A serene landscape at dawn or dusk. The sky is a mix of deep blue and soft orange, with wispy clouds. The foreground shows a calm body of water reflecting the sky and the silhouettes of trees. In the middle ground, there are several tall, dark evergreen trees on a small island or peninsula. The overall mood is peaceful and quiet.

# Q2

## Quarterly Report 2021

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# Visma delivered 24,5% top-line growth in Q2

## High M&A activity with 12 acquisitions completed during the quarter

### Key Figures

Continuing operations (EUR in millions)	2nd quarter			1st half year			Year
	2021 Actual	2020 Actual	Growth	2021 Actual	2020 Actual	Growth	2020 Actual
Revenue	520	418	24,5 %	1 012	835	21,2 %	1 741
EBITDA	140	114	23,2 %	274	221	24,1 %	500
<i>EBITDA margin</i>	<i>26,9 %</i>	<i>27,2 %</i>		<i>27,1 %</i>	<i>26,5 %</i>		<i>28,7 %</i>
EBITA	119	96	24,2 %	234	186	25,7 %	427
EBIT	47	29	59,9 %	94	57	63,7 %	158
Net profit	13	8	68,8 %	33	9	269,0 %	52
Operational cash flow (after tax)	45	66	-32,2 %	255	253	0,8 %	464

### Highlights, second quarter 2021

- Revenue of EUR 520 million, an increase of 24,5%
- EBITDA of EUR 140 million, an increase of 23,2%
- Annualized Repeatable Revenue to reach EUR 1 534 million, a year-on-year growth of 21,4%
- 12 acquisitions completed during the second quarter, including Visma's entry into the Spanish market through the acquisition of fast growing Holded.
- Total number of customers to reach 1 100 000. Growth in SaaS customer contracts was 36,5% Y-o-Y as customers continue to choose Visma's modern SaaS solutions
- 78% of Visma's total revenues are now coming from cloud software and related services. Cloud remains a key driver of revenue growth with SaaS subscription and transaction revenues combined growing 36,2% Y-o-Y.

## Comments on the second quarter

The second quarter saw strong financial performance for Visma with healthy growth rates on both top and bottom line. Total revenue was EUR 520m, a growth of 24,5%. EBITDA grew 23,2% to reach EUR 140m

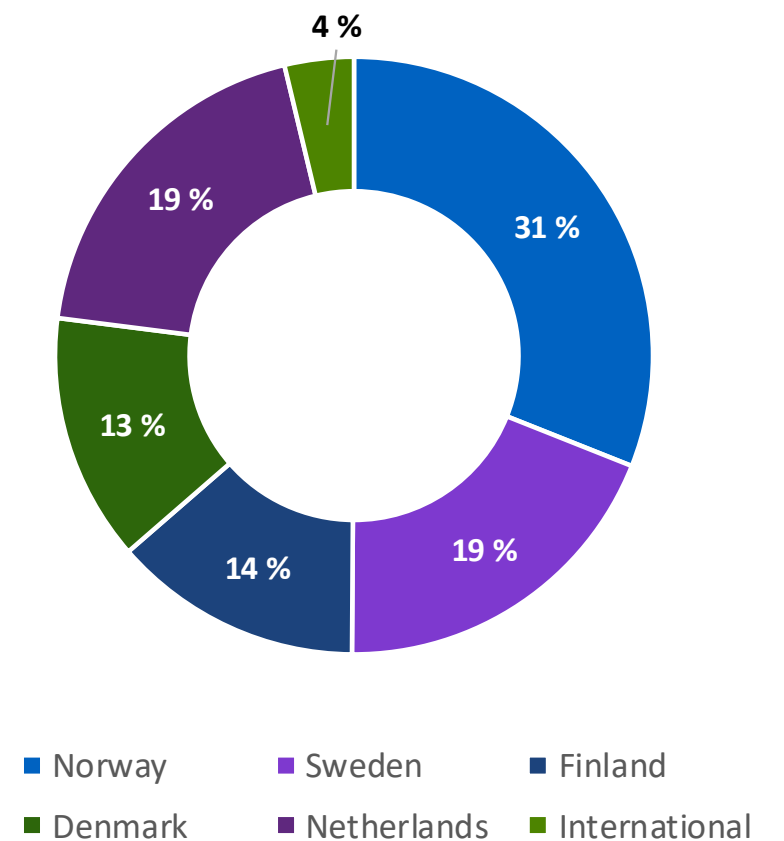
Results are good across all of Visma's four core business areas. The Nordics remain the largest business area with revenues of EUR 295m, growing 23% over the second quarter 2020. Benelux generated revenues of EUR 80m which is 20% growth. Custom Solutions showed a sound 27% growth to reach EUR 105m in revenues while the strongest growth was seen in the geographical expansion areas where revenue growth accelerated to 71% with quarter revenues reaching EUR 15m.

