

Increased dividend and continued profitable growth: Year-end report January - December 2023

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The fourth quarter

- Net sales MSEK 154.7 (135.8), rendering a sales growth of 14% (19%)
- Recurring revenue MSEK 91.4 (78.9)
- The 12-month recalculated recurring revenue, Annual Recurring Revenue, at the end of the second quarter 2023 was MSEK 372 (321), rendering an ARR growth of 16% (15)
- EBITA MSEK 39.2 (34.1), rendering an EBITA margin of 25 % (25 %)
- Adjusted EBITA margin 26 % (25 %) *
- Operating income, EBIT, MSEK 31.0 (25.7)
- Cash flow from current operations MSEK 62.4 (48.6)
- Net income MSEK 24.0 (19.1)
- Basic earnings per share amounted to SEK 1.80 (1.44), up 26 percent and diluted to SEK 1.79 (1.43), up 26 percent
- Acquired the remaining 10% of the shares in Userlike UG during the fourth quarter and acquired 85% of the shares in SportAdmin i Skandinavien AB after the end of the reporting period

* The quarter was impacted by items affecting comparability amounting to MSEK -0.9 (-0.0) (attributable to acquisitions)

2023 in brief

- Net sales MSEK 577.1 (490.4), rendering a sales growth of 18% (21%)
- Recurring revenue MSEK 346.6 (299.4)
- EBITA MSEK 147.3 (125.1), rendering an EBITA margin of 26 % (26 %)
- Adjusted EBITA margin 26 % (26 %) **
- Operating income, EBIT, MSEK 114.6 (91.0)
- Cash flow from current operations MSEK 142.5 (118.6)
- Net income MSEK 83.4 (67.8)
- Basic earnings per share amounted to SEK 6.28 (5.11), up 23 percent and diluted to SEK 6.21 (5.08), up 23 percent
- The Board proposes the general meeting a dividend of SEK 3.50 (2.80). The Board proposes that the dividend be paid on two different occasions during the year - in May and in October.
- Acquired the remaining 10% of the shares in Userlike UG during the fourth quarter and acquired 85% of the shares in SportAdmin i Skandinavien AB after the end of the reporting period

** The first 12 months were impacted by items affecting comparability amounting to MSEK -0.9 (-0.0) (attributable to acquisitions)

CEO's comments: Increased dividend and continued profitable growth

We continued to deliver long-term, profitable growth and our overall financial performance enables the Board to propose a dividend increase from SEK 2.80 to 3.50, corresponding to 56% of net profit. We ended the last quarter with an increase in ARR of 16%, growth of 14% and an EBITA margin of 26%. Growth during the quarter was driven by increased subscription revenues, which is in line with our strategy. For the full year, organic revenue growth totalled 18%, with an EBITA margin of 26%, which is a strong annual performance in line with our financial targets.

Our product portfolio enables our customers to be competitive

Demand for CRM is growing steadily, though more slowly in the current business climate. The trend, which we have played a role in driving for a long time, is that CRM is moving from a purely sales and customer management approach to

managing the entire customer journey and becoming the hub of the organisation. Specific solutions are increasingly in demand, and we see an increased focus on industry-specific functions. With our flexible and strong product portfolio, we help our customers to create competitive customer relationships with the goal of making the end customer's life easier. We offer well-established industry solutions in our four focus industries of real estate, utility, consultancy and wholesale, to which we are now adding a fifth focus industry – membership organisations.

The acquisition of SportAdmin strengthens our position in the member organisations industry and creates a new focus industry

Membership organisations is now our fifth focus industry. To further strengthen our position, we acquired market-leading, fast-growing and profitable SaaS company SportAdmin after the end of the reporting period. They deliver business-critical solutions tailored to sports clubs and members, and like us, they help their customers throughout the entire customer journey. This is an exciting acquisition with continued high growth potential.

Our position in the membership organisations industry was further strengthened by welcoming the Danish Cyclists' Federation and the Green Building Council Denmark as new customers during the quarter. We add significant value to membership organisations by supporting them in managing business-critical processes with a strong focus on creating added value for the members themselves. By automating new member registration, simplifying invoicing processes, optimising websites, and creating targeted communication for the members, we help our customer to make their members' lives easier.

Stronger focus on international markets

Several international deals were completed during the quarter in our selected focus industries. Examples from the wholesale industry include Finnish company Componenta Oyj and German company EDEKA ZENTRALE Stiftung & Co. KG. Continuing to develop our international markets will remain a major focus. We want to build a more international company, and we can achieve more than we did in 2023. All our markets have the potential to grow faster, and we will invest more in marketing and sales in 2024.

Sustained high recruitment rate and an attractive employer

We are seeking employees who can balance performance with customer care, where the customer is always at the centre. Retaining and developing our existing talent is equally important, and we see positive effects from our efforts in 2022 and 2023 to extend the average length of employment, resulting in low staff turnover.

In an industry where competition for skilled employees is intense, we are proud of our continued attractiveness, which is reflected in the 7,000 applications received during the year. The recruitment rate remains high with 73 new employees, and we have recently completed the first onboarding period of the year in Lund, which is a fantastic way to kick off the year. Recruitment for 2024 has started and we are maintaining a high recruitment pace.

Good profitability allows for increased dividends

We achieve an EBITA margin of 26% for the full year 2023 and we also see an improved cash flow for operating activities. Our financial position is strong, which means that the Board of Directors proposes an increased dividend of 25%, corresponding to SEK 3.50 per share, resulting in a total dividend of SEK 46.5 million.

A solid 2023 will enable accelerated growth in 2024

Looking back on 2023, I am proud of our ability to deliver strong results despite the challenges faced on the market throughout the year. Our EBITA margin is 26%, and we are growing faster than the market with a growth rate of 18%. This shows our capacity to generate high customer value in any business climate.

2023 is now finished, and 2024 is well underway. At Lime, we are always looking ahead, and we will continue to develop our focus industries, internationalisation, staff, and strengthen the attractiveness of our product offering. This allows us to do what we have always done best: helping our customers become heroes and making life easier for the end user.

Let's do this!

/Nils Olsson, Managing Director and CEO, Lime Technologies

Read the entire report in the attached PDF

Invitation to webcast for the presentation of Lime Technologies' Year-end report

Today, February 14, at 09:30 CEST, analysts, investors, media, and other interested parties are invited to attend a webcast where Lime's CEO, Nils Olsson, and CFO, Maria Wester, will comment on the published report and answer questions. The

presentation will be held in English.

The presentation material is available on [Lime's website](#).

[The link to the webcast can be found here.](#)

Disclosure regulation

This information constituted inside information prior to publication. This is information that Lime Technologies AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons mentioned, at 07:50 CET on 14 February, 2024.

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About Lime Technologies AB (publ)

Lime helps businesses all over the Nordics to become better at customer care. The company develops and sells digital products for "Customer Relationship Management", development and management of customer relationships. Lime was founded in 1990 and has 400 employees. The company has offices in Lund, Stockholm, Gothenburg, Gävle, Oslo, Copenhagen, Utrecht, Cologne, Helsinki and Krakow. Their customers include everything from sole traders to large organisations. www.lime-technologies.com

Attachments

- [Download announcement as PDF.pdf](#)
- [Lime Q4 2023 \(EN\).pdf](#)