

Interim Report

January – September

2023

Lime Technologies AB (publ)



“Continued positive momentum with good order intake and profitable growth”

The CEO's view

The current business climate creates opportunities

[Read more at page 3](#)

Growth

19%

Growth in net sales

Profitability

26%

EBITA margin

ARR growth

16%

Annual Recurring Revenue

The period in summary

The third quarter

- » Net sales MSEK 133.5 (111.9), rendering a sales growth of 19% (21%)
- » Recurring revenue MSEK 88.4 (75.2)
- » The 12-month recalculated recurring revenue, Annual Recurring Revenue, at the end of the second quarter 2023 was MSEK 356 (306), rendering an ARR growth of 16% (17)
- » EBITA MSEK 34.2 (28.9), rendering an EBITA margin of 26% (26%)
- » Operating income, EBIT, MSEK 25.8 (20.3)
- » Cash flow from current operations MSEK 5.8 (17.7). The variation is mainly due to trade receivables, as 30 September was a Saturday in 2023 and most of the payments were received in early October
- » Net income MSEK 18.1 (14.7).
- » Basic earnings per share amounted to SEK 1.36 (1.11), up 23 percent and diluted to SEK 1.36 (1.10), up 23 percent

The first nine months

- » Net sales MSEK 422.5 (354.6), rendering a sales growth of 19% (22%)
- » Recurring revenue MSEK 255.2 (220.5)
- » EBITA MSEK 108.1 (91.0), rendering an EBITA margin of 26% (26%)
- » Operating income, EBIT, MSEK 83.6 (65.3)
- » Cash flow from current operations MSEK 80.1 (70.0)
- » Net income MSEK 59.4 (48.7)
- » Basic earnings per share amounted to SEK 4.47 (3.67), up 22 percent and diluted to SEK 4.45 (3.65), up 22 percent



	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3*
Net sales (MSEK)	133.5	144.5	144.5	135.8	111.9	123.9	118.7	113.7	92.8
Recurring revenue (MSEK)	88.4	84.8	82.0	78.9	75.2	73.5	71.9	68.1	64.7
EBITDA (MSEK)	42.8	45.4	44.8	41.3	36.3	38.6	37.6	34.8	32.5
EBITDA (%)	32%	31%	31%	30%	32%	31%	32%	31%	35%
EBITA (MSEK)	34.2	37.0	36.9	34.1	28.9	31.7	30.4	29.2	25.5
EBITA (%)	26%	26%	26%	25%	26%	26%	26%	26%	27%
Operating income, EBIT (MSEK)*	25.8	29.1	28.6	25.7	20.3	23.2	21.8	19.6	15.9
Operating income, EBIT (%)*	19%	20%	20%	19%	18%	19%	18%	17%	17%
Earnings per share, basic (SEK)	1.36	1.55	1.56	1.44	1.11	1.35	1.22	1.14	0.93
Earnings per share, diluted (SEK)	1.36	1.54	1.55	1.43	1.10	1.34	1.22	1.14	0.93
Cash flow from current operations (MSEK)	5.8	35.0	39.4	48.6	17.7	22.8	29.6	39.5	12.8

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



CEO's comments

Continued positive momentum with good order intake and profitable growth



During the third quarter, we continued to deliver strong growth and profitability. Growth amounted to 19% and the EBITA margin was 26%. Order intake is good and both our revenue streams – recurring software revenue and consulting – are delivering high growth.

The current business climate creates opportunities

Given the weaker economy, companies are increasingly focusing on retaining and developing existing customers. By providing a market offering that helps companies become better at sales, streamline their operations and build competitive relationships with their customers, we have an attractive product portfolio that delivers business-critical value. The current climate also provides a favourable platform for future growth in other ways. Our employee churn is at historically low levels, making us more efficient, while we continue to recruit at a high pace from an increasing number of attractive candidates on the market.

Long-term customer relationships build success

One of the cornerstones that has built our success over time is our 6,500 customers spread across different industries and different locations. I am therefore particularly pleased that during the quarter we will continue to be trusted to develop companies like Rejlers, NTEX and Pollex – loyal Lime users for over a decade – to create even more value throughout the customer journey. As a supplier, we are strongest when we combine our unique expertise and spot-on software to solve business-critical problems and become a natural part of each company's core processes. We know we have succeeded when our customers feel that we have fully understood their business and packaged the solution to match their needs.

More business in Europe and strengthened positions in our focus industries

The business climate, with longer sales processes and more decision-makers involved in each deal, is similar to what we saw earlier in the year, and we see no signs of any major changes during the autumn. Despite this, order intake remains good and the number of deals won in countries outside Sweden is increasing. Among other areas, we continue to grow within the membership segment, as we welcome the Danish Association of Social Workers. The Norwegian energy company Notnodden and KLG Europe in the Netherlands have become Lime customers, and several deals were also won in Finland. If we can maintain this pace, we have great potential for growth in the European markets.



In our domestic Swedish market, we welcome several companies in our focus industries as new customers, and the size of the deals continues to increase. Following public tenders, we won Bostadsbolaget in the real estate segment, and we have built up good business opportunities among utility companies for the coming months. We also welcome Optilon, a new Lime customer in the consulting industry.

Leaders who show the way

Last year we launched our new leadership programme 'Effective manager'. With a fast-growing organisation, ambitious goals and a strong culture, we want to constantly improve the skills of existing employees and help newcomers get off to an even better start. The majority of our leaders have now completed the training programme and we can already see the positive effects of our investment. In a business climate where many companies are cutting back on this type of investment, the opposite is our priority: good leaders and brave leadership are even more important in tough times. We need to be able to raise the bar and practice what we preach to deliver profitable growth – both on a daily basis and in the long term.

We are now focusing on ending the year in the best way possible, while creating the conditions for a good start to 2024.



/Nils Olsson, Managing Director and CEO, Lime Technologies



This is Lime

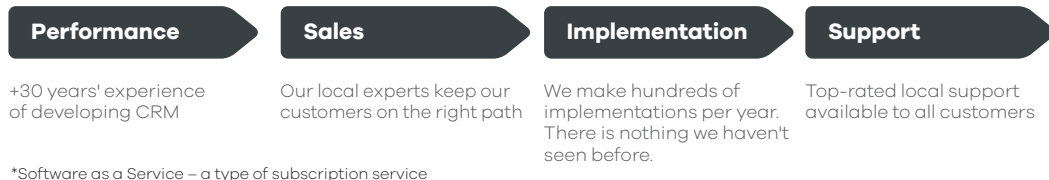
CRM with a twist

Since day one, our goal has been to make it easy to create genuinely good customer relationships. With over 30 years' experience, our way of delivering customer care solutions has helped us stand out and made us one of the leading CRM (Customer Relationship Management) players in the Nordic region. Today, we combine spot-on, user-friendly software with on-point, value-generating expertise to help thousands of businesses across Europe exceed their customers' expectations. We call this "CRM with a twist".

