for the preparation of the acquisition analysis. Lime uses accepted models in preparing the acquisition analysis.

(e) Exercise price recognised as a liabilty in Lime Intenz AB and Userlike UG

The acquisition analysis in relation to Lime Intenz AB, Lime Technologies Gävle AB (formerly janjoo AB) and Userlike UG is based on final valuations of identifiable intangible assets. Exercise price for outstanding options is, however, based on an assessment of future revenue.

(f) IFRS 16

In determining the lease term, management considers all facts and circumstances that create a financial incentive to exercise an extension option, or not to exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The majority of the extension options under leases of office space and vehicles have not been included in the lease liability, as the Group can replace these assets without significant cost or business disruption.

The lease term is reassessed if an option is exercised (or not exercised), or if the Group is forced to exercise the option (or not exercise it). The assessment of reasonable certainty is only reconsidered if there is a material event or change in circumstances that affects this assessment and if the change is within the control of the lessee. During the current financial year, such reassessment of leasing terms resulted in an increase of lease liabilities and right-to-use assets by MSEK 1.1 (5.5).

6. Segment information

Operating segments are reported in a manner that complies with the internal reporting submitted to the highest executive decision maker. The highest executive decision maker is the function responsible for allocating resources and assessing the operating segments' performances. In the Group, this function has been identified as the Group's CEO.

The highest executive decision maker assesses the operations based on a geographic perspective, the Sweden and the Rest of Europe segments have the same operation and business model, i.e. to sell and implement software, CRM systems. The Swedish segment manages development and administration.

Operating segments are assessed on the basis of net sales and EBITDA. This measure is defined as operating income before depreciation/amortisation, acquisition-related expenses and other one-off items affecting comparability. EBITDA is the lowest level of result which is followed up, taking into account that the Group's assets in the Group, except that right-of-use assets and vehicles/equipment are managed at central Group level.

Apart from the acquisition of Userlike UG, no significant changes have been made to the segments' assets during the period.

Revenue, per segment

Sales between segments are made on market terms. Revenue from external parties, which is reported to the highest decision-making executive, is recognised in the same way as in profit or loss.

	2021			2020		
Revenue by income stream, TSEK	**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	111,415	27,036	138,450
Other	2,671	326	2,997	2,428	339	2,767
Net sales	**300,973**	**102,875**	**403,848**	**274,961**	**63,728**	**338,689**

Net income, per segment

1 Jan 2021 – 31 Dec 2021	Sweden	Rest of Europe	Eliminations	Group
Operating revenue, external	301,008	103,092		404,100
Operating revenue, internal	2,344	2,844	-5,188	0
Total sales	**303,352**	**105,936**	**-5,188**	**404,100**
Operating expenses, external	-205,258	-66,003		-271,261
Operating expenses, internal	-2,824	-2,364	5,188	0
Total expenses	**-208,082**	**-68,367**	**5,188**	**-271,261**
EBITDA	**95,270**	**37,569**	**0**	**132,839**
Income from shares in associates				0
Amortisation				-56,808
EBIT				**76,031**
Financial net				-4,697
Tax				-12,643
Net profit for the year				**58,691**

1 Jan 2020 – 31 Dec 2020	Sweden	Rest of Europe	Eliminations	Group
Operating revenue, external	276,704	63,743		340,447
Operating revenue, internal	2,772	1,580	-4,352	0
Total sales	**279,476**	**65,323**	**-4,352**	**340,447**
Operating expenses, external	-188,131	-31,304		-219,435
Operating expenses, internal	-2,039	-2,313	4,352	0
Total expenses	**-190,170**	**-33,617**	**4,352**	**-219,435**
EBITDA	**89,306**	**31,706**	**0**	**121,012**
Income from shares in associates				547
Amortisation				-38,359
EBIT				**83,200**
Financial net				-3,195
Tax				-17,294
Net profit for the year				**62,711**

Assets and liabilities

Operating segments are not measured based on management of assets and liabilities, which instead are managed centrally by the finance department.

Breakdown of non-current assets and accrued tax is as follows:

	31 Dec 2021	31 Dec 2020
Group		
Capitalised development expenditure	69,136	62,122
Software	129,983	38,403
Trademarks	53,675	33,478
Customer relations	28,832	12,658
Goodwill	222,076	69,763
Sweden		
Vehicles	1,581	1,658
Machinery and equipment	355	427
Right-to-use assets	16,735	10,879
Rest of Europe		
Machinery and equipment	856	220
Right-to-use assets	9,093	11,091
Financial assets	700	706
Deferred tax assets	61	58
Total non-current assets	**533,083**	**241,463**

Group-wide information

The breakdown of revenue from all products and services is found below.

	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Analysis of revenue per income stream:		
- Subscribtion revenue	206,478	150,995
- Licence revenue	1,914	3,083
- Support agreements	39,511	43,396
Expert Services	152,948	138,451
- Other	2,997	2,765
Total	**403,848**	**338,689**

Breakdown of revenue from external customers per country, based on the location of the customers:

	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Sweden	300,973	274,961
Rest of Europe/Nordic Region	102,875	63,728
Total	**403,848**	**338,689**

7. Compensation to auditors

	Group		The Parent	
Compensation to auditors	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
PwC				
– Audit *)	791	971	336	322
- Auditing advice other than statutory audit services	0	0	0	0
– Tax advice	0	0	-	-
– Other services	97	20	29	0
Total	**888**	**991**	**365**	**322**

Audit refer to fees for the statutory audit, i.e. work required to deliver the audit report, and so-called auditing advice provide in connection with the audit assignment.

PwC Sweden: Statutory audit TSEK 553 (TSEK 682), Audit advice other than statutory audit serviced TSEK 0 (0), Tax advice TSEK 0 (0), and Other services TSEK 29 (20).

8. Compensation to employees etc.

Salaries and other remuneration to all employees

	Group		The Parent	
	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Salaries, and other remunerations	160,452	133,620	3,988	4,569
Social security expenses	45,289	36,178	1,829	1,139
Pension costs / defined contribution plans	12,020	10,641	463	675
Total compensations to employees	**217,760**	**180,439**	**6,280**	**6,383**

Report of benefits to senior executives

1 Jan 2021 – 31 Dec 2021	Base salary/ fee	Variable pay	Pension cost	Other compensation	Total
Board members	1,165	-	-	-	1,165
CEO up to and including 30 Apr 2021	899	0	154	68	1,122
CEO from and including 1 May 2021	1,041	137	129	52	1,359
Other senior executives	5,836	330	1,077	246	7,489
Group total	**8,942**	**466**	**1,360**	**366**	**11,134**

1 Jan 2020 – 31 Dec 2020	Base salary/ fee	Variable pay	Pension cost	Other compensation	Total
Board members	297	-	-	-	297
CEO	1,804	300	463	70	2,637
Other senior executives	5,645	570	1,166	198	7,578
Group total	**7,746**	**870**	**1,629**	**267**	**10,512**

Variable pay for 2021 will be paid in 2022 and variable pay for 2020 was paid in 2021.

Number of employees (average)

	Group		The Parent	
	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Number of employees (average)	297	244	2	2
Whereof men	197	170	2	2
Breakdown per country				
Sweden	227	207	2	2
Norway	18	15	–	–
Finland	14	15	–	–
Denmark	9	7	–	–
Germany	22	–	–	–
Netherlands	6	1	–	–
Total	**297**	**244**	**2**	**2**

Gender balance in the Group (including subsidiaries) for Board members

	Group		The Parent	
Board members	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Women	2	2	2	2
Men	3	3	3	3

Boards in subsidiaries	**Women 2021**	**Men 2021**	**Women 2020**	**Men 2020**
Lime Technologies Sweden AB	–	1	–	1
Lime Technologies Norway AS	–	2	–	2
Lime Technologies Finland OY	–	1	–	1
Lime Technologies Denmark A/S	–	3	–	3
Hysminai AB	–	1	–	1
Lime Intenz AB	–	3	–	3
Lime Technologies Gävle AB	–	3	–	3
Lime Technologies Netherlands B.V.	–	2	–	2

	Group		The Parent	
Executive management, CEO inc	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Women	1	1	–	–
Men	6	6	2	2

Guidelines for the remuneration of senior executives

The annual general meeting approves remuneration to the board of directors and the guidelines for remuneration to senior executives. The decision by the annual general meeting is in accordance with previously applied remuneration principles.

The general meeting on 29 June 2020 resolved the guidelines for remuneration to senior executives. The board of directors approves remuneration to the Group's CEO and the principles for remuneration to other senior executives. All members of the board of directors constitute the remuneration committee until the annual general meeting on 26 April 2022 and has as such managed matters relating to remuneration and other terms of employment.

