

Strong ARR growth and good profitability in the third quarter: Interim report, January - September 2024

23.10.2024 07:50:00 CEST | Lime Technologies AB (publ) | Half Year financial report

The third quarter 2024

- Net sales amounted to MSEK 158.1 (133.5), representing a net sales growth of 18% (19)
- Recurring revenues amounted to MSEK 111.6 (88.4)
- The annualized value of recurring revenues at the end of the third quarter of 2024 amounted to MSEK 454 (356), representing an ARR growth of 28% (16)
- EBITA amounted to MSEK 39.3 (34.2), representing an EBITA margin of 25% (26)
- Adjusted EBITA margin was 25% (26)
- Operating result, EBIT, amounted to MSEK 32.7 (25.8)
- Cash flow from operating activities amounted to MSEK 44.5 (5.8)
- Net income amounted to MSEK 21.4 (18.1)
- Basic earnings per share amounted to SEK 1.61 (1.36), up 18% and diluted to SEK 1.60 (1.36), up 18%

The first nine months 2024

- Net sales amounted to MSEK 501.8 (422.5), representing a net sales growth of 19% (19)
- Recurring revenues amounted to MSEK 327.9 (255.2)
- EBITA amounted to MSEK 124.2 (108.1), representing an EBITA margin of 25% (26)
- Adjusted EBITA margin was 25% (26)
- Operating result, EBIT, amounted to MSEK 96.4 (83.6)
- Cash flow from operating activities amounted to MSEK 136.4 (80.1)
- Net income MSEK 65.3 (72.8)
- Basic earnings per share amounted to SEK 4.91 (5.48), down 10% and diluted to SEK 4.86 (5.45), down 11%

CEO's comments: Strong ARR growth and good profitability in the third quarter

We closed the third quarter with 28% ARR growth, 18% revenue growth, and an EBITA margin of 25%. During the quarter, we welcomed over 30 new employees, a strategic investment where we continue to build for future growth. As before, the quarter is characterised by long sales processes in a challenging market, which places higher demands on us as an organisation. A match we are used to and don't mind playing!

Tough start but strong finish to the quarter

As always, the third quarter is unique, starting with summer holidays in July, which then carries over into August. August and early September proved tougher than usual during this period. However, I'm pleased with our proactive efforts to get closer to our customers. We're seeing positive signals in our customer engagement and an increasing pipeline, which paid off towards the end of the quarter.

Growth opportunities across all business areas

We continue to make good deals in Lime CRM, both with new and existing customers. One of these is the utility company OBOS, which is also one of our very first Lime CRM customers. Through strong relationships, modernised, and value-creating solutions, OBOS continuously chooses us as a supplier, something we are happy and proud of. We also added several new customers this quarter, especially within our focus verticals of utility, real estate, wholesale, consulting, and membership organisations. A highlight is our largest deal yet in the Finnish market with Masino Group, which I hope will create a ripple effect.

We are focusing on accelerating Lime CRM, particularly within Expert Services. There are no shortcuts; the solution involves working closely with our customers and focusing on creating value for them by solving their challenges. We know that the right behaviors lead to success over time. We have a good starting position and are continuing with a high recruitment pace

to create better growth for 2025.

Our positive development in Lime Go continues. Our focus on attracting larger companies is paying off, and throughout the year, the value of our average deal has increased. We are also strengthening Lime Go with several key recruitments in sales and product development.

In Lime Connect, we see a continued positive trend, where we released the first version of our mobile app during the quarter. The app has been one of our most requested features and has great potential for upselling and new business. Our webinars are also taking significant steps forward with a steady stream of leads for both new and upselling.

In Sportadmin, the business is term-based, with many deals happening at the end of each term. A strong start to each term is crucial for sales success in the upcoming period. I am pleased with how we've handled the start of autumn, with strong activity levels and pipeline building that bodes well for the end of the year. Already in Q3, we see a good number of new organisations, including Swedish Elite Swimming, whose goal is to develop the sport of swimming. At the same time, the evaluation of Sportadmin's internationalisation continues, where we are actively exploring different markets.

We continue to build for future growth

We are continuing the path we've set, focusing on long-term profitable growth. We do this by investing in sales, marketing activities, product development, and recruitment to build a world-class international software company. We know that the market is tough and demanding, but we have played this match successfully for over 20 years. With a strong position, we are well-prepared to continue gaining market share, regardless of market conditions or the economic climate.

/Nils Olsson, CEO & Managing Director, Lime Technologies

Read the entire report in the attached PDF

Invitation to the presentation of Lime Technologies' Q3 report

Today, October 23rd, 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 Anders Hofvander, 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 23 October, 2024.

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About Lime Technologies AB (publ)

Lime helps businesses to become better at customer care. The company develops and sells digital products for development and management of customer relationships. Lime was founded in 1990 and has close to 500 employees. The company has offices in Lund, Stockholm, Gothenburg, Malmö, Gävle, Oslo, Copenhagen, Utrecht, Cologne, Helsinki and Krakow. Their customers include everything from sole traders to large organisations. www.lime-technologies.com

Attachments

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