Vision:

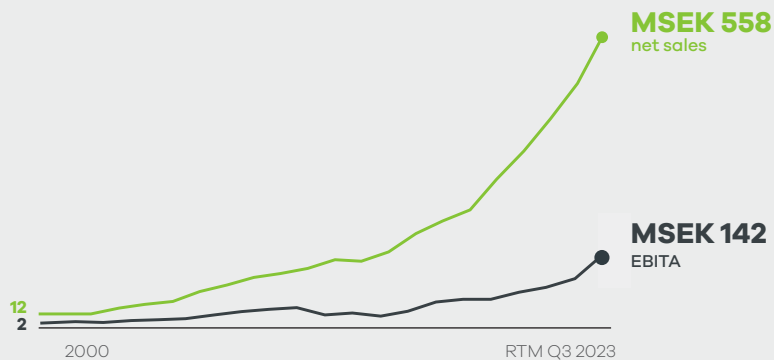
**A full-service SaaS* supplier
of customer care solutions with a strong local presence**

Lime is a one-stop-shop organisation for the development, sale, implementation and support of CRM systems. This creates a competitive comprehensive offering, and enables effective and value-generating customer care solutions.



Long history of profitable growth

Lime was founded in 1990 and has demonstrated an average growth rate of 19% and an EBITA margin of 25% since 2000.



Product portfolio & expertise



Lime CRM consolidates all customer information and helps companies with sales, marketing and customer care. Streamlined core functionality is combined with add-on modules and packaged for unique industry needs and workflows.



Lime Go is a more standardised service, developed to maximise sales in sales organisations. The tool is loaded with company information and provides effective control over upcoming transactions.



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



Customer care is more than just software, and success in the implementation of new systems requires changes in behaviour. Through Lime Intenz, we help companies strengthen a successful corporate culture, proactive sales culture and effective leadership.



Lime in summary

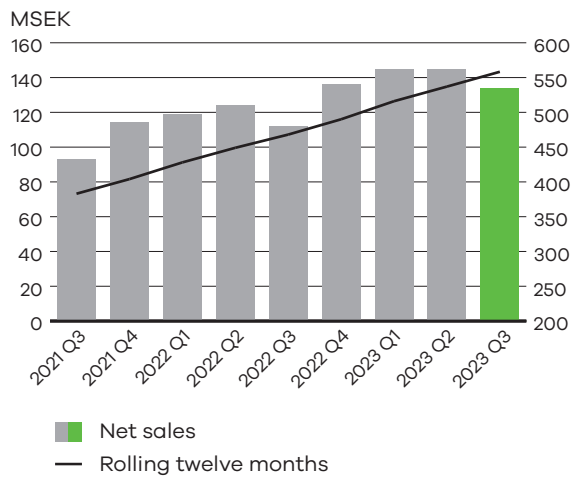
January-September 2023

Revenue

Net sales

Net sales in the third quarter 2023 amounted to MSEK 133 (112), a growth of 19% (21).

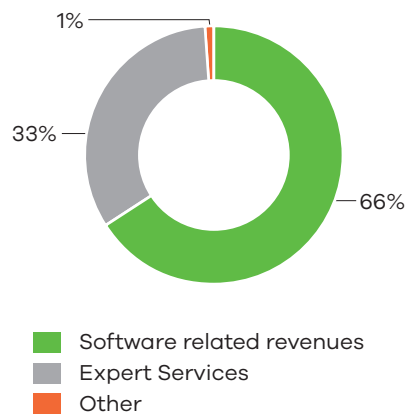
Net sales during the first nine months 2023 amounted to MSEK 422 (355), rendering an increase of 19% (22).



Net sales by category

66% (68) of net sales in the third quarter 2023 relate to software revenue. 61% (63) of net sales in the first nine months 2023 relate to software revenue.

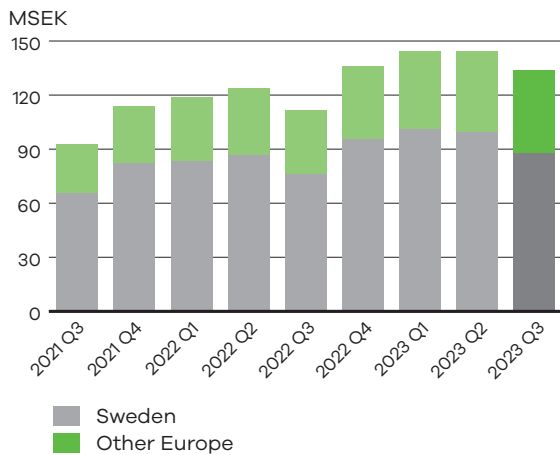
Software revenue increased by 17% (16) during the third quarter 2023 compared to the third quarter 2022.



Net sales per segment

Net sales in the third quarter 2023 in Sweden amounted to MSEK 88 (76) and MSEK 46 (36) in the Rest of Europe. Net sales growth for the quarter was 16% (16) in Sweden and 27% (31) in the rest of the European countries.

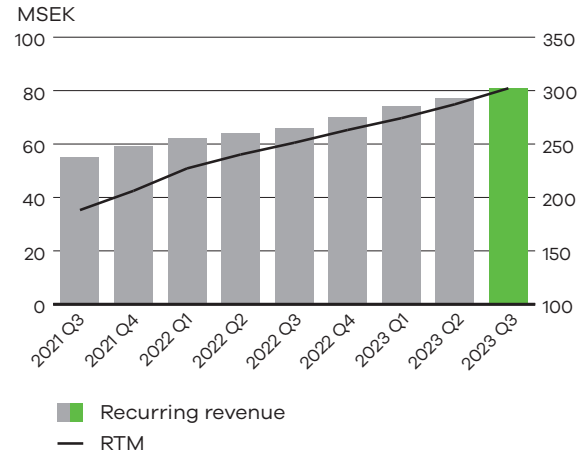
Net sales during the first nine months in 2023 in Sweden amounted to MSEK 288 (246) and MSEK 134 (109) in the rest of the European countries.