Senior executives

For the purposes of these guidelines, senior executives include the Chief Executive Officer and executives who report to the Chief Executive Officer and are members of the Group Management.

General remuneration principles

In short, the Company's business strategy is to be a comprehensive CRM expert that offers a powerful and flexible SaaS platform, which leads to a loyal customer base and a profitable business model, strong cash flow and profitable growth.

For more information, please refer to the Company's Annual Reports and the Company's website, https://www.lime-technologies.se/.

A prerequisite for implementing the Company's business strategy, safeguard its long-term interests, including sustainability, is that the Company can recruit and retain qualified employees. The Company should therefore offer conditions of employment, including remuneration, that enable attracting and retaining senior executives with the competence and experience required to achieve the Company's goals. The remuneration shall be based on terms that are competitive and in line with market terms.

When evaluating whether these guidelines and the limitations set out herein are reasonable, the Board of Directors (including the Remuneration Committee) has considered the total remuneration of all employees of the Company including the various components of their remuneration as well as the increase and growth rate over time.

Principles for fixed and variable remuneration

The remuneration covered by these guidelines may consist of fixed basic salary, variable cash salary, pension and other benefits. In addition the general meeting may decide on, inter alia, long-term incentive programs.

Principles for fixed base salary

Every senior executive shall receive a fixed base salary, based on the senior executive's skills, responsibility and performance, and shall be on market terms and competitive.

Fixed base salary may not amount to more than eighty-five (85) per cent of the total remuneration, assuming that full variable cash salary, pension benefits and other benefits are paid (if there is no variable cash salary, pension benefits or other benefits, the fixed basic salary will constitute the entire remuneration).

Principles for variable remuneration

Variable remuneration shall be based on how well the Company meets its financial targets for organic growth and EBITDA. The variable remuneration shall reflect the key drivers for pursuing the Company's strategy, long-term interests and sustainable business practices. To which extent the criteria for awarding variable remuneration have been satisfied shall be determined when the relevant measurement period of the performance criteria has ended. The performance criteria shall be determined and documented on a yearly basis.

For each senior executive (except for senior executives whose main responsibility is own sales), variable remuneration may amount to a maximum of twenty-five (25) per cent of total remuneration if full variable remuneration, pension benefits and other benefits are paid. For senior executives whose main responsibility is own sales, the total remuneration may amount to a maximum of eighty (80) per cent of the total remuneration if full variable remuneration, pension benefits and other benefits are paid.

The Company has the right to recover variable remuneration if it turns out that the Company's accounts contain material errors.

Pension

Senior executives shall have pension terms and pension levels that are in line with market terms. The pension benefits shall be premium based. Variable remuneration shall only constitute a basis for pension benefits if it follows from provisions in the applicable collective bargaining agreement. Unless applicable collective bargaining agreements state otherwise, pension benefits may amount to a maximum of thirty (30) per cent of the fixed salary for each senior executive and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of twenty (20) per cent of the total remuneration.

Other benefits

The Company offers other benefits to senior executives such as company car and health insurance. The benefits shall be in line with market terms and the costs of such benefits may, for each senior executive, amount to a maximum of eight (8) per cent of the fixed basic salary and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of five (5) per cent of the total remuneration.

Termination and severance pay

Employment agreements entered into between the Company and senior executives shall, as a principal rule, apply until further notice. If the Company terminates the employment of a senior executive, the notice period may not exceed twelve (12) months. Severance pay shall only be paid upon termination by the Company and shall not exceed the amount of the agreed fixed basic salary during the notice period. The notice period shall not exceed six (6) months and no severance shall be payable upon the senior executive's own termination of his or her employment.

Decision-making process

The Board of Directors has appointed a Remuneration Committee to prepare the Board's proposal for guidelines. Based on the recommendation of the Remuneration Committee, the Board shall, when the need arises for significant changes to the guidelines, at least every four years, prepare guideline proposals to be presented at the Annual General Meeting. The guidelines shall apply to each commitment of remuneration to senior executives, and to any change in such commitment, that is decided after the Annual General Meeting at which the guidelines were adopted. The guidelines thus have no effect on previously binding contractual obligations. Other General Meetings than the Annual General Meetings may amend the guidelines.

The Remuneration Committee shall also monitor and evaluate the application of these guidelines, ongoing and completed programs for variable remuneration to senior executives and the Company's remuneration structures and remuneration levels.

Within the scope and on the basis of these guidelines, the Board of Directors shall, based on the remuneration committee's preparation and recommendations, annually decide on the specific revised remuneration terms for each individual senior executive and also make other decisions on remuneration to senior executives that may be required. The Chief Executive Officer and the other senior executives do not participate in the Board of Directors' handling of and resolutions regarding remuneration-related matters if they are affected by such matters.

Deviation from these guidelines

The Board of Directors may temporarily resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for such deviation and if the deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, it is part of the Remuneration Committee's tasks to prepare the Board's decision on remuneration matters. This includes decisions on deviations from the guidelines. Deviations shall be reported and justified annually in the remuneration report.

9. Financial income & expenses

	Group		The Parent	
	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Financial income:				
– Interest income	4	20	-	-
– Interest income, group company	-	-	169	51
- Other financial items	12	212	-	-
- Exchange rate differences	202	469	0	467
Financial income	**218**	**701**	**169**	**518**

	Group		The Parent	
	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Interest expenses:				
– Interest expenses, bank loans	3,227	1,612	3,208	1,575
– Interest expenses, group companies	-	-	861	778
– Interest expenses, financial leasing	394	320	-	-
- Other interest expenses	946	552	29	58
- Other financial expenses	4	3	0	0
- Exchange rate differences	343	1,410	124	0
Total financial expenses	**4,915**	**3,896**	**4,223**	**2,410**
Net financial items	**-4,697**	**-3,195**	**-4,054**	**-1,892**

10. Income tax

	Group		The Parent	
	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Current income tax:				
Current income tax for the year	-17,432	-18,837	-14,149	-17,389
Total current income tax	**-17,432**	**-18,837**	**-14,149**	**-17,389**
Deferred tax (note 22)	4,789	1,543	0	0
Total deferred tax	**4,789**	**1,543**	**0**	**0**
Income tax	**-12,643**	**-17,294**	**-14,149**	**-17,389**

Income tax on the consolidated income before taxes, differs from the theoretical tax expense that would arise when applying a weighted average tax rate on the income from the consolidated companies according to the following:

	Group		The Parent	
	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Income before tax	**71,334**	**80,004**	**68,633**	**81,120**
Income tax calculated based on national tax rates applicable on income in respective country	-17,459	-17,830	-14,138	-17,360
Tax effect of:				
- Non-taxable income	0	0	-	-
- Non-deductible expenses	-117	-693	-10	-29
- Correction of preceding year's taxation	92	0	-	-
- Tax attributable to intangible assets	4,790	824	-	-
- Tax losses for which no deferred tax asset has been reported	52	406	0	0
Income tax	**-12,643**	**-17,294**	**-14,149**	**-17,389**

Weighted average tax rate was 18% (2020: 22%).

11. Exchange rate differences

The following exchange rates have been applied when preparing the consolidated financial statements and the annual report.

	Average Jan-Dec		Closing rate, 31 Dec	
Exchange rates (against SEK)	**2021**	**2020**	**2021**	**2020**
DKK	1.38	1.42	1.39	1.37
NOK	1.01	0.99	1.01	0.97
EUR	10.19	10.58	10.29	10.23

	Group		The Parent	
	1 Jan 2021 –31 Dec 2021	**1 Jan 2020 – 31 Dec 2020**	**1 Jan 2021 – 31 Dec 2021**	**1 Jan 2020 – 31 Dec 2020**
Other income/expenses - net	17	46	-2	0
Financial items - net (note 9)	-141	-941	-124	467
Total	**-124**	**-895**	**-126**	**467**

12. Earnings per share

Basic

Basic "earnings per share" are calculated by dividing the income attributable to shareholders of the Parent by a weighted average number of ordinary shares outstanding.

Basic	**1 Jan 2021 – 31 Dec 2021**	**1 Jan 2020 – 31 Dec 2020**
The Group's earnings attributable to shareholders of the Parent	58,691	62,711
Weighted average number of ordinary shares outstanding (thousands)	13,283	13,283
Earnings per share	**4.42**	**4.72**

Diluted

To calculate "earnings per share, diluted", the weighted average number of ordinary shares outstanding is adjusted for the dilution effect of all potential ordinary shares.

Diluted	**1 Jan 2021 – 31 Dec 2021**	**1 Jan 2020 – 31 Dec 2020**
The Group's earnings attributable to shareholders of the Parent	58,691	62,711
Weighted average number of ordinary shares outstanding (thousands)	13,283	13,283
Weighted average number of ordinary shares outstanding (thousands) diluted*)	13,283	13,283
Earnings per share, diluted	**4.42**	**4.72**

13. Dividend per share

A dividend of SEK 34,537,051 will be proposed at the Annual General Meeting on 26 April 2022, equivalent to SEK 2.60 per share. Remaining earnings will be carried forward.