The M&A activity remained high during the second quarter and Visma completed no less than 12 acquisitions bringing the total number of acquisitions closed in the first half of the year to 20. Among the Nordic acquisitions highlights: Visma strengthened the payroll offering through the acquisition of the Swedish cloud payroll provider Kontek. The eCommerce offering was also strengthened through the acquisition of Viskan.

In the Benelux, Visma continued the Belgian expansion through the acquisition of Syneton, a leading practice management software for accounting offices. In the Netherlands, Visma significantly expanded the offering and connected experience within eHealthcare through the acquisitions of Therapieland and eCare

Visma's geographical expansion continues at a high pace with strong growth both organically and through M&A. During the second quarter, Visma entered the Spanish market with the acquisition of the fast growing SaaS ERP provider Holded. In Romania, Visma also expanded the offering to SMBs through the acquisition of Keez.

## Sales by geography (2nd Quarter)



## Financial review - Group

(Second quarter 2020 in brackets)

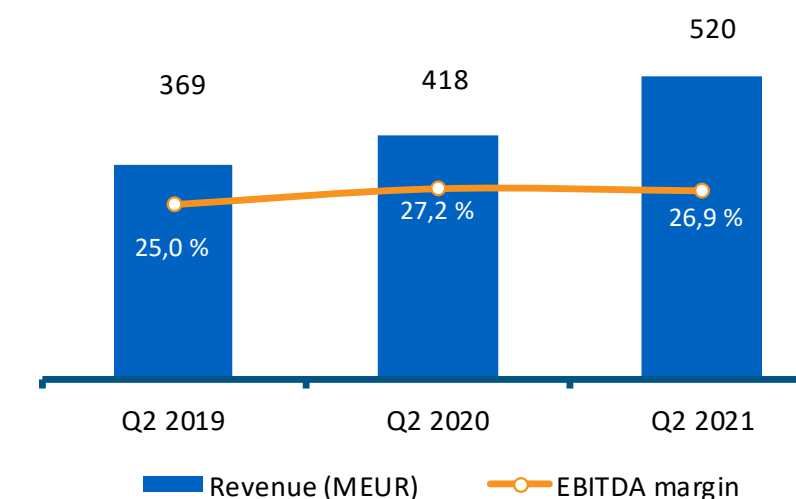
Revenue amounted to EUR 520 million (418) and EBITDA to EUR 140 million (114) in the second quarter of 2021. Revenue increased 24,5% while EBITDA increased by 23,2% over Q2 2020.

Group EBIT amounted to EUR 47 million in the second quarter (29). Net financial items were -30 million (-17). Consequently, profit before taxes was EUR 17 million (11). Taxes amounted to EUR 4 million (3), and net income from continuing operations resulted in EUR 13 million (8) in the second quarter.