Recurring revenue

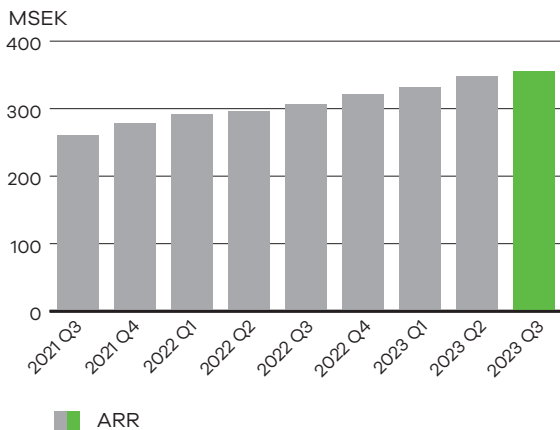
Recurring revenue amounted to MSEK 88 (75) during the third quarter 2023, an increase of 18% (16) compared to the same period last year.

Recurring revenue amounted to MSEK 255 (221) during the first nine months in 2023, an increase of 16% (24) compared to the corresponding period last year.



Annual Recurring Revenue

The 12-month recalculated recurring revenue, Annual Recurring Revenue (ARR), at the end of the third quarter 2023 was MSEK 356 (306). The 12-month recalculated recurring revenue increased by 16% (17) compared to the corresponding period last year.



Operating income

EBITDA

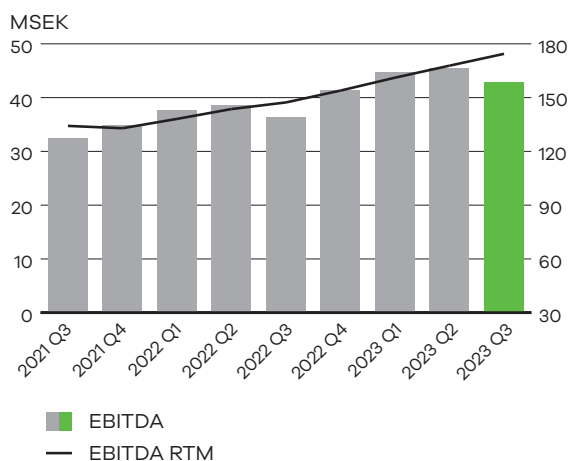
Operating income before depreciation/ amortisation during the third quarter – EBITDA – amounted to MSEK 43 (36) corresponding to an operating margin before depreciation/ amortisation, EBITDA, of 32% (32).

EBITDA amounted to MSEK 25 (20) in Sweden and MSEK 18 (16) in the Rest of Europe during the third quarter 2023.

During the first quarter of 2022, virtually all restrictions linked to the spread of Covid-19 were removed and since then, Lime's operations have gradually returned to using similar working methods and having similar overheads' as before the pandemic. The comparative figures for 2020 and 2021 reflect a lower cost base due to the government measures related to the pandemic.

The first nine months 2023 operating income before depreciation – EBITDA – amounted to MSEK 133 (113), corresponding to an EBITDA margin of 31% (32).

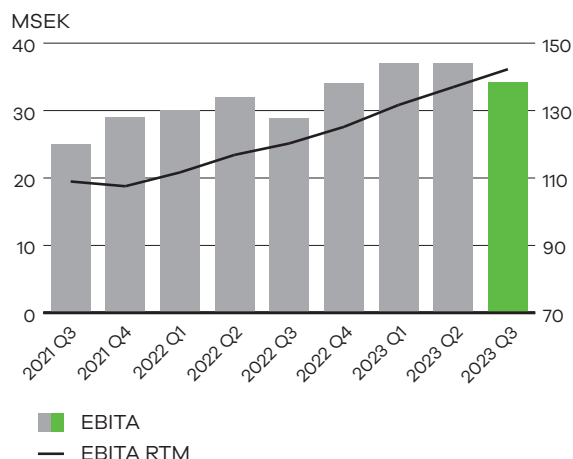
EBITDA in Sweden amounted to MSEK 81 (74) and MSEK 52 (39) in the Rest of Europe during the first nine months 2023.



EBITA

During the third quarter 2023 operating income, excluding amortisation on acquired surplus values – EBITA – amounted to MSEK 34 (29), corresponding to an EBITA margin of 26% (26).

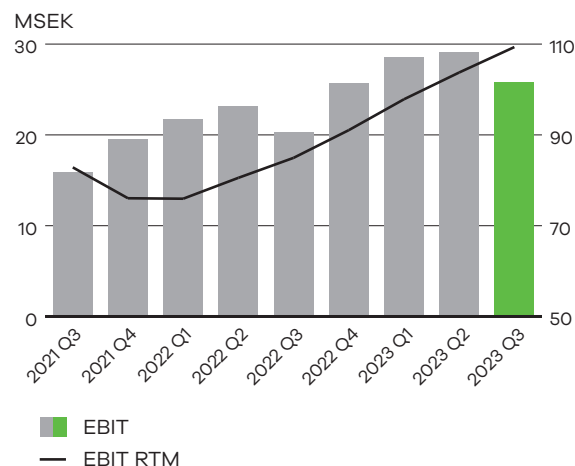
Adjusted EBITA during the first nine months 2023 amounted to MSEK 108 (91), corresponding to an EBITA margin of 26% (26).



EBIT

Operating income during the third quarter 2023, EBIT, amounted to MSEK 26 (20), corresponding to an operating margin of 19% (18).

Operating income during the first nine months 2023 – EBIT – amounted to MSEK 84 (65), corresponding to an EBIT margin of 20% (18).



Cash flow & investments

During the third quarter 2023 cash flow from operating activities amounted to MSEK 5.8 (17.7). The variation from the previous year is mainly due to trade receivables. As 30 September was a Saturday in 2023, most of the payments were received in early October.

During the first nine months 2023 cash flow from current operations amounted to MSEK 80.1 (70.0).

During the third quarter 2023 investments in tangible non-current assets amounted to MSEK 0.7 (0.2), excluding right-to-use assets. Investments in intangible non-current assets amounted to MSEK 6.1 (6.6) and consist of capitalisation of development costs relating to new technology platforms.

During the first nine months 2023 investments in tangible non-current assets amounted to MSEK 0.8 (0.3), excluding right-to-use asset. Investments in tangible non-current assets amounted to MSEK 21.6 (18.8) during the same period.

In the third quarter 2023, amortisation of capitalised development costs amounted to MSEK 4.4 (3.8) and amortisation of right-to-use assets amounted to MSEK 3.6 (3.2).

Amortization of capitalized development costs amounted to MSEK 13.3 (116) during the first nine months 2023 and amortization of right-to-use assets amounted to MSEK 10.1 (9.0).

Equity & liabilities

The Group's equity amounted to MSEK 252 (178).

At the Annual General Meeting on 26 April 2023, it was resolved to distribute dividends of SEK 2.80 per share, corresponding to a total amount of MSEK 372. The record date was 28 April and the dividend was paid out on 4 May.