14. Intangible assets

Group	Goodwill	Trademarks	Software	Customer relations	Capitalised expenses	Total
2021 Financial year						
Opening balance	69,763	33,478	38,403	12,658	62,122	216,424
Acquired	151,207	20,053	115,211	23,119	-	309,590
Capitalised work	-	-	-	-	20,964	20,964
Amortisation	-	-	-24,356	-7,083	-12,805	-44,244
Currency	1,106	144	726	138	-1,145	969
Closing balance	**222,076**	**53,675**	**129,983**	**28,832**	**69,136**	**503,702**
As per 31 December 2021						
Acquisition value	222,076	53,675	202,206	56,948	110,813	645,718
Accumulated amortisation	-	-	-72,223	-28,116	-41,677	-142,016
Closing balance	**222,076**	**53,675**	**129,983**	**28,832**	**69,136**	**503,702**

Group	Goodwill	Trademarks	Software	Customer relations	Capitalised expenses	Total
2020 Financial year						
Opening balance	69,763	33,478	28,556	16,665	53,492	201,954
Acquired	-	-	23,347	-	1,312	24,659
Capitalised work	-	-	-	-	17,794	17,794
Amortisation	-	-	-13,500	-4,007	-10,476	-27,984
Closing balance	**69,763**	**33,478**	**38,403**	**12,658**	**62,122**	**216,423**
As per 31 December 2020						
Acquisition value	69,763	33,478	86,269	33,691	90,994	314,195
Accumulated amortisation	-	-	-47,867	-21,033	-28,872	-97,771
Closing balance	**69,763**	**33,478**	**38,403**	**12,658**	**62,122**	**216,424**

The Parent has no intangible assets.

Capitalised work relates to internally generated assets, while other intangible assets are acquired.

Impairment testing of goodwill, trademarks and the Group's intangible assets

The Group's total value of goodwill and trademarks at year-end was MSEK 222.1 (69.8) and MSEK 53.7 (33.5), respectively. Goodwill and trademarks are not depreciated according to plan but are instead impairment tested annually. Goodwill and trademarks are monitored by the finance department. When assessing impairment, assets are allocated in full to the Group since the goodwill relates to the acquisition of the Lime Technologies Sweden Group and More Intenz AB and Userlike UG.

Impairment testing of goodwill and customer relations is based on the value in use. The value in use is based on future cash flow projections, the DCF method, with the first 4 years being based on the business plan approved by the board of directors.

Critical variables, as well as the method of estimating these values for the five-year forecast period, are described below. All significant assumptions are based on senior executives' past experience.

Forecast period and long-term growth

The forecast period is 5 years. Cash flows beyond that period have been attributed an annual net sales growth rate of 2 (2) percent, which is somewhat higher than expected general GDP growth, and is justified by the fact that Lime is operating in a growth industry, with continued prospects for high growth beyond the forecast period.

Growth and margin

The net sales growth rate and cost trend during the first five years are based on management's experience and assessment of the Group's position in the market.

Discount rate

The discount rate is calculated as the Group's weighted average cost of capital including a risk premium. The projected cash flows have been discounted, applying a discount rate of 8.5 (8.5) percent before tax.

Sensitivity analysis

The recoverable value exceeds the carrying amount for the cash-generating unit. Management believes that a reasonable and possible change in the critical variables above would not have such an impact that they individually would reduce the recoverable value below the carrying value. Management has tested a change in the discount rate of 5 percentage points, a change in net sales growth of 2 percentage points and a change in the perpetual yearly growth rate of 1 percentage point, without the recovery value being reduced below the carrying value.

15. Property, plant and equipment

Group	Vehicles	Machinery and equipment	Right-to-use assets	Total
2021 Financial year				
Opening balance	1,658	647	21,970	24,275
Exchange rate differences	-	1	0	1
Purchases	1,013	1,175	15,460	17,647
Sales and disposals	-570	-171	0	-741
Depreciations	-520	-441	-11,602	-12,563
Closing balance	**1,581**	**1,211**	**25,828**	**28,619**
As per 31 December 2021				
Acquisition value or restated amount	3,061	3,915	56,100	63,076
Accumulated depreciations	-1,480	-2,704	-30,272	-34,456
Closing balance	**1,581**	**1,211**	**25,828**	**28,620**
2020 Financial year				
Opening balance	2,570	591	16,189	19,350
Exchange rate differences	-	-1	0	-1
Purchases	317	393	15,326	16,036
Sales and disposals	-667	-113	0	-780
Depreciations	-562	-223	-9,545	-10,330
Closing balance	**1,658**	**647**	**21,970**	**24,275**
As per 31 December 2020				
Acquisition value or restated amount	3,879	2,910	38,980	45,769
Accumulated depreciations	-2,221	-2,263	-17,010	-21,494
Closing balance	**1,658**	**647**	**21,970**	**24,275**

15.1 Leases

(a) Amounts reported in the balance sheet

The balance sheet includes the following amounts in relation to leasing agreements:

Right-to-use assets	31 Dec 2021	31 Dec 2020
Office space*	25,828	21,970
Vehicles	1,581	1,658
Closing balance	**27,409**	**23,628**

Leasing liabilities	31 Dec 2021	31 Dec 2020
Current	10,028	9,319
Accrued expenses, current	51	69
Non-current	17,381	14,240
Closing balance	**27,460**	**23,628**

Net cash flow from existing leases was TSEK -14,936 (-12,741) in 2021.

(b) Amounts recognised in profit or loss

The income statement includes the following amounts in relation to leasing agreements:

Depreciation of right-to-use assets	31 Dec 2021	31 Dec 2020
Office space	-11,602	-9,545
Vehicles	-520	-562
Total depreciation	**-12,122**	**-10,107**
Interest expenses (included in financial expenses)	-395	-320
Expenses related to leases for which the underlying asset is of low value (included in Other expenses)	-2,984	-2,843

Deprecation of right-to-use assets and leased vehicles – for the purpose of dividing their acquisition value, or restated value, as the estimated residual value across the estimated useful life – is done based on the straight-line method according to the following:

Vehicles	5 years
Office space	1-60 months

(c) The Group's leasing activities and how they are accounted for

The Group leases various office spaces, vehicles and equipment. Contracted leasing terms are normally fixed between 6 months and 5 years, with an option to extend the lease term.

This is described in further detail below. Agreements can include both lease and non-lease components. The Group separates payments under a lease agreement between lease and non-lease components based on their relative independence. Leasing fees for office space leased by the Group are, however, not separated between lease and non-lease components but instead accounted for as one combined lease component.

Terms are negotiated separately for each agreement and cover a variety of different contract terms and conditions. The leasing agreements do not cover any specific terms or restrictions except that the lessor retains the rights to pledged leased assets. Leased assets may not be used as collaterals under loans.

From 1 January 2019, leasing agreements are accounted for as right-to-use assets with a corresponding liability from the day the leased asset is available for use by the Group.

Assets and liabilities arising from leasing agreements are initially measured at present value. The lease liabilities include the present value of the following leasing payments:

- fixed payments (including in-substance fixed payments), less any lease incentives received when signing the lease agreement variable lease payment that depend on an index or rate, initially assessed using an index or rate as at the commencement date of the lease
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise such option
- penalty payments for terminating the lease, if the lease term is such that the Group will exercise the option to terminate the lease agreement.

Lease payments that will be made under reasonably certain extension options, are also included when measuring the liability.

Lease payments are discounted using the implicit rate of the lease agreement. If this rate cannot be determined easily, which normally is the case for the Group's leasing agreements, then the lessee's incremental borrowing rate shall be used, which is the rate the individual lessee would pay to borrow the necessary funds to buy an asset of comparable value to the right-to-use asset, in a similar economic environment at similar terms and conditions and securities.

The group is exposed to possible future increases in variable lease payments that depend on an index or rate, that are not included in the lease liability until they come into effect. The lease liability is remeasured and adjusted against the right-to-use asset once adjustments of lease payments that depend on an index or rate come into effect.

Lease payments are separated between amortisation of the liability and interest. The interest is recognised in profit or loss over the term of the lease, which means a fixed interest rate is applied to the lease liability reported in each reporting period.

The right-to-use assets are measured at acquisition value and include the following:

- the initial measurement of the lease liability
- lease payments paid at or prior to the commencement date, less any lease incentives received when signing the lease agreement
- initial direct payments
- expenses relating to restoring the asset to the conditions stated in the terms and conditions under the lease agreement

Right-to-use assets are normally depreciated on a straight-line basis over the shorter of the useful life and the leasing term. If the group is reasonably certain it will exercise a purchase option, then the right-of-use asset is depreciated over the underlying asset's useful life.