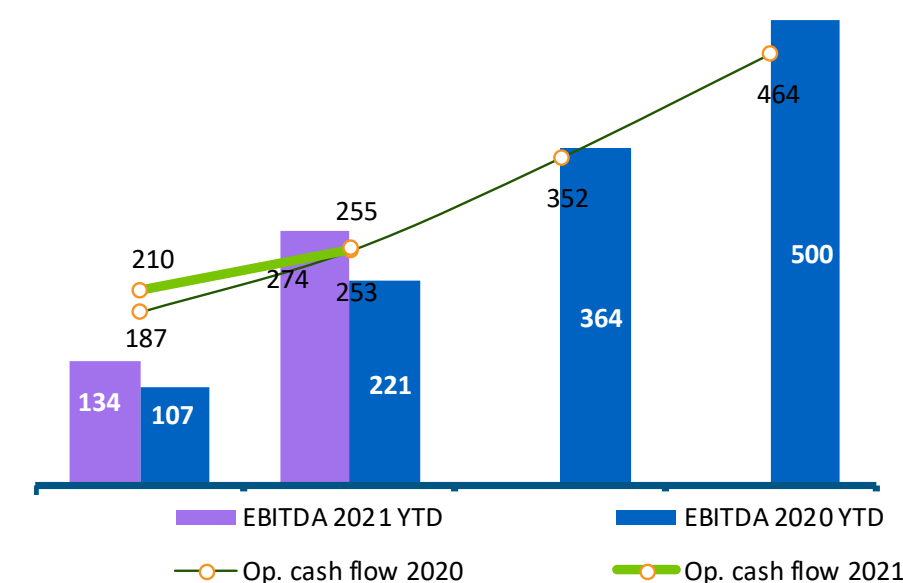
Cash flow from continuing operations after tax amounted to EUR 45 million (66), the difference is mainly driven by changes in the billing cycle for certain products. Cash flow from investments, which are fixed assets, software R&D and investments in acquired businesses, was EUR -303million (-139) the increase is driven by high M&A activity. At the end of the second quarter, the cash position of Visma was EUR 810 million (766).

Equity amounted to EUR 1 352 million (1 004), corresponding to an equity ratio of 24,5% (21,5%). Long term interest bearing debt amounted to EUR 2 410 million (2 090). The debt-facilities have maturity dates in the 4th quarter 2025.

Revenue and EBITDA margin (mEUR)



EBITDA and Operational Cash Flow (mEUR)



## Comments on selected KPIS

The strong customer demand for modern SaaS products that can automate mission critical business processes continues and Visma's SaaS subscriptions and transactions revenues combined grew 36,2% to reach EUR 274 million during the second quarter

The growth in Annualized Repeatable Revenue remains strong at 21,4% in the second quarter of 2021. The ARR base is now EUR 1 534m. Strong organic growth is boosted from strategic SaaS acquisitions.

Visma now has 1 100 000 customers. Customer growth remains strong, particularly for SaaS. The growth in SaaS customer contracts is a strong 36,5% Y-o-Y as new and old customers alike are choosing to upgrade to Visma's modern cloud products

The LTM average number of monthly invoices generated across Visma's various solutions reached 19,6 million in Q2 while we processed 9,7 million monthly payslips through our payroll software.