The Group's interest-bearing liabilities amounted to MSEK 209.2 (259.7) at the end of the period, including leasing liabilities relating to right-to-use assets of MSEK 33.7 (38.2) and a liability of MSEK 24.4 (26.7) relating to the acquisition of Userlike UG.

A total of MSEK 16.6 (16.7) of the Group's interest-bearing liabilities have been repaid during the quarter. A bank overdraft facility of MSEK 20.8 was utilised by the end of the period. Cash and cash equivalent amounted to MSEK 26.8 (29.9) at the end of the period. The Group's net debt amounted to MSEK 181.6 (228.9).

An agreement was signed during the first quarter for a bank overdraft facility of MSEK 25 during 2022. In the second quarter of 2023, the existing overdraft facility was extended by an additional MSEK 10.

Share Saving programme

On 26 April 2023, the Annual General Meeting decided to launch an additional share savings programme, LTIP 2023. All Lime employees on 1 May 2023 were invited to participate. The programme requires participants to acquire shares in the Company at market price on Nasdaq Stockholm during the period from 1 June 2023 to 31 May 2024. A corresponding programme was launched in 2022, called LTIP 2022, where shares were acquired during the period from 1 June 2022 to 31 May 2023.

Provided that participants retain the shares for three years, a period which ends on 31 May 2025 for LTIP 2022 and 31 May 2026 for LTIP 2023, that the participant remains an employee during the entire period, and that Lime fulfils the performance criteria, each share will entitle the participant to two or three shares, depending on the role, against payment of the quota value of the share. The performance criteria is set by the Board of Directors and is in line with Lime's financial objectives.

The fair value of the incentive shares is set at the value at the time of subscription. As this is a share-based consideration settled with equity instruments, there is no revaluation of the fair value of the incentive shares.

Lime estimates how many of the employees participating in the programmes will remain in employment throughout the 3-year period, until 31 May 2025 for LTIP 2022 and 31 May 2026 for LTIP 2023.



Share warrants

The Annual General Meetings on 26 April 2022 and 26 April 2023 resolved to each issue 68,160 warrants free of charge to the wholly owned subsidiary Hysminai AB. The warrants will be used to secure Lime's commitment in connection with the share savings programmes LTIP 2022 and LTIP 2023.

Lime Technologies AB's share

Lime Technologies AB (publ.) is listed on Nasdaq Stockholm OMX Mid Cap, the Technology sector. Total number of shares issued was 13,283,481 at the end of the period. The company does not own any of its own shares.

Financial goals

Lime's goal is to achieve annual net sales growth exceeding 18 percent, in the medium long term. Lime further aims to achieve an annual EBITA margin in excess of 25 percent in the medium long term. The objective of the capital structure is that net liabilities, excluding leasing debt, relative to EBITDA shall be less than 2.5. Lime intends to distribute available cash flow after consideration has been given to the Company's indebtedness and future growth opportunities, including acquisitions. The target is to distribute at least 50 percent of the Company's annual net income.

Other

Employees

The Group had 423 (395) employees at the end of the reporting period. The average number of employees was 388 (328) during the period.

The Parent Company

The Parent Company's activities are primarily focused on group management and financing. The company has no other employees apart from the Group CEO and CFO at the end of the period. During the third quarter 2023, operating profit/loss in the Parent amounted to MSEK -1.2 (-0.7). Operating income during the first nine months 2023 amounted to -2.6 (-1.8). Cash and cash equivalent amounted to MSEK 0.0 (0.6) and borrowings to MSEK 125.0 (175.0).

Annual General Meeting 2023

At the Annual General Meeting on April 26, 2023, it was resolved to re-elect the following directors of the board: Marlène Forsell, Erik Syrén och Lars

Stugemo. The annual general meeting also resolved to elect Johanna Fagerstedt and Emil Hjalmarsson as members of the board of directors for the period until the close of the annual general meeting 2024. Erik Syrén was elected as chairman of the board of directors for the same period.

Other resolutions made at the Annual General Meeting;

- » Resolution to distribute dividend of SEK 2.80 per share, corresponding to a total amount of MSEK 372. 28 April was the record date for dividend and the payment date was 4 May.
- » It was resolved to authorise the board of directors to, at one or more occasions, until the 2023 Annual General Meeting, resolve to issue shares in exchange for cash payment, with provision for non-payment or set-off or otherwise with conditions, and thereby be able to deviate from the shareholders' preferential rights. The authorisation is limited to a maximum of 10 percent of the total number of shares in the company at the time of the resolution on authorisation.
- » It was resolved to establish a share saving program and issue warrants in which all employees may be granted up to a total of 68,160 shares, subject to making their own investments in Savings Shares and keeping them during the period 1 June 2023 to 31 May 2026, that they are employed by Lime at the end of the period and that Lime's financial targets are met. To ensure delivery of the incentive shares it was resolved to issue a maximum of 68,160 warrants.

Nomination committee

Based on guidelines resolved at the Annual General Meeting in June 2020, the following persons have been appointed to be part of Lime's Nomination Committee:

- » Erik Ivarsson, as chairman, AB Grenspecialisten, representing 10.0 % of the shares and votes,
- » Veronica Sandman, Syringa Capital AB (owned by Erik Syrén) representing 10.2 % of the shares and votes,
- » Johanna Ahlqvist, Cliens Kapitalförvaltning AB (through funds), representing 8.8 % of the shares.



The Nomination Committee will prepare proposals to the 2024 Annual General Meeting regarding chairman of the meeting, board members, chairman of the board, remuneration to the board members, auditors, auditors' fees, the composition of the Nomination Committee and its duties in preparation for the 2025 Annual General Meeting.

Shareholders wishing to submit proposals to the Nomination Committee can do so via e-mail to nomination-committee@lime.tech. March 14, 2024 (six weeks prior to the Annual General Meeting on 25 April, 2024) is the last day to submit proposals to the Nomination Committee for consideration at the 2024 Annual General Meeting.

Other events during or after the reporting period

The macroeconomic uncertainty resulting from the Russian invasion of Ukraine and the general business cycle may affect our operations. The macroeconomic turmoil caused by Russia's invasion of Ukraine, resulting in higher energy prices, high inflation and an uncertain economic outlook, may affect our business. At present, we see no direct impact on Lime, but the long-term effects are difficult to assess, and it is not possible to rule out negative consequences.

The combination of, on one hand, Lime's focused subscription sales with a high percentage of recurring revenue, and on the other hand, its large customer base, means Lime is fairly well equipped to face a recession and the impact on Limes result and financial position has been limited during 2023.