Payments under short-term agreements relating to equipment and vehicles and all low-value lease agreements, are expensed on a straight-line basis in profit or loss. Short-term agreements are agreements with a lease term of 12 months or less. Low-value agreements include IT equipment and some office furniture.

Some of the Group's lease agreements relating to office space and vehicles include extension and termination options. The purpose of the terms is to maximise the flexibility when managing assets used in the Group's business operations. The majority of the options to extend or terminate an agreement can only be exercised by the Group, and not by the lessor.

The Parent has no leased assets.

16. Financial assets

Shares in subsidiaries	The Parent 2021	The Parent 2020
Opening acquisition value	133,360	133,360
Acquisition	219,972	0
Closing balance	**353,332**	**133,360**

Shares in associated companies	Group 2021	Group 2020	The Parent 2021	The Parent 2020
Opening acquisition value	0	2,705	-	-
Acquisition	0	0	-	-
Income from shares in associated companies	0	547	-	-
Sales and disposals	0	-3,252		
Closing balance	**0**	**0**	**0**	**0**

Other financial assets	Group 2021	Group 2020	The Parent 2021	The Parent 2020
Depositions	700	706	-	-
Closing balance	**700**	**706**	**0**	**0**

16.1 Subsidiaries

Name	Country of incorporation and operation	Operation	Number of ordinary shares directly owned by the Parent (%)	Number of ordinary shares owned by the Group (%)	Equity (MSEK)	Net income (MSEK)
Lime Technologies Sweden AB	Sweden	Head office	100%		22.1	2.5
Lime Technologies Norway AS	Norway	Sales	-	100%	8.6	1.6
Lime Technologies Finland OY	Finland	Sales	-	100%	6.6	0.9
Lime Technologies Denmark A/S	Denmark	Sales	-	100%	-4.0	0.2
Hysminai AB	Sweden	-	-	100%	0.1	0.0
Lime Intenz AB	Sweden	Consultancy	-	72%	8.6	4.3
Lime Technologies Gävle AB	Sweden	Product development	-	65%	1.4	1.2
Lime Technologies Netherlands B.V.	Netherlands	Sales	-	100%	-1.4	-0.1
Userlike UG	Germany	Development/ Sales	90%		11.0	1.4
Lime Technologies Germany GmbH	Germany	Sales		100%	-0.1	-0.3

All subsidiaries are consolidated in the Group. The voting rights in the subsidiaries, directly owned by the Parent, do not differ from the ownership of ordinary shares. Lime Intenz AB, Lime Technologies Gävle AB and Userlike UG are consolidated to 100%. For more information see note 27. For business registration numbers see page 5.

The former wholly-owned subsidiaries, RemoteX Technologies AB and Netoptions Sweden AB, were divested for liquidation in 2020. Both companies were dormant.

16.2 Financial instruments per category

The credit rating of the borrowings and trade debtors cannot be estimated based on external credit ratings. Losses on trade debtors have historically been very low. Cash and cash equivalents consist entirely of cash funds

Group	Valued at accrued cost	Valued at fair value through profit or loss	Total
31 December 2021			
Balance sheet assets			
Trade debtors and other receivables excluding interim claims	67,513	-	67,513
Cash and cash equivalents	55,167	-	55,167
Total	**122,680**	**0**	**122,680**
Balance sheet liabilities			
Borrowings	294,452	-	294,452
Trade creditors and other liabilities excluding financial liabilities	46,819	-	46,819
Total	**341,271**	**0**	**341,271**

Group	Valued at accrued cost	Valued at fair value through profit or loss	Total
31 December 2020			
Balance sheet assets			
Trade debtors and other receivables excluding interim claims	53,841	-	53,841
Cash and cash equivalents	64,662	-	64,662
Total	**118,503**	**0**	**118,503**
Balance sheet liabilities			
Borrowings	97,670	-	97,670
Trade creditors and other liabilities excluding financial liabilities	36,203	-	36,203
Total	**133,873**	**0**	**133,873**

17. Trade debtors

The Group has no non-current trade debtors. The fair value for current trade debtors corresponds to carrying value.

	Group	
	2021	2020
Trade debtors	64,929	51,604
Total	**64,929**	**51,604**

	Group	
Trade debtors as of the closing date	2021	2020
Not due	62,960	41,753
Less than 3 months	1,639	9,799
More than 3 months	330	52
Total	**64,929**	**51,604**

As of 31 December 2021, the Group has reserved MSEK 2.5 (1.8) for estimated losses in trade debtors. Other categories of trade debtors and other receivables do not include any assets for which impairment is required. Trade debtors are divided among MSEK 51.7 (42.2), MEUR 0.5 (0.3), MDKK 1.7 (1.5) and MNOK 5.6 (4.0).

18. Prepaid expenses and accrued revenues

	Group		The Parent	
	2021	2020	2021	2020
Prepaid rent	3,082	356	-	-
Prepaid insurances	464	302	0	22
Accrued income	2,096	1,838	-	-
Other prepaid expenses	3,682	1,889	683	109
Total	**9,324**	**4,385**	**683**	**131**

19. Cash and cash equivalents

	Group		The Parent	
	2021	2020	2021	2020
Cash and bank	55,167	64,662	27	717
Total	**55,167**	**64,662**	**27**	**717**

The Group's cash and cash equivalents are invested with Skandinaviska Enskilda Banken AB (publ). The bank has the highest credit rating, i.e. AAA, on Standard & Poor.

20. Share capital

	Number of shares
As of 31 December 2020	**13,283,481**
As of 31 December 2021	**13,283,481**

The total number of issued shares is 13,283,481 (13,283,481) units, each with a quota (par) value of SEK 0.04 (0.04). All issued shares are fully paid.

Lime does not own any of its own shares.

21. Bank loans, lease liabilities and exercise price on the exercise of options

	Group		The Parent	
Non-current liability	**2021**	**2020**	**2021**	**2020**
Bank loans	162,509	28,523	162,500	28,286
Liabilities related to leasing	17,381	14,240	-	-
Provisions in respect of the exercise price on the exercise of options	40,294	15,183	-	-
Total	**220,184**	**57,946**	**162,500**	**28,286**

	Group		The Parent	
Current liability	**2021**	**2020**	**2021**	**2020**
Bank loans	50,224	28,535	50,000	28,286
Liabilities related to leasing	10,079	9,319	-	-
Other current liabilities	13,965	1,869	-	-
Total	**74,268**	**39,723**	**50,000**	**28,286**

Bank loans

The bank loans are reported by the Parent and mature at the end of 2026. The bank loans carry an average interest rate of 1.8% per annum. In April 2021 a new bank loan of MSEK 250 was taken out and other bank loans of MSEK 50 were repaid.

The loan agreement contains certain financial and other covenants, including a restriction of the highest permitted ratio between senior net debt and EBITDA on a group level of 2.0, and a requirement of the lowest permitted ratio between cash flow and interest and amortization on a group level of 1.0 (calculated as per the loan agreement). In addition, there are restrictions on further borrowings, guaran- tee commitments and pledges, significant changes to the business as well as on acquisitions, investments and divestments.

Collaterals for the bank loans consist of shares in subsidiaries.

The fair value of current borrowings equals the carrying value, as the discounted effect is insignificant. Fair values are based on discounted cash flows with an interest rate based on the borrowing rate of 1.8%.

Liabilities related to leasing

Leasing liabilities are effectively hedged as the rights to the leased asset are reverted to the lessor in the event of payment default. For more information, see note 15.1.

Provisions in respect of the exercise price on the exercise of options

Refers to a provision for the exercise price on the exercise of the option for the acquisitions of Userlike UG, Lime Intenz AB and Lime Technologies Gävle AB. During the year MSEK 38 was incurred for the acquisition of Userlike UG, MSEK 2 has been revalued and MSEK 15 has been reclassified as a current liability.

22. Deferred income tax

Deferred tax assets and tax liabilities are offset when there is a legal right to offset current tax assets and tax liabilities, and when deferred taxes relate to one and the same tax authority. The Group is not reporting any offset tax assets and liabilities.

Deferred tax assets are reported for future tax deductions, to the extent that they are likely to be offset against taxable profits in a foreseeable future. The Group reports non-deferred tax assets of MSEK 2.5 (2.7) relating to losses of MSEK 12.0 (13.0), which can be offset against future taxable profits.