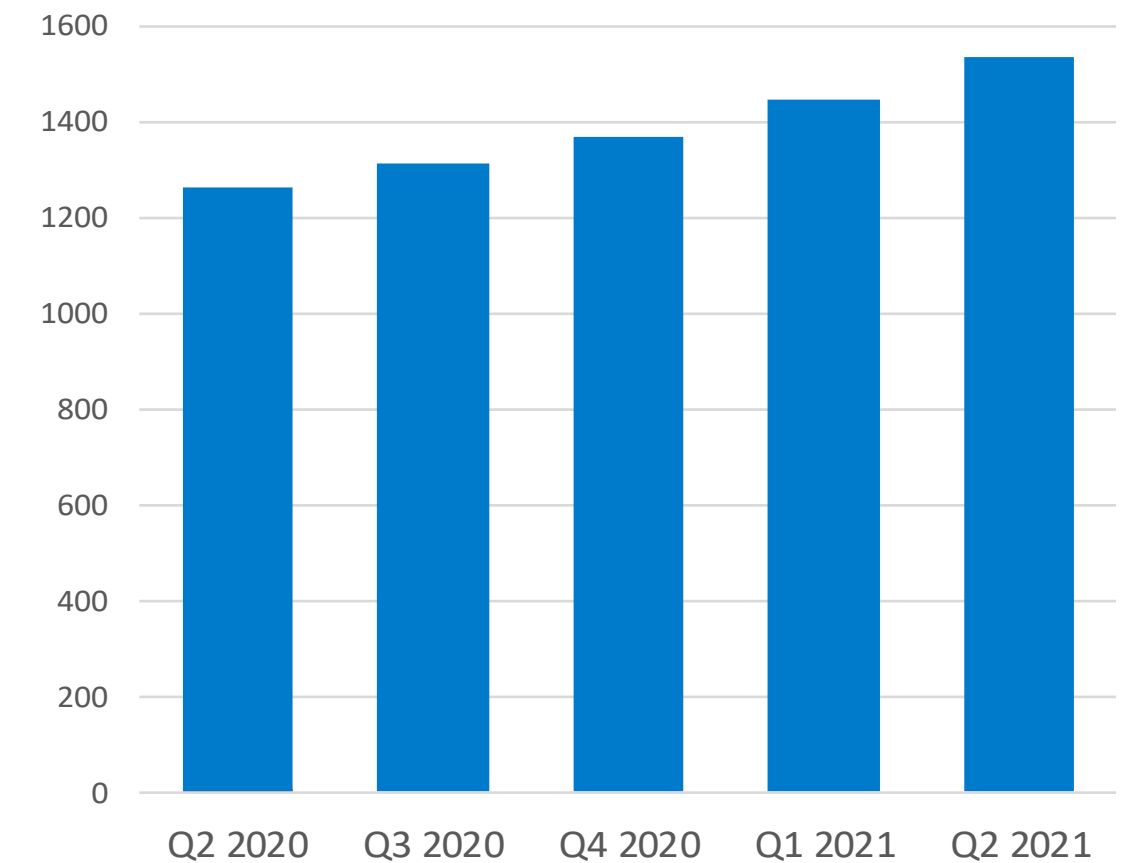
9 700 000

Number of monthly payslips  
(LTM avg)

19 600 000

Number of monthly invoices generated in a Visma system  
(LTM avg)

## Annualized Repeatable Revenue (ARR)



EUR 1 534m in  
Annualized Repeatable Revenue  
+ 21,4% YoY

## Market outlook

The Nordics and Benelux have started to reopen after the Covid-19 pandemic as vaccinations are well underway. Still, there is a significant impact from the pandemic in society which is expected to continue throughout the fall. Bankruptcy numbers across Visma's core markets have remained relatively stable aided by government support packages.

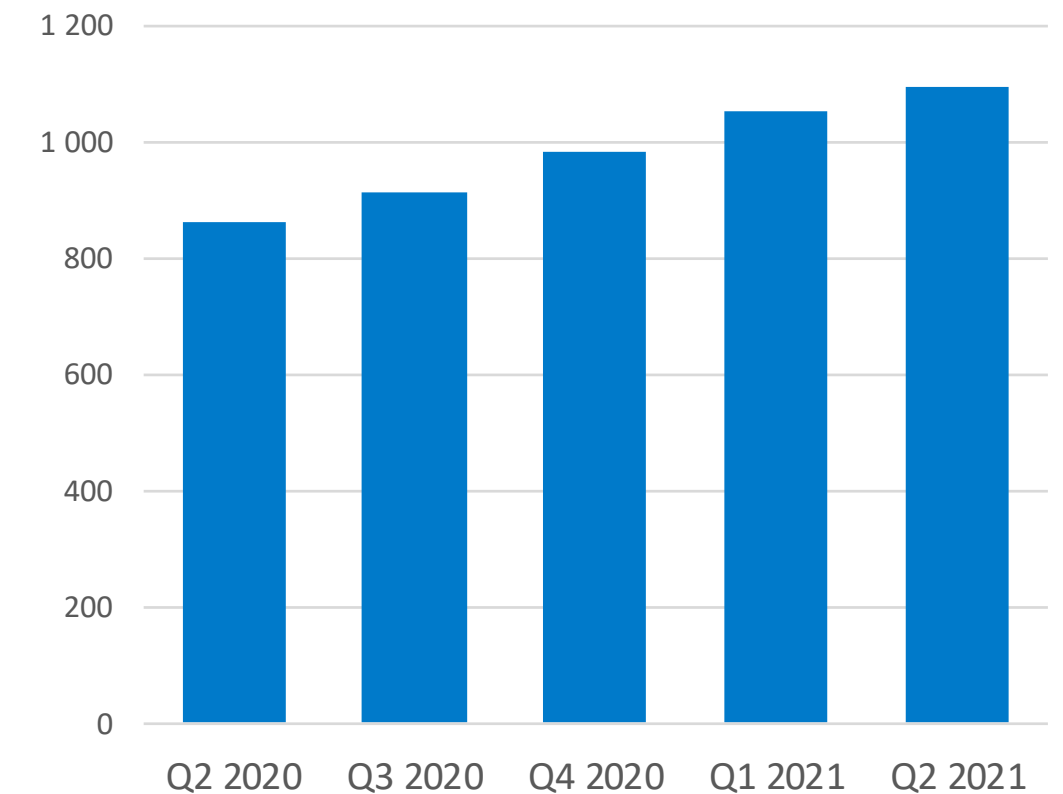
Overall the macro economic environment across Visma's core markets is generally good despite the pandemic. Regardless of the macro economic climate, there are plenty of opportunities that will allow Visma to achieve good organic growth. The core business continue to win market share and show solid growth. Visma has a good hedge in the business model with a well diversified customer portfolio consisting of well over 1m customers, ranging from SMBs to government institutions. A significant portion of the revenue is also of a recurring or repeatable nature.