Lime in brief

Comprehensive SaaS supplier of customer care solutions

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

Our business model is based on offering subscription contracts (Software as a Service or "SaaS"), as well as consultancy services (Expert Services) for implementing and continuously adapting the products in line with customer-

specific needs and requirements. With a strong product portfolio under constant development, Lime creates effective solutions focusing on small, medium-sized and local enterprises, as well as well-established solutions within our industry verticals of real estate, consultancy, utility and wholesale.

The Head Office is in Lund, and in September 2023, the Company had 423 employees at ten offices in Sweden, Norway, Denmark, Finland, the Netherlands, Poland and Germany.

Lime's why statement

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

Strategies

Underlying market growth

Lime is one of the leading CRM suppliers in the Nordic Region, and we are getting closer to our target of the rest of Europe, which offers a growing market with low CRM penetration.

Internationalisation

Lime has a long history of excellent results in Sweden, and has held a market-leading position since 2015. Over the past ten years, we have moved closer to Norway, Denmark and Finland, where we are now seeing positive effects in terms of revenue. During the pandemic, we also established ourselves in the Netherlands and Germany, which will lay the foundation for future growth as the Nordic markets become more mature.

Upgrades and increased sales to our existing customer base

Lime has a large existing customer base with a great potential for upsell to broaden the use of services and solutions. Through an expanded focus on upgrades to more modern SaaS solutions, as well as moves from up-front payments to subscription services, we intend to increase both customer satisfaction and recurring revenue.

Continued development of the product platforms

Lime's platforms are under constant development with the aim of strengthening competitiveness and meeting changed market needs. In addition to developing value-generating additional



services ourselves, we continuously evaluate the acquisition of product companies that could strengthen our offering to new and existing customers.

Focus on selected industries

We focus on tailored CRM solutions for four selected industries with the goal of becoming the market leader: utility, real estate, wholesale and consultancy firms. For these industries, Lime offers local industry-specific expertise and pre-packaged solutions, saving both time and money. This focus is particularly important in markets outside Sweden as it gives us better opportunities to build brand awareness and a network of satisfied customers in popular segments.

Selective acquisitions

We continuously evaluate strategic acquisitions so as to strengthen the product offering, increase the Company's expertise and resources, grow geographically and broaden the customer base.

Forward-looking information

This report may contain forward-looking information based on management's current expectations.

Although management believes the expectations expressed in such forward-looking information are reasonable, there are no assurances that these expectations will be correct.

Consequently, future outcomes may vary considerably compared to the forward-looking information due to, among other things, changed market conditions for Lime's products and more general changes to economic, market and competitive conditions, changes to regulatory requirements or other policy measures and exchange rate fluctuations.

Upcoming reporting dates

- » Year-end report 2023, presented February 14, 2024
- » Annual report 2023, presented March 21, 2024
- » Interim report Q1 2024, presented April 25, 2024
- » Annual General Meeting, April 25, 2024
- » Interim report Q2 2024, presented July 12, 2024
- » Interim report Q3 2024, presented October 23, 2024

Lund, October 19, 2023

Nils Olsson
CEO

Additional information can be obtained from:

CEO Nils Olsson, phone +46 8 562 77 603 or
CFO Maria Wester, phone +46 732 04 44 54 or
IR Jennie Everhed, phone +46 720 80 31 01

The company's auditors have performed a high-level review of this report.

This information constituted insider information prior to publication. This is information that Lime Technologies AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation.

The report has been published in both English and Swedish. This is an unaudited translation of the Swedish interim report. Should there be any disparities between the Swedish and the English version, the Swedish version shall prevail.



Key ratios for the Group

	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Net sales (MSEK)	133.5	111.9	422.5	354.6
Growth in net sales (%)	19%	21%	19%	22%
Organic net sales growth (%)	19%	21%	19%	17%
Recurring revenue (MSEK)	88.4	75.2	255.2	220.5
Annual recurring revenue (MSEK)	356.0	305.8	356.0	305.8
EBITA (MSEK)	34.2	28.9	108.1	91.0
EBITA (%)	26%	26%	26%	26%
EBITDA (MSEK)	42.8	36.3	133.0	112.5
EBITDA (%)	32%	32%	31%	32%
Operating income. EBIT (MSEK)	25.8	20.3	83.6	65.3
Operating income. EBIT (%)	19%	18%	20%	18%
Depreciation right-to-use assets (MSEK)	-3.6	-3.2	-10.1	-9.0
Earnings per share (SEK)	1.36	1.11	4.47	3.67
Earnings per share. diluted (SEK)	1.36	1.10	4.45	3.65
Net debt (MSEK)	181.6	228.9	181.6	228.9
Number of employees (average)	388	328	388	328
Net sales per employee (MSEK)	1.4	1.4	1.4	1.4
Cash flow from current operations per share (SEK)	0.4	1.3	6.0	5.3
Average number of outstanding shares (thousands)	13 283.5	13,283.5	13 283.5	13,283.5

For definition of key ratios, see pages 26-28.



Consolidated income statement in summary (TSEK)

	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Net sales	133,476	111,940	422,454	354,551
Other income	382	784	1,779	1 171
Gross income	133,858	112 724	424,233	355 722
<i>Operating expenses</i>				
Compensation to employees	-73,170	-61,871	-239,141	-194,790
Capitalised development work by own employees	6,139	6,572	21,586	18,841
Depreciation	-16,956	-15,971	-49,380	-47,149
Other expenses	-24,026	-21,159	-73,722	-67,299
Total operating expenses	-108,013	-92,429	-340,657	-290,397
Operating income	25,845	20,295	83,576	65,325
Financial net	-3,351	-1,976	-9,789	-5,290
Income after financial items	22,494	18,319	73,787	60,035
Taxes	-4,367	-3,629	-14,378	-11,302
Net income for the period	18,127	14,690	59,409	48,733
Net income attributed to:				
The shareholders of the Parent	18,127	14,690	59,409	48,733
	18,127	14,690	59,409	48,733
Other Information				
Earnings per share, basic (SEK)	1,36	1.11	4,47	3.67
Earnings per share, diluted (SEK)	1,36	1.10	4,45	3.65



Consolidated statement of other comprehensive income (TSEK)

	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Net income for the period	18,127	14,690	59,409	48,733
Other comprehensive income				
Items that may be reclassified to the income statement:				
Translation adjustments	5,105	4,430	20,669	11,088
Other comprehensive income for the period, net of tax	5,105	4,430	20,669	11,088
Other comprehensive income for the period	23,232	19,120	80,078	59,821
Other comprehensive income for the period, attributed to:				
the shareholders of the Parent	23,232	19,120	80,078	59,821
	23,232	19,120	80,078	59,821



Consolidated balance sheet in summary (TSEK)