The reported deferred tax is attributable to:

	Group	
Deferred tax assets	**2021**	**2020**
Other temporary differences	61	59
Total	**61**	**59**

Deferred tax liability	**2021**	**2020**
Untaxed reserves	0	0
Capitalised development expenses	14,078	12,398
Deferred tax related to customer relations	8,656	2,643
Deferred tax related to software	38,678	5,908
Deferred tax related to trademarks	13,566	7,010
Total	**74,979**	**27,959**

23. Other liabilities

	Group		The Parent	
	2021	**2020**	**2021**	**2020**
VAT	10,654	10,675	119	190
Employee related liabilities (taxes and fees)	10,440	8,881	806	357
Other liabilities	354	0	0	0
Total	**21,449**	**19,555**	**925**	**547**

24. Accrued expenses and prepaid revenue

	Group		The Parent	
	2021	**2020**	**2021**	**2020**
Prepaid revenue (service agreements / subscriptions)	79,049	58,329	0	0
Leave loading	16,632	15,197	529	443
Social security expenses	4,615	4,336	278	139
Other accrued expenses	13,474	13,818	497	1,870
Total	**113,771**	**91,680**	**1,305**	**2,452**

25. Business acquisitions

Userlike UG

Lime's shareholding in Userlike UG at the end of the accounting period amounts to 90 percent. The acquisition was executed on 30 April, with the preliminary consideration of MEUR 21, after adjustment for cash and operating capital. The preliminary consideration was adjusted on the basis of normalised annual recurring revenue on 31 August 2021. From the date on which the acquisition was completed, and control was gained – 30 April 2021 – the acquired company has been consolidated fully into the Lime Group's income statement and balance sheet.

In addition, 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 an option is exercised, depends on Userlike UG's annual recurring revenue on 31 August 2023, amounting to between 4 and 6 multiplied by Annual Recurring Revenue.

The pricing and terms for the remaining options are such that the Company believes these options are highly likely to be exercised on the exercise date. Accordingly, an estimated exercise price has been recognised as a liability in the Group as of 30 April 2021.

The acquisition of Userlike UG gave rise to a Group surplus value of MSEK 313 before tax, allocated to software, customer relations, trademarks and goodwill. The goodwill is not assessed as being tax deductible, and is regarded as attributable to future sales growth. The estimated annual amortisation and acquired surplus value amounts to around MSEK 21 in the final acquisition analysis. The amortisation of acquired surplus value applied during 2021 was MSEK 14.0.

Userlike UG's sales during 2021 amounted to MSEK 44.5 and operating profit to MSEK 7.9.

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

Cash flow in 2021 has been charged with MSEK 202 for the acquisition of Userlike UG.

The acquisition analysis is based on assessments of identifiable intangible assets. The exercise price, which has been recognised as a liability, is based on future annual recurring revenue and, consequently, cannot be firmly determined. Following the analysis, the acquisition price and acquired net assets amount to:

Purchase price	MSEK
Cash and cash equivalents, acquisition 90%	220.4
Exercise price	38.6
Total preliminary purchase price	**259.0**
Assets and liabilities included following the acquisition	
Intangible assets	
Goodwill	154.0
Trademarks	20.1
Customer relations	23.1
Software	115.4
Deferred tax liability	-51.5
Trade debtors and other receivables	3.2
Cash and cash equivalents	17.3
Non-current debt	0.0
Trade creditors and other liabilities	-22.6
Total identifiable net assets	**259.0**
Acquired net assets	**259.0**

Lime Technologies Gävle AB (formerly janjoo AB)

Lime's shareholding in Lime Technologies Gävle AB at the end of the accounting period amounts to 65 percent. Lime has exercised the option, during the fourth quarter of 2019, to acquire an additional 35% of the shares. The acquisition was completed on 13 January 2020 for a consideration of MSEK 7. From the date the acquisition was completed, and control was gained – on 13 January 2020 – the acquired company is consolidated fully into the Lime Group's income statement and balance sheet.

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

Lime Technologies Gävle AB has shown strong progress, which strengthens our confidence that their products will boost our offerings to both new and existing customers. In the event that the options are exercised the consideration for the remaining 35 percent of the shares depends on Lime Technologies Gävle AB's annual recurring revenue, but would be no less than MSEK 7 and no more than MSEK 12.25.

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 13 January 2020. The acquisition generated a capital gain of MSEK 0.5 in the first quarter of 2020.

The acquisition of Lime Technologies Gävle AB gave rise to a Group surplus value of MSEK 24 before tax, the full amount of which was allocated to software. The estimated annual amortisation and acquired surplus value amounts to around MSEK 2.9. The amortisation of acquired surplus value applied was MSEK 0.7 during the quarter and MSEK 2.9 during 2020.

The acquisition of Lime Technologies Gävle AB charged cash flow with MSEK 8.3 during the first quarter of 2020.

The option was exercised after the end of the financial year, and the final 35% of the shares were acquired. Since 9 February 2022, Lime Technologies Gävle AB has been wholly owned by Lime Technologies Sweden AB.

26. Pledged collaterals and contingent liabilities

	Group		The Parent	
Pledged collaterals	**2021**	**2020**	**2021**	**2020**
Shares in subsidiaries	34,092	26,677	133,360	133,360
Financially leased vehicles	1,581	1,658	0	0
	31,208	**28,335**	**133,360**	**133,360**

27. Related

Related means;

- Companies which, directly or indirectly, through one or more intermediaries, exercise a controlling influence over Lime.
- Individuals and individuals' close family members, who hold, directly or indirectly, such a proportion of the votes in Lime, that they have significant influence on the company.

The Lime Group has no transactions with related parties, as defined in IAS 24 disclosure of related parties (see above), to report in addition to those specified in note 8.

Transactions between companies within the Group are at arm's length.

In 2021, the Parent has invoiced Group companies MSEK 5.3 (5.6) for services performed. Interest between Group companies is reported under note 9.

28. Events after the reporting period

Lime agreed on a bank overdraft facility of MSEK 25 after the end of the reporting period.

After the end of the reporting period, Lime exercised the remaining options, and the final 35% of the shares of Lime Technologies Gävle AB were required. Since 9 February 2022, Lime Technologies Gävle AB has been wholly owned by Lime Technologies Sweden AB.

29. Cash flow from current operations

	Group		The Parent	
	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020	1 Jan 2021 – 31 Dec 2021	1 Jan 2020 – 31 Dec 2020
Net income before financial items for the period	76,096	83,200	-4,313	-1,989
Adjusted for:				
- depreciation on property, plant and equipment	12,563	10,330	-	-
- amortisation of intangible assets	44,244	28,029	-	-
- other non-cash items	24	-1621	-	-
Change in working capital				
- acquisition of subsidiaries	509	-5787	-	-
- trade debtors and other receivables	-20,459	-605	29,059	-27,438
- trade creditors and other payables	31,084	22,150	10,157	5,265
Cash flow from operations	**144,028**	**135,696**	**34,903**	**-24,161**

30. Cash flow from financing activities

Below is a reconciliation of opening and closing balances of liabilities the cash flow of which is included in financing activities

Group

			Non-cash flow items				
	1 Jan 2021	Cash flow items	Interest	Currency	Impairment share option liability	New leases	31 Dec 2021
Current bank loans	28,535	21,689					50,224
Non-current bank loans	28,524	133,985					162,509
Leasing liabilities	23,559	-13,961	-394		1,164	15,460	25,828
Total	**80,618**	**141,713**	**-394**	**0**	**1,164**	**15,460**	**238,561**
Adjustment leases		1,013				-1,013	0
Total cash flow analysis	**80,618**	**142,726**	**-394**	**0**	**1,164**	**14,447**	**238,561**
Cash and bank	64,662	-10,130		635			55,167
Total	**64,662**	**-10,130**	**0**	**635**	**0**	**0**	**55,167**

			Non-cash flow items				
	1 Jan 2020	Cash flow items	Interest	Currency	Impairment share option liability	New leases	31 Dec 2020
Current bank loans	28,240	295					28,535
Non-current bank loans	56,617	-28,093					28,524
Leasing liabilities	18,680	-11,498	-320		1,372	15,325	23,559
Total	**103,537**	**-39,296**	**-320**	**0**	**1,372**	**15,325**	**80,618**
Adjustment leases		623				-623	0
Total cash flow analysis	**103,537**	**-38,673**	**-320**	**0**	**1,372**	**14,702**	**80,618**
Cash and cash equivalents	21,152	44,500		-990			64,662
Total	**21,152**	**44,500**	**0**	**-990**	**0**	**0**	**64,662**

The Parent

	2021-01-01	Cash flow items	31 Dec 2021
Current bank loans	28,286	134,214	162,500
Non-current bank loans	28,286	21,714	50,000
28,286	0	0	0
Total	**56,572**	**155,928**	**212,500**
Total cash flow analysis	**56,572**	**155,928**	**212,500**
Cash and cash equivalents	717	-690	27
Total	**717**	**-690**	**27**

	1 Jan 2020	Cash flow items	31 Dec 2020
Current bank loans	28,240	46	28,286
Non-current bank loans	56,617	-28,331	28,286
28,286	0	0	0
Total	**84,857**	**-28,285**	**56,572**
Total cash flow analysis	**84,857**	**-28,285**	**56,572**
Cash and cash equivalents	782	-65	717
Total	**782**	**-65**	**717**

31. Definition of performance measures

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.