The demand for modern cloud solutions has increased over the course of the pandemic as more and more customers see the benefit of accessing their software from anywhere. 78% of Visma's revenues are generated from cloud software and related services. We expect this to increase to 80% before the end of the year.

The group continues to invest considerably in SaaS and is steadily launching new SaaS products. Our customers increasingly prefer subscription payment models over large up-front investments, and revenue from licenses is now less than one percent of total revenues.

Visma's R&D focus and acquisition strategies are concentrated on SaaS. Visma continues its strategy of organic and acquisitive growth and expects to continue its acquisition pace.

## Customers



1 100 000 Customers

Growth in SaaS customer contracts:  
36,5% YoY

## OWNERSHIP

Seven international private investors own Visma. HgCapital and co-investors 53,9%, GIC 17,2%, ICG 6,6 %, CPPIB 6,0%, Warburg Pincus 4,7%, TPG 3,1% and General Atlantic 1,7%. A broad management group holds approximately 6,8 % of the shareholder equity in Visma. In addition to the stability of the principal owners, key shareholders have co-investors comprised of some larger Nordic and international pension funds. Together this contributes to a stable ownership situation.

## RISKS

Visma is exposed to the general economic climate in the countries where the company operates. However, the business risk is limited by the company's diversified customer base and a reasonably priced, high-quality portfolio of mission critical products and services.

## CYBER SECURITY

In line with the trend seen globally, there is an increasing number of attacks towards Visma and our customers. On the 2nd of July - Kaseya installations were compromised and hacked through a zero day vulnerability in the Kaseya software. The global attack affected some customers of Visma EssCom. Most customers experienced zero to low impact - but Coop Sweden suffered major impact and was forced to close down most of their around 800 supermarket stores across Sweden. A big team of resources from Visma has been assisting Coop in restoring their IT infrastructure and services.

Visma has an extensive security program in place to mitigate cyber security risks and continues to invest heavily in this area.

## DISCLAIMER

This report contains forward-looking statements that reflect management's current views with respect to future events. All such statements are subject to inherent risks and uncertainties, and many factors can lead to developments deviating from what has been expressed or implied in such statements.

Oslo, 12 July 2021

The Board of Directors of VISMA AS



# NORDICS

*Visma delivers software that helps customers ranging from small business owners to large enterprises and municipalities run their business across the Nordics. We offer our Nordic customers a strong line up of modern cloud software within ERP and financial management, Payroll and HRM, eGovernment, Invoice Lifecycle Management as well as industry tailored solutions*



*Some of our flagship products include Visma.net, e-economic, Tripletex, eAccounting, Netvisor, Framsikt and Visma inSchool*

## Quarterly Key Figures

Revenue	295,0 MEUR
Growth, YoY	23,3 %
EBITDA	89,6 MEUR
EBITDA margin	30,4 %
FTE	5 991
Headcount	6 463

## Highlights, second quarter

Visma continue to enjoy strong growth in cloud solutions for Nordic SMBs. 600 000 small and medium sized businesses across the Nordic countries are now doing their accounting in one of Visma's modern SaaS solutions. In the Medium segment, the demand for modern cloud solutions remain strong with Visma.net ERP and Visma.net Payroll experiencing high growth both in terms of revenue and number of customers. Among large private customers and municipalities, we see a strong increase in demand for customer success packages offering a premium support experience and customization at a predictable monthly rate.