	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Goodwill	249,240	231,559	235,240
Other non-tangible non-current assets	262,767	269,123	268,204
Right-to-use assets	33,665	38,167	34,992
Tangible non-current assets	7,599	2,723	3,413
Other financial non-current assets	819	780	784
Deferred tax asset	187	11	11
Total non-current assets	554,277	542,363	542,644
Trade receivables	106,508	72,749	76,721
Other current receivables	13,579	8,134	9,157
Cash and cash equivalent	26,815	29,937	35,409
Total current assets	146,901	110,820	121,287
Total assets	701,178	653,183	663,931
EQUITY AND LIABILITIES			
Total equity	252,047	177,723	205,321
LIABILITIES			
Non-current liabilities			
Interest-bearing non-current liabilities	75,000	125,000	112,500
Non-current leasing liabilities	24,323	26,950	26,307
Deferred tax liabilities	70,008	72,110	71,553
Total non-current liabilities	169,331	224,060	210,360
Current liabilities			
Current interest-bearing liabilities	74,377	76,817	75,017
Bank overdraft facility	20,756	18,372	0
Current leasing liabilities	14,754	12,518	10,322
Accounts payable	9,354	8,207	6,151
Other current liabilities	39,790	28,321	33,209
Accrued expenses and deferred income	120,769	107,165	123,551
Total current liabilities	279,800	251,400	248,250
Total equity and liabilities	701,178	653,183	663,931



Consolidated statement of changes in equity (TSEK)

	Attributable to the Parent Company's shareholders				
	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
Opening balance January 1, 2022 according to adopted balance sheet	531	58,100	840	75,595	135,066
Net income for the period				48,733	48,733
Other comprehensive income for the year			11,088		11,088
Total other comprehensive income	0	0	11,088	48,733	59,821
Transactions with owners					
Revalued options liability				16,471	16,471
Share savings programme			902		902
Dividend				-34,537	-34,537
Total transactions with owners	0	0	902	-18,066	-17,164
Closing balance 30 September 2022	531	58,100	12,830	106,262	177,723
Opening balance January 1, 2022 according to adopted balance sheet					
Opening balance January 1, 2022 according to adopted balance sheet	531	58,100	840	75,595	135,066
Net income for the period				67,821	67,821
Other comprehensive income for the year			16,508		16,508
Total other comprehensive income	0	0	16,508	67,821	84,329
Transactions with owners					
Revalued options liability				18,794	18,794
Share savings programme			1,669		1,669
Dividend				-34,537	-34,537
Total transactions with owners	0	0	1,669	-15,743	-14,074
Closing balance 31 December 2022	531	58,100	19,017	127,673	205,321
Opening balance January 1, 2023 according to adopted balance sheet					
Opening balance January 1, 2023 according to adopted balance sheet	531	58,100	19,017	127,673	205,321
Net income for the period				59,409	59,409
Other comprehensive income for the year			20,669		20,669
Total other comprehensive income	0	0	20,669	59,409	80,078
Transactions with owners					
Revalued options liability				431	431
Share savings programme			3,411		3,411
Dividend				-37,194	-37,194
Total transactions with owners	0	0	3,411	-36,763	-33,352
Closing balance 30 September 2023	531	58,100	43,097	150,319	252,047



Consolidated cash flow analysis (TSEK)

	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Cash flow from current operations				
Cash flow from operations	44,942	37,289	137,415	111,483
Changes in net working capital	-29,630	-11,624	-23,717	-8,315
Interest paid	-2,032	-1,323	-6,617	-3,404
Taxes paid	-7,509	-6,659	-26,943	-29,747
Cash flow from current operations	5,771	17,683	80,139	70,017
Cash flow from investing activities				
Investment in intangible non-current assets	-6,139	-6,572	-21,586	-18,841
Investment in tangible non-current assets	-727	-150	-753	-250
Investment in financial non-current assets	0	-49	74	-103
Interest received	109	24	203	24
Cash flow from investing activities	-6,757	-6,746	-22,062	-19,169
Cash flow from financing activities				
Dividend	0	0	-37,194	-34,537
Bank overdraft facility	18,035	9,072	20,756	18,372
Amortisation of bank loans	-12,500	-12,550	-37,550	-39,008
Amortisation of lease liabilities	-4,441	-4,111	-11,799	-9,485
Amortisation of interest-bearing liabilities	0	0	-2,655	-13,922
Cash flow from financing activities	1,094	-7,589	-68,442	-78,580
Net cash flow	109	3,348	-10,365	-27,732
Net change in cash flow				
Cash and cash equivalent, beginning of the period	26,014	26,054	35,409	55,167
Exchange rate changes on cash	692	534	1,771	2,502
Cash and cash equivalent, end of period	26,815	29,937	26,815	29,937



Parent's income statement in summary (TSEK)

	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Net sales	1,535	1,610	5,495	5,142
Gross income	1,535	1,610	5,495	5,142
<i>Operating expenses</i>				
Compensation to employees	-1,890	-1,932	-6,480	-5,562
Other expenses	-821	-372	-1,662	-1,352
Total operating expenses	-2,711	-2,304	-8,142	-6,914
Operating income	-1,176	-694	-2,647	-1,772
Financial income	0	0	665	0
Financial expenses	-4,429	-2,684	-11,149	-6,074
Income after financial items	-5,605	-3,378	-13,131	-7,846
Taxes	1,153	696	2,676	1,610
Net income for the period	-4,452	-2,682	-10,455	-6,236



Parent's statement of other comprehensive income (TSEK)

	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Net income for the period	-4,452	-2,682	-10,455	-6,236
Other comprehensive income				
Items that may be reclassified to the income statement:				
Translation adjustments	0	0	0	0
Other comprehensive income for the period, net of tax	0	0	0	0
Other comprehensive income for the period	-4,452	-2,682	-10,455	-6,236
Other comprehensive income for the period, attributed to:				
the shareholders of the Parent	-4,452	-2,682	-10,455	-6,236
	-4,452	-2,682	-10,455	-6,236



Parent's balance sheet in summary (TSEK)

	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Shares in subsidiaries	353,332	353,332	353,332
Total non-current assets	353,332	353,332	353,332
Prepaid expenses and accrued revenue	343	1,079	481
Current receivables group companies	316	0	0
Other current receivables	18,745	9,848	38
Cash and cash equivalent	0	617	365
Total current assets	19,403	11,544	884
Total assets	372,735	364,876	354,216
EQUITY AND LIABILITIES			
<i>Restricted equity</i>			
Share capital	531	531	531
<i>Non-restricted equity</i>			
Share premium reserve	5,065	5,065	5,065
Retained earnings	90,164	65,305	65,305
Net income for the period	-10,455	-6,236	62,053
Total equity	85,305	64,665	132,954
LIABILITIES			
Non-current liabilities			
Interest-bearing non-current liabilities	75,000	125,000	112,500
Total non-current liabilities	75,000	125,000	112,500
Current liabilities			
Current interest-bearing liabilities	50,000	50,000	50,000
Bank overdraft facility	20,756	0	0
Accounts payable	59	277	25
Current tax liabilities	0	0	0
Current liabilities group companies	138,979	122,293	53,058
Other current liabilities	719	651	3,582
Accrued expenses and deferred income	1,918	1,990	2,097
Total current liabilities	212,430	175,211	108,762
Total equity and liabilities	372,735	364,876	354,216



Notes

1. Accounting principles

Lime prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. New accounting principles that came into effect on 1 January 2023 have not had any significant impact on the Group's reporting as of 30 September 2023. The Group applies, apart from the below, the same accounting principles as in the Annual Report as at 31 December 2022.