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 excluding amortisation of acquired intangible 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.

EBITDA

Operating income before depreciation/amortisation on property, plant and equipment and intangible assets. The purpose is to assess the Group's operational activities. EBITDA is a supplement to operating income.

Financial assets

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

Adjusted EBIT

Operating income according to the income statement excluding items affecting comparability. The measure is a supplement to operating income adjusted for items affecting comparability. The purpose is to show the operating income excluding items affecting comparibility with other periods.

Adjusted EBITA

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

Adjusted EBITDA

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

Items affecting comparability

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

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 group company within a growth industry.

Net liabilities

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

Number of employees (average)

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.

Organic growth in net sales

The KPI 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 KPI is used to analyse underlying net sales growth.

Recurring revenue

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

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. The KPI is an indicator to readers of financial reports of a company's earning ability.

Operating income, EBIT

Operating income according to the income statement.

The Consolidated income statements and balance sheets will be presented to the Annual General Meeting on 26 April 2022 for adoption.

The Board of Directors declares that the consolidated financial statements have been prepared in accordance with international financial reporting standards (IFRS), as adopted by the EU, and provide a fair view of the Group's position and results. The annual report has been prepared in accordance with generally accepted accounting principles and provides a fair view of the Parent's financial position and results of operations.

The directors' report for the Group and the Parent provides a fair view of the development of the Group's and the Parent's operations, financial position and results of operations, and describes material risks and uncertainties facing the Parent and the companies included in the Group..

Stockholm, Sweden, 22 March 2022

Martin Henricson
Chairman of the board

Marlene Forsell
Board member

Erik Syrén
Board member

Malin Ruijsenaars
Board member

Nils Olsson
Chief Executive Officer

Lars Stugemo
Board member

Our Auditor's Report was submitted on 22 March 2022
Öhrlings PricewaterhouseCoopers AB

Ola Bjärehäll
Authorised Public Accountant

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Auditor’s report

To the Annual General Meeting of Lime Technologies AB (publ), Corporate ID No. 556953-2616

Report on the Annual Report and the consolidated financial statements

Opinions

We have carried out an audit of the Annual Report and the consolidated financial statements of Lime Technologies AB (publ) for the year 2021. The Company's Annual Report and consolidated financial statements are presented on pages 44–100 of this document.

In our opinion, the Annual Report has been drawn up in accordance with the Swedish Annual Accounts Act and in all material respects gives a fair presentation of the Parent's financial position as of 31 December 2021, and of its financial results and cash flow for the year in accordance with the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and in all material respects give a fair presentation of the Group's financial position as of 31 December 2021, and of its financial results and cash flow for the year in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Swedish Annual Accounts Act. The Directors' Report is consistent with the other parts of the Annual Report and the consolidated financial statements.

Accordingly, we recommend that the Annual General Meeting adopt the income statement, statement of comprehensive income and the balance sheet of the Group, as well as the Parent.

Our opinion in this report on the Annual Report and consolidated financial statements is consistent with the content of the supplementary report which was submitted to the Board of Directors of the Parent in accordance with Article 11 of the Auditor's Regulation (EU) No 537/2014 .

Grounds for our opinion

We have carried out the audit in accordance with International Standards on Auditing (ISA) and generally accepted accounting standards in Sweden. Responsibility under the standards is described in greater detail in the section on the Auditor's responsibility. We are independent of the Parent and the Group in accordance with generally accepted accounting standards in Sweden, and have otherwise fulfilled our professional ethics in accordance with the standards. To the best of our knowledge and belief, no prohibitive services as referred to in Article 5.1 of the Auditors Regulation (537/2014) been provided to the audited company or, where appropriate, its Parent or its control companies within the EU.
We consider that the audit evidence we have obtained sufficient and appropriate as the basis of our opinions.

Our approach to the audit

The focus and scope of the audit

We designed our audit by establishing a materiality level and assessing the risk of material errors in the financial statements. We paid special attention to the areas in which the CEO and the Board of Directors have made subjective assessments, such as critical accounting estimates which have been made on the basis of assumptions and forecasts of future events, which, by their nature, are uncertain. As in all audits, we have also taken account of the risk that the Board of Directors and the CEO have overridden internal controls, and, among other things, considered whether there is evidence of systematic deviations giving rise to the risk of material errors as a result of irregularities.
We adapted our audit to carry out an appropriate review to enable us to express an opinion on the financial statements as a whole, taking account of the Group's structure, accounting processes and controls, as well as the industry in which the Group operates.
On the basis of this, we have established which units are to be regarded as material and which audit activities are to be carried out at these units. The Lime Technologies Group consists of 11 subsidiaries, of which six are foreign companies and the remainder are in Sweden.

Materiality

The scope and focus of the audit were affected by our assessment of materiality. An audit is designed to achieve a reasonable degree of assurance that the financial statements do not contain any material errors Errors may arise as a result of irregularities or mistakes. They are regarded as material if individually or jointly they may reasonably be expected to affect the financial decisions which users take on the basis of the financial statements.

Based on our professional judgement, we established certain quantitative materiality figures, including for the financial statements as a whole (see table below). Using these and qualitative considerations, we determined the focus and scope of the audit and the character, date and scope of our review activities, and also assessed the effect of individual and total errors on the financial statements as a whole.

Particularly significant areas
Particularly significant areas for the audit are those areas which, in our professional judgement, were the most significant for the audit of the Annual Report and the consolidated financial statements for the period in question. These areas were treated within the framework of the audit of, and opposition to, the Annual Report and the consolidated financial statements as a whole, but we are expressing no separate opinion on these areas.

Particularly significant area	How our audit treated the specially significant area
Correctness and accrual of revenue The Group's revenue consists primarily of the sale of license rights, subscription revenue and consultant revenue. It is of major importance that appropriate processes and guidelines are in place to enable revenue to be recognised correctly and in the correct reporting period. Revenue recognition includes estimates and assessments, principally in respect of allocation to periods and accuracy in respect of the date of the delivery and fulfilment of the services, which is essential for determining the revenue recognition date. The Group's policy for revenue recognition as described in note 2.18 and the allocation of the revenue within the various revenue streams is presented in note 6.	Review activities carried out include: • reviewing the Group's accounting principles for revenue to verify compliance with IFRS, • updating of our understanding and evaluation of controls for IT systems and processes which support revenue recognition, • data analysis of the Company's revenue transactions • analysis of revenue allocated to service offering and product offering, geographical markets and accounting periods, • check that the revenue is classified in the correct revenue stream, • random checks carried out to ensure that revenue has been recognised correctly and on the right period, and • evaluation information provided in respect of IFRS 15.
Acquisition of operations (business acquisitions) On 26 April 2021, Lime Technologies AB signed an Agreement to acquire the shares in the German company, Userlike UG. The first part of the acquisition involved 90% of the shares and votes, and was completed on 30 April 2021. In addition, options were issued giving the Group 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. The preliminary acquisition price includes options issued amounting to around MSEK 259. Lime Technologies prepared an acquisition analysis in which the acquisition of Userlike UG gives rise to group surplus value of MSEK 313 before tax, allocated to software, customer relations, trademarks and goodwill. The Company management has made significant estimates and assessments of the fair value of acquired identifiable assets as well as liabilities assumed. The Group's corporate acquisition principles are described in note 2 and information on the acquisition is given in note 25 , and in note 5.	Review activities carried out include: • We have assessed the management's assumptions in estimating the fair value of acquired identifiable assets and liabilities assumed. • With the help of PwC'S internal valuation specialists, we have reviewed the application of the calculation models used by the management in estimating the fair value of the acquired identifiable assets and liabilities assumed. • We have reviewed the consideration paid with supporting documentation and assessed the valuation of the conditional consideration. • We have also assessed whether the accounting principles and disclosures given in the Annual Report are a fair presentation and in accordance with IFRS.

Information other than the Annual Report and consolidated financial statements
This document also contains information other than the Annual Report and consolidated financial statements, and this is contained on pages 1-24, 25-43 and 106-113. The Board of Directors and the CEO are responsible for this other information.

Our opinion in respect of the Annual Report and consolidated financial statements does not include this information, and we express no substantiating opinion in respect of this other information.

In connection with our audit of the Annual Report and consolidated financial statements, it is our responsibility to read the information identified above and consider whether the information to a significant extent is inconsistent with the Annual Report and consolidated financial statements. In this review, we also take account of the knowledge we have otherwise obtained during the audit, and also assessed whether the information otherwise appears to contain material errors.