Across the portfolio, Visma is steadily launching products and services that provide a seamless customer experience by taking care of the full Invoice Lifecycle Management in an integrated manner. We see an increasing customer demand within this area.

During the quarter, Visma expanded the Swedish product offering within payroll through the acquisition of Kontek. Visma also expanded its eCommerce offering through the acquisition of Swedish Viskan as well as Norwegian Crall. In Finland, Visma strengthened the HRM offering within competence management through the acquisitions of eTaika and Concretio

## Share of Group



Operating revenue



EBITDA

# BENELUX

*Visma delivers software that empowers people to run their organization by simplifying and automating complex processes. Across the Netherlands and Belgium customers small businesses to large enterprises, from municipalities to central government choose Visma to run their business smoother. We offer our Benelux customers a complete portfolio of modern cloud business solutions tailored for the local market both horizontally in HR/Payroll and Financial Management Systems and vertically with industries solutions for accountancy, education, finance, government, health care and real estate.*



*Some of our flagship products include Yuki, Visionplanner, Nmbros, Spend Cloud, Puur and Xedule.*

## Quarterly Key Figures

Revenue	79,7 MEUR
Growth, YoY	19,9 %
EBITDA	17,2 MEUR
EBITDA margin	21,6 %
FTE	2 184
Headcount	2 356

## Highlights, second quarter

Visma Benelux continued to drive strong revenue growth of 20%, fueled by strong growth in SaaS revenue. Towards the end of the quarter the pandemic lockdown measures have started to be released, creating a relative positive macroeconomic outlook.

The M&A activity in the Benelux continues to be strong with another 3 companies joining the Visma family during Q2 - both expanding our footprint in Belgium and creating a strong and innovative entry point in Dutch healthcare market. Syneton is the Belgium market leader for practice management solutions for accounting offices. Ecare is the challenger in the market for smart IT solutions for home care and nursing home care. Therapieland is a fast growing eHealth platform for mental care.

Visma Benelux continue to challenge the status quo by realizing a Best-of-Breed portfolio with Connected Experience. The Visma Connected Experience for Accountants was the first industry to launch. In Q2 also the Visma Connected Experience for Education and the Visma Connected Experience for Health have been launched.

## Share of Group



Operating revenue



EBITDA

# CUSTOM SOLUTIONS

*Visma serves large corporates, central and local government institutions with a need for eGovernment products in local as well as the central administration as well as customizable solutions. The division offers a wide range of software products, but also custom development projects.*

*Our key product offering include local and central eGovernment products as well as customized system development, integration, Application management, Case management , eSignature, E-commerce solutions, Business intelligence and geographical Information Systems.*

## Quarterly Key Figures

Revenue	105,0 MEUR
Growth, YoY	26,9 %
EBITDA	24,2 MEUR
EBITDA margin	23,1 %
FTE	2 430
Headcount	2 532

## Highlights, second quarter

Visma Custom Solutions delivered a strong second quarter. External revenue was 105,0 MEUR with a solid Year on Year growth of 26,9%. EBITDA came in at 24,2 MNOK which is a margin of 23,1%.

Custom Solutions continues to increase a combined offering and integration of products to support the critical processes in administration of local and central governments. This is firmly testified by Visma winning several important deals during the second quarter of 2021 hereunder an important win in Denmark, securing a contract with the job-market authorities. Visma also continues to increase the foothold of case management in the Swedish municipal market with the expansion of the Visma Ciceron product.

The continued focus on digitalization of the Northern European societies by local and central governments provides Visma Custom Solutions with an outlook for healthy growth also in the year to come.