Share Saving Programme

The Group has a share-related compensation plan where the company receives services from employees as payment for the Group's equity instruments. Information on these plans is available on page 9. The programme is classified as an equity-regulated programme. The fair value of the service that entitles employees to allocation of shares through the programme is reported as a personnel expense with a corresponding increase in equity.

The total amount to be expensed is based on the fair value of the shares that are allocated:

- » including all market-related conditions
- » excluding any impact from service conditions and non-market-related conditions for earnings (e.g. profitability, targets for sales growth and that the employee remains in the company's service for a specified period),
- » including the impact of conditions that do not constitute earning conditions (e.g. requirement that employees should save or retain shares for a specified period).

The total cost is reported over the earning period; the period over which all the specified earning conditions must be met. At the end of each reporting period, the Group reviews its estimates of how many shares are expected to be earned based on the non-market-related earning conditions and service conditions. Any deviation from the original estimates to which the review gives rise is reported in the income statement and corresponding adjustments are made in equity.

Summary of significant accounting principles

The social security expenses arising on the allocation of shares are regarded as an integral part of the allocation, and the expense is treated as share-related remuneration settled in cash.

Other principles and applications

The Group applies the same accounting principles and valuation methods as in the latest annual report. The Parent Company prepares its financial statements according to RFR 2, Accounting for Legal Entities, as well as the Swedish Annual Reports Act, and applies the same accounting principles and valuation methods as in the most recent annual report.

Lime applies ESMA's guidelines for alternative performance measures (measurements not defined by IFRS). For definitions, see pages 26-28.

Critical accounting estimates and judgements

Intangible assets that have an indefinite useful life or intangible assets that are not ready for use are not subject to depreciation but are tested annually for any impairment loss. The impairment test carried out at year-end showed that there was no impairment loss.

Capitalised development work by own employees

Operating expenses relating to the development of own software have been reduced by MSEK 6.1 (6.6) during the third quarter 2023.

Operating expenses relating to development of own software have been reduced by MSEK 21.6 (18.8) during the first nine months 2023.

2. Risks and uncertainties

The Lime Group is, through its operations, exposed to common business and financial risks. These risks are described in detail in the 2022 annual report.

The Covid-19 pandemic decreased the economic activities during 2020 and 2021. We estimate that new sales were negatively affected. We have, however, noted increased market activities since the restrictions has been reduced or removed.



The macroeconomic uncertainty resulting from the Russian invasion of Ukraine may affect our operation. At present, we see no direct impact on Lime, but the long-term effects are difficult to judge, and it is not possible to rule out negative consequences.

3. Currency translations

Assets and liabilities in foreign exchange are translated at the closing rate on the date of the balance sheet. Transaction differences related to translation of operational assets and liabilities are recognised as Other revenue or Other expenses.

Transaction differences relating to other balance sheet items in foreign currency, such as cash and cash equivalent, are recognised under Financial net. Net sales and operating expenses are also impacted by transaction differences in foreign exchange. These transaction differences are recognised under respective revenue and expense item.

Net sales for the quarter consists of 66% SEK, 20% EUR, and 14% other currencies. Operating expenses are made up of 72% SEK, 19% EUR, and 9% other currencies.

4. Transactions with related parties

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

5. Taxes

Tax expenses in the third quarter 2023 amounted to MSEK 4.4 (3.6). Tax expenses during the first nine months 2023 amounted to MSEK 14.4 (11.3).

The tax expense has been estimated based on the current tax situation in the Group and the earnings trends in the subsidiaries.



9-quarter summary

Sales per segment, TSEK	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Sweden	87,783	99,414	100,846	95,288	75,969	86,509	83,059	82,167	65,414
Rest of Europe	45,693	45,063	43,656	40,511	35,971	37,436	35,607	31,513	27,421
Income statement in summary, TSEK									
Net sales	133,476	144,477	144,501	135,799	111,940	123,945	118,666	113,680	92,835
EBITDA	42,801	45,391	44,763	41,321	36,266	38,647	37,561	34,773	32,519
EBITA	34,178	37,009	36,899	34,088	28,912	31,736	30,367	29,162	25,498
EBIT*	25,845	29,142	28,588	25,690	20,295	23,215	21,815	19,554	15,875
Operating margin	19%	20%	20%	19%	18%	19%	18%	17%	17%
Income before tax*	22,494	25,208	26,084	23,531	18,319	21,153	20,563	18,115	14,307

Revenue from customer contracts (TSEK)

Revenue by income stream, TSEK	Q3 2023			Q3 2022		
	Sweden	Rest of Europe	Total	Sweden	Rest of Europe	Total
Subscription revenue	49,023	31,988	81,011	41,124	25,116	66,240
Licence revenue	43	35	78	483	0	483
Support agreements	6,781	592	7,373	8,022	915	8,937
Expert Services	31,223	12,902	44,125	25,461	9,718	35,179
Other	713	176	889	880	222	1,102
Net sales	87,783	45,693	133,476	75,969	35,971	111,940

Revenue by income stream, TSEK	Q1-Q3 2023			Q1-Q3 2022		
	Sweden	Rest of Europe	Total	Sweden	Rest of Europe	Total
Subscription revenue	141,924	89,843	231,767	120,422	72,274	192,697
Licence revenue	1,299	35	1,334	1,759	25	1,784
Support agreements	21,330	2,098	23,427	25,084	2,760	27,844
Expert Services	118,971	41,993	160,964	95,739	33,361	129,100
Other	4,519	442	4,961	2,534	593	3,127
Net sales	288,043	134,412	422,454	245,538	109,014	354,551



Sales per quarter

Sales, TSEK	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Expert Services	44,125	56,753	60,086	54,054	35,179	48,478	45,443	44,079	27,080
Software related revenue	88,462	85,151	82,916	79,468	75,659	74,103	72,561	68,413	65,150
Other	889	2,573	1,498	2,277	1,102	1,363	662	1,188	605
Total	133,476	144,477	144,501	135,799	111,940	123,945	118,666	113,680	92,835
Whereof recurring revenue	88,384	84,762	82,049	78,858	75,177	73,512	71,852	68,075	64,734
Whereof recurring revenue (%)	66%	59%	57%	58%	67%	59%	61%	60%	70%
Growth in net sales (%)	19%	17%	22%	19%	21%	20%	26%	22%	23%
Growth recurring revenue (%)	18%	15%	14%	16%	16%	21%	38%	35%	34%

*) Software related revenue refers to subscription revenue, licence revenue and support agreements



Key ratios

The Group's key ratios are presented below. Some of these are defined in accordance with IFRS. Alternative performance measures (APM) have been identified that are believed to enhance investors' and Group management's evaluation of the company's performance as well as relevant trends. The APMs presented in this report may differ from similarly titled measures used by other companies. The APMs should therefore be seen as a supplement to the key ratios defined by IFRS.