If based on the work we have carried out in respect of this information, we draw the conclusion that the other information contains a material error, we are obliged to report this. We have nothing to report in this respect.

The responsibility of the Board of Directors and the Chief Executive Officer

It is the Board of Directors and the CEO who are responsible for ensuring that the Annual Report and the consolidated financial statements are drawn up and that they provide a fair presentation in accordance with the Swedish Annual Accounts Act and, in respect of the consolidated financial statements, in accordance with IFRS, as adopted by the EU, and the Swedish Annual Accounts Act. The Board of Directors and the CEO are also responsible for the internal controls which they judge necessary to draw up an Annual Report and consolidated financial statements which do not contain any material errors, whether these are due to irregularities or mistakes.

In drawing up the Annual Report and consolidated financial statements, the Board of Directors and the CEO are responsible for assessing the ability of the Company and the Group to continue the business. They provide information, where appropriate, on the conditions which may affect the ability to continue the business and to use the assumption of a going concern. The assumption of a going concern does not, however apply if the Board of Directors and the CEO are considering liquidating the Company or ceasing its operations, or if they have no realistic alternative to doing any of these.

The Board's Audit Committee shall, without affecting the Board's responsibility and duties otherwise, monitor the Company's financial reporting, among other things.

The Auditor's responsibility

Our objective is to reach a reasonable degree of assurance on whether the Annual Report and consolidated financial statements as a whole do not contain any material errors, whether these are due to irregularities or mistakes, and to submit an Auditor's Report which contains our opinions Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with ISA and generally accepted accounting standards in Sweden will always detect a material error if any such exists. Errors may arise as a result of irregularities or mistakes, and be regarded as material if, individually or together, they may reasonably be expected to affect the financial decisions taken on the basis of the Annual Report and the consolidated financial statements.

A further description of our responsibility for the audit of the Annual Report and consolidated financial statements is contained on the website of Revisorsinspektionen [the Swedish Inspectorate of Auditors]: www.revisorsinspektionen.se/revisornsansvar. This description is part of the Auditor's Report.

Reports of other statutory or regulatory requirements

Opinions

Over and above our audit of the Annual Report on the consolidated financial statements, we have also carried out an audit of the administration of the Board of Directors and the CEO of Lime Technologies AB (publ) for the year 2021, and of the proposed appropriations in respect of the Company's profit or loss.

We recommend that the Annual General Meeting appropriates the profit in accordance with the proposal in the Directors' Report, and discharge the Members of the Board of Directors and the CEO from liability for the financial year.

Grounds for our opinion

We have carried out the audit in accordance with generally accepted accounting standards in Sweden. Our responsibility in accordance with this is described in greater detail in the section on the Auditor's responsibility. We are independent of the Parent and the Group in accordance with generally accepted accounting standards in Sweden, and have otherwise fulfilled our professional ethics in accordance with the standards.

We consider that the audit evidence we have obtained is sufficient and appropriate as a basis for our opinions.

The responsibility of the Board of Directors and the Chief Executive Officer

It is the Board of Directors and the CEO who are responsible for the proposed appropriation of the Company's profit or loss. In the event of a proposed dividend, this includes an assessment of whether the dividend is justifiable with respect to the requirements which the Company's and the Group's type of operation, scope and risks place on the level of equity for the Parent and the Group, the consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the Company's organisation and the administration of the Company's affairs. This includes continuously assessing the financial situation of the Company and the Group, and ensuring that the Company's organisation is so designed that the bookkeeping, administration of funds and the Company's financial affairs in general are being controlled in a prudent manner. The CEO shall run the ongoing administration in accordance with the Board's guidelines and instructions, and, among other things, take the measures necessary to ensure that the Company's bookkeeping is carried out in conformity with the law and that the administration of funds shall be run on a prudent basis.

Responsibility of the Auditor
Our objective in respect of the audit of the administration and, accordingly, our opinion on discharge from liability, as to obtain audit evidence to enable us to assess with a reasonable degree of assurance whether any Board member or the CEO has in any significant respect:

- taken any action or been guilty of any omission which may lead to a liability for damages against the Company
- in any other way acted in breach of the Swedish Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective in respect of the audit of the proposed appropriation of the Company's profit or loss and, accordingly, our opinion on this, is to assess with a reasonable degree of assurance whether the proposal is in conformity with the Companies Act.

Reasonable assurance is a high level of assurance, but not a guarantee, that an audit which has been carried out in accordance with generally accepted accounting standards in Sweden will always discover actions or omissions which may lead to a liability for damages against the Company, or that a proposal for appropriations of the Company's profit or loss is not in conformity with the Companies Act.

A further description of our responsibility for the audit of the administration is contained on the website of Revisorsinspektionen [the Swedish Inspectorate of Auditors]: www.revisorsinspektionen.se/revisornsansvar. This description is part of the Auditor's Report.

The Auditor's review of the ESEF Report

Opinions
In addition to our audit of the Annual Report and the consolidated financial statements, we have also carried out a check that the Board of Directors and the CEO have prepared the Annual Report and the consolidated financial statements in a format which enables uniform electronic reporting (the ESEF Report) in accordance with Chap. 16 § 4 a of the Securities Markets Act (2007:528) for Lime Technologies AB (publ) for the year 2021.

A review in their opinion refer only to the statutory requirement.

In our opinion, the ESEF Report has been drawn up in a format which in all essentials enables uniform electronic reporting.

Grounds for our opinion
We have carried out the review in accordance with FAR's recommendation RevR 18 Auditor's review of the ESEF Report. Our responsibility under this recommendation is described in greater detail in the Responsibility of the Auditor section. We are independent in relation to Lime Technologies AB (publ) in accordance with generally accepted accounting standards in Sweden, and we have otherwise fulfilled our professional ethical responsibility in respect of this requirement.

We consider that the evidence we have obtained is sufficient and appropriate to form the basis for their opinion.

The responsibility of the Board of Directors and the Chief Executive Officer
It is the Board of Directors and the CEO who are responsible for ensuring that the ESEF Report has been drawn up in accordance with Chap. 16 § 4 a of the Securities Markets Act (2007:528) and that there is such internal control as the Board of Directors and the CEO consider necessary to prepare the ESEF Report without material errors, whether these are due to irregularities or mistakes.

Responsibility of the Auditor
Our task is to express an opinion with reasonable assurance that the ESEF Report in all essentials has been drawn up in a format which fulfils the requirements in Chap. 16 § 4 a of the Securities Markets Act (2007:528), on the basis of our review.

RevR 18 requires that we plan and carry out our review to obtain reasonable assurance that the ESEF Report has been prepared in a format which fulfils this requirement

Reasonable assurance is a high level of assurance but is not a guarantee that a review that has been carried out in accordance with RevR 18 and generally accepted accounting standards in Sweden will always detect any material error of such exists. Errors may arise due to irregularities or mistakes, and are regarded as material if individually or together they may be expected to affect the financial decisions which users make on the basis of the ESEF Report.

The audit company applies ISQC 1 Quality control for audit companies which carry out audits and overall reviews of financial reports and other corroborates of assignments and related services, and has, accordingly a versatile system for quality control which includes documented guidelines and procedures in respect of compliance with ethical standards, professional practice and applicable statutory and other regulatory requirements.

The review includes using various measures to collect evidence that the ESEF Report has been drawn up in a format which enables uniform electronic reporting of the Annual Report in the consolidated financial statements. The Auditor selects measures which shall be carried out, including by assessing the risk of material errors in the report whether due to irregularities or mistakes. In this risk assessment, the auditor takes account of those parts of the internal control which are relevant to the manner in which the Board of Directors and CEO produce the material for the purpose of formulating review actions which are appropriate with respect to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. The review also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the CEO.

The review measures largely involve a technical validation of the ESEF Report, i.e. whether the file which contains the ESEF Report fulfils a technical specification set out in the Commission's delegating regulation (EU) 2019/815 and they check that the ESEF Report is in conformity with the audited Annual Report and consolidated financial statements.

In addition, the Review also involves an assessment of whether the ESEF Report has been tagged iXBRL, which enables a fair and full machine-readable version of the consolidated income statement, balance sheet and equity account as well as the statement of cash flows.

Öhrlings PricewaterhouseCoopers AB, was appointed Lime Technologies AB (publ)’s auditors by the Annual General Meeting on 27 April 2021, and has been the Company's auditors since 1 June 2015.