Annual Recurring Revenue

The recurring revenue, in the last month of the quarter, recalculated to a 12-month period. The measure indicates the value of recurring revenue during the coming 12 months based on revenue from existing customers at the end of the period. The measure is also important for industry comparisons.

TSEK	Q3 2023	Q3 2022
Recurring revenue (quarter)	88,384	75,177
ARR	355,992	305,814

Number of shares outstanding

The number of registered shares less any repurchased shares at the balance sheet date. The measure is mainly used for calculation of key ratios; see below. The Group did not own any of its own shares during any of the reporting periods. The key ratios have, when applicable, been restated based on the share split (1:250) in October 2018.

EBITA

Operating income before depreciation of acquired intangible non-current assets. The purpose is to assess the Group's operational activities. EBITA is a supplement to operating income as it is an indication of cash flow from operations.

TSEK	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Operating income	25,845	20,295	83,576	65,325
Depreciation of acquired intangible non-current assets	8,333	8,617	24,511	25,689
EBITA	34,178	28,912	108,087	91,014
Net sales	133,476	111,940	422,454	354,551
EBITA (%)	26%	26%	26%	26%

EBITDA

Operating income before depreciation on tangible and intangible non-current assets. The purpose is to assess the Group's operational activities. EBITDA is a supplement to operating income.

TSEK	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Operating income	25,845	20,295	83,576	65,325
Depreciation	16,956	15,971	49,380	47,149
EBITDA	42,801	36,266	132,956	112,474
Net sales	133,476	111,940	422,454	354,551
EBITDA (%)	32%	32%	31%	32%



Financial assets

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

TSEK	30 Sep 2023	30 Sep 2022	31 Dec 2022
Other financial assets	819	780	784
Cash and cash equivalent	26,815	29,937	35,409
Financial assets	27,634	30,717	36,193

Cash flow from current operations per share

Cash flow from current operations divided by the average number of shares outstanding. Allows readers of financial reports to compare cash flow from current operations per share. The number of shares has been restated following the 1:250 share split in October 2018.

TSEK	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Cash flow from current operations	5,771	17,683	80,139	70,017
Number of shares (thousands)	13,283	13,283	13,283	13,283
Cash flow from operating activities per share (SEK)	0,43	1,33	6,03	5,27

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	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Net sales, period	133,476	111,940	422,454	354,551
Net sales, same period previous year	111,940	92,835	354,551	290,168
Growth in net sales	19%	21%	19%	22%

Net liabilities

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

TSEK	30 Sep 2023	30 Sep 2022	31 Dec 2022
Interest-bearing non-current liabilities	75,000	125,000	112,500
Non-current leasing liabilities	24,323	26,950	26,307
Other non-current liabilities	0	0	0
Interest-bearing current liabilities	74,377	76,817	75,017
Bank overdraft facility	20,756	18,372	0
Current leasing liabilities	14,754	12,518	10,322
Financial assets	-27,634	-30,717	-36,193
Net liabilities	181,577	228,940	187,953

Average number of employees

The average number of employees means the number of employees during the last 12-month period in relation to normal yearly working hours. The measure indicates how well one of the Group's key processes – the recruitment and development of staff – develops over time.

Net sales per employee

Shows trailing 12-month net sales in relation to average number of employees during the last 12 months. The measure is a key ratio for industry comparisons.

TSEK	Q4 2022 - Q3 2023	Q4 2021 - Q3 2022
Trailing 12-month net sales	558,253	468,231
Number of employees	388	328
Net sales per employee	1,439	1,429



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	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Net sales, period	133,476	111,940	422,454	354,551
Acquired net sales, last 12 months	0	0	0	-15,218
Organic net sales	133,476	111,940	422,454	339,333
Organic net sales, same period last year	111,940	81,836	339,333	271,734
Adjusted for acquired net sales last 24 months	0	10,999	15,218	18,434
Comparable organic net sales	111,940	92,835	354,551	290,168
Organic net sales growth (%)	19%	21%	19%	17%

Recurring revenue

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

TSEK	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Subscription revenue	81,012	66,240	231,768	192,697
Support agreements	7,373	8,936	23,428	27,843
Recurring revenue	88,384	75,177	255,195	220,540

Recurring revenues in relation to operating expenses

Revenues of annual recurring nature in relation to operating expenses. The measure is a key ratio for industry comparisons.

TSEK	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Recurring revenue	88,384	75,177	255,195	220,540
Operating expenses	-108,013	-92,429	-340,658	-290,397
Recurring revenue in relation to operating expenses	82%	81%	75%	76%

Earnings per share

Defined in accordance with IFRS.

Earnings per share, diluted

Defined in accordance with IFRS.

Operating margin, EBIT

Operating income in relation to net sales. To readers of financial reports, the measure is an indicator of a company's earning ability.

TSEK	Q3 2023	Q3 2022	Q1 - Q3 2023	Q1 - Q3 2022
Operating income	25,845	20,295	83,576	65,325
Net sales	133,476	111,940	422,454	354,551
Operating margin	19%	18%	20%	18%

Operating income, EBIT

Operating income according to the income statement.



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February 14, 2024	Year-end report, 2023
March 21, 2024	Annual report, 2023
April 25, 2024	Interim report Q1, 2024
April 25, 2024	Annual general meeting
July 12, 2024	Interim report Q2, 2024
October 23, 2024	Interim report Q3, 2024



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Auditor's review report

Lime Technologies AB (publ), 556953-2616

Introduction

We have reviewed the condensed interim financial information (interim report) of Lime Technologies AB (publ) as of 30 September 2023 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 19, 2023

Öhrlings PricewaterhouseCoopers AB

Ola Bjärehäll
Authorized Public Accountant