Stockholm, Sweden, 22 March 2022

Öhrlings PricewaterhouseCoopers AB

Ola Bjärehäll
Authorised Public Accountant

Multi-year overview

	2021	2020	2019	2018	2017
Net sales (MSEK)	403.8	338.7	289.7	244.3	203.9
Net sales growth (%)	19%	17%	19%	20%	27%
Organic net sales growth (%)	11%	14%	16%	16%	15%
Recurring revenue (MSEK)	246.0	194.4	167.2	138.5	110.2
Annual recurring revenue (MSEK)	278.9	206.2	180.6	151.7	125.9
EBITA (MSEK)	107.5	100.6	65.9	44.7	43.3
EBITA (%)	27%	30%	23%	18%	21%
EBITDA (MSEK)	132.8	121.6	83.7	50.7	47.4
EBITDA (%)	33%	36%	29%	21%	23%
Operating income, EBIT (MSEK)	76.0	83.2	52.1	31.8	33.0
Operating income, EBIT (%)	19%	25%	18%	13%	16%
Items affecting comparability (MSEK)	-1.1	1.4	-0.9	-9.6	-2.0
Adjusted EBITA (MSEK)	108.6	99.3	66.8	54.3	45.3
Adjusted EBITA (%)	27%	29%	23%	22%	22%
Adjusted EBITDA (MSEK)	133.9	120.2	84.6	60.2	49.4
Adjusted EBITDA (%)	33%	35%	29%	25%	24%
Adjusted EBIT (MSEK)	77.1	81.8	53.0	41.4	35.0
Adjusted EBIT (%)	19%	24%	18%	17%	17%
Earnings per share, basic (SEK)*)	4.42	4.72	2.94	1.94	1.90
Earnings per share, diluted (SEK)*)	4.42	4.72	2.94	1.83	1.80
Net debt (MSEK)	238.6	32.3	80.3	85.4	29.2
Number of employees (average)	297	244	223	195	185
Net sales per employee (MSEK)	1.4	1.4	1.3	1.3	1.1
Cash flow from operating activities (MSEK)	124.6	119.1	74.2	38.7	39.7

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

Multi-year overview, key ratio definitions

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	2021	2020	2019	2018	2017
Recurring revenue	245,986	194,391	167,185	138,460	110,245
ARR	**278,872**	**206,210**	**180,564**	**151,695**	**125,908**

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 anmortisation of acquired intangible 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 flows from operations.

TSEK	2021	2020	2019	2018	2017
Operating profit	76,031	83,200	52,053	31,827	33,023
Amortisation of acquired intangible assets	31,439	17,434	13,838	12,903	10,318
EBITA	**107,470**	**100,634**	**65,891**	**44,730**	**43,341**
Net sales	403,848	338,689	289,696	244,307	203,900
EBITA (%)	**27%**	**30%**	**23%**	**18%**	**21%**

EBITDA

Operating income before depreciation of property plant and equipment and amortisation of intangible assets. The purpose is to assess the Group's operational activities. EBITDA is a supplement to operating income.

TSEK	2021	2020	2019	2018	2017
Operating profit	76,031	83,200	52,053	31,827	33,023
Depreciation/Amortisation	56,808	38,359	31,606	18,865	14,394
EBITDA	**132,839**	**121,559**	**83,659**	**50,692**	**47,417**
Net sales	403,848	338,689	289,696	244,307	203,900
EBITDA (%)	**33%**	**36%**	**29%**	**21%**	**23%**

Financial assets

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

TSEK	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Other financial assets	700	706	537	538	514
Cash and cash equivalents	55,167	64,662	31,342	21,152	24,294
Financial assets	**55,867**	**65,368**	**31,879**	**21,690**	**24,763**

Adjusted EBIT

Operating income according to the income statement excluding items affecting comparability. The measure is a supplement to operating income adjusted for items affecting comparability. The purpose is to show the operating income excluding items affecting comparability with other periods.

TSEK	2021	2020	2019	2018	2017
EBIT	76,031	83,200	52,053	31,827	33,023
Items affecting comparability	1,083	-1,372	918	9,553	1,993
Adjusted EBIT	**77,114**	**81,828**	**52,971**	**41,380**	**35,016**
Net sales	403,848	338,689	289,696	244,307	203,900
Adjusted EBIT (%)	**19%**	**24%**	**18%**	**17%**	**17%**

Adjusted EBITA

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

TSEK	2021	2020	2019	2018	2017
EBITA	107,470	100,634	65,891	44,730	43,341
Items affecting comparability	1,082	-1,372	918	9,553	1,993
Adjusted EBITA	**108,553**	**99,262**	**66,809**	**54,283**	**45,334**
Net sales	403,848	338,689	289,696	244,307	203,900
Adjusted EBITA (%)	**27%**	**29%**	**23%**	**22%**	**22%**

Adjusted EBITDA

Adjusted EBITDA shows EBITDA adjusted for items affecting comparability. The purpose is to show EBITDA excluding items that affect comparability with other periods.

TSEK	2021	2020	2019	2018	2017
EBITDA	132,839	121,559	83,659	50,692	47,417
Items affecting comparability	1,082	-1,372	918	9,553	1,993
Adjusted EBITDA	**133,921**	**120,187**	**84,577**	**60,245**	**49,410**
Net sales	403,848	338,689	289,696	244,307	203,900
Adjusted EBITDA (%)	**33%**	**35%**	**29%**	**25%**	**24%**

Items affecting comparability

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

TSEK	2021	2020	2019	2018	2017
Expenses related to public listing of the Company's shares	0	0	-293	-9,388	0
Writing-down share option liability	27	1372	0	0	0
Acquisition related expenses	-1110	0	-625	-165	-1,993
Items affecting comparability	**-1,082**	**1,372**	**-918**	**-9,553**	**-1,993**

Cash flow from operating activities per share (SEK)

Cash flow from operating activities in relation to the average number of outstanding shares. 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	2021	2020	2019	2018	2017
Cash flow from current operations	124,643	119,090	74,168	38,748	39,694
Number of shares (thousands)	13,283	13,283	13,283	12,500	12,500
Cash flow from current operations per share (SEK)	**9.38**	**8.97**	**5.58**	**3.10**	**3.18**

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	2021	2020	2019	2018	2017
Net sales, the period	403,848	338,689	289,696	244,307	203,900
Net sales, same period previous period	338,689	289,696	244,307	203,900	160,416
Growth in net sales	**19%**	**17%**	**19%**	**20%**	**27%**

Net liabilities

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

TSEK	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018
Interest-bearing non-current liabilities	162,509	28,524	56,617	78,000
Non-current leasing liabilities	17,381	14,240	9,232	1,815
Other non-current liabilities	40,294	15,183	8,642	0
Interest-bearing current liabilities	64,189	30,404	28,240	26,000
Current lease liabilities	10,079	9,319	9,448	1,298
Financial assets	-55,867	-65,368	-31,879	-21,690
Net liabilities	**238,585**	**32,302**	**80,300**	**85,423**

Number of employees (average)

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 rolling 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	2021	2020	2019	2018	2017
Net sales RTM	403,848	338,689	289,696	244,307	203,900
Number of employees, RTM	297	244	223	195	185
Net sales per employee	**1,360**	**1,388**	**1,299**	**1,253**	**1,102**

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	2021	2020	2019	2018	2017
Net sales, the period	403,848	338,689	289,696	244,307	203,900
Acquired net sales, last 12 months	-29,221	-15,320	-7,919	-9,400	-18,944
Organic net sales	**374,626**	**323,369**	**281,777**	**234,907**	**184,956**
Organic net sales, same period last year	323,369	281,777	234,907	184,956	160,416
Adjusted for acquired net sales last 24 months	15,320	2,046	8,230	16,733	0
Comparable organic net sales	**338,689**	**283,823**	**243,137**	**201,689**	**160,416**
Organic net sales growth (%)	**11%**	**14%**	**16%**	**16%**	**15%**

Recurring revenue

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

TSEK	2021	2020	2019	2018	2017
Subscription revenue	206,479	150,995	122,620	94,192	65,574
Support agreements	39,507	43,396	44,565	44,268	44,670
Recurring revenue	**245,986**	**194,391**	**167,185**	**138,460**	**110,245**

Recurring revenue in relation to operating expenses

Revenue of the annual recurring type in relation to operating expenses. The measure is a key ratio for industry comparisons.

TSEK	2021	2020	2019	2018	2017
Recurring revenue	245,986	194,391	167,185	138,460	110,245
Operating expenses	-328,069	-257,247	-238,219	-212,972	-171,477
Recurring revenue in relation to operating expenses	**75%**	**76%**	**70%**	**65%**	**64%**

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. The KPI is an indicator to readers of financial reports of a company's earning ability.

TSEK	2021	2020	2019	2018	2017
Operating income	76,031	83,200	52,053	31,827	33,023
Net sales	403,848	338,689	289,696	244,307	203,900
Operating margin	**19%**	**25%**	**18%**	**13%**	**16%**

Operating profit, EBIT

Operating income according to the income statement.

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CRM with a twist

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