## Share of Group



Operating revenue



EBITDA

# GEOGRAPHICAL EXPANSION

*Visma has a rapidly expanding international footprint.*

*In addition to high quality competence centers delivering development for our core markets, Visma is serving customers across Continental and Eastern Europe as well as Latin America with a product portfolio of localized software tailored to each market.*

## Quarterly Key Figures

Revenue	14,9 MEUR
Growth, YoY	70,6 %
EBITDA	5,7 MEUR
EBITDA margin	38,5 %
FTE	2 226
Headcount	2 326

## Highlights, second quarter

Visma's geographical expansion areas continue to enjoy strong growth reaching revenues of EUR 14,9m during the second quarter which is 70,6% growth Y-o-Y.

At the end of the second quarter, Visma entered the Spanish market through the acquisition of Holded, one of the fastest growing providers of SaaS ERP solutions for Small and Medium sized Businesses in Spain. We are excited about the potential for future growth in the market together with the Holded team.

Also in Romania, the offering was expanded through the acquisition of Keez offering a Solutions as a Service platform for accounting and payroll thus increasing Visma's value proposition to Romanian customers.

The organic traction is strong across all Geographical Expansion markets with around 45% organic increase in the number of customers.

## Share of Group



EBITDA

## Condensed interim financial information

### Consolidated statement of income

(EUR in thousands)	2nd quarter		1st half year		Year
	2021	2020	2021	2020	2020
<b>CONTINUING OPERATIONS</b>					
<b>OPERATING REVENUE</b>					
Sales revenue	520 109	417 872	1 011 554	834 513	1 741 267
<b>Total operating revenue</b>	<b>520 109</b>	<b>417 872</b>	<b>1 011 554</b>	<b>834 513</b>	<b>1 741 267</b>
<b>OPERATING EXPENSES</b>					
Sales and distribution costs (COGS)	85 873	68 107	167 163	135 827	286 887
<b>Gross profit</b>	<b>434 235</b>	<b>349 765</b>	<b>844 391</b>	<b>698 687</b>	<b>1 454 380</b>
Payroll and personnel expenses	249 991	202 415	484 085	403 197	804 041
Bad debts	684	1 551	1 117	2 479	6 600
Other operating expenses	41 925	31 222	82 773	69 947	140 132
<b>Total operating expenses</b>	<b>292 599</b>	<b>235 188</b>	<b>567 975</b>	<b>475 623</b>	<b>950 773</b>
<b>EBITDA before M&amp;A expenses</b>	<b>141 636</b>	<b>114 577</b>	<b>276 416</b>	<b>223 064</b>	<b>503 607</b>
M&A expenses	1 822	1 068	2 210	2 066	3 256
<b>EBITDA</b>	<b>139 815</b>	<b>113 509</b>	<b>274 205</b>	<b>220 997</b>	<b>500 351</b>
Depreciation tangible assets and capitalised R&D	8 646	7 076	16 300	13 946	30 026
Depreciation right of use assets	12 233	10 642	23 917	20 964	43 307
<b>EBITA</b>	<b>118 936</b>	<b>95 791</b>	<b>233 988</b>	<b>186 087</b>	<b>427 018</b>
Amortisation intangible assets	72 009	66 441	140 199	128 799	269 004
<b>Operating profit EBIT</b>	<b>46 926</b>	<b>29 349</b>	<b>93 789</b>	<b>57 288</b>	<b>158 014</b>
<b>Result from associated companies</b>	<b>0</b>	<b>(1 062)</b>	<b>0</b>	<b>(1 062)</b>	<b>(1 062)</b>
<b>FINANCIAL ITEMS</b>					
Financial income	2 462	6 706	3 873	8 030	19 084
Financial expenses	(31 986)	(23 709)	(55 172)	(51 176)	(107 597)
<b>Net financial items</b>	<b>(29 524)</b>	<b>(17 003)</b>	<b>(51 299)</b>	<b>(43 146)</b>	<b>(88 513)</b>
<b>Profit before taxes from continuing operations</b>	<b>17 403</b>	<b>11 284</b>	<b>42 490</b>	<b>13 081</b>	<b>68 439</b>
Taxes	3 916	3 294	9 560	4 156	16 219
<b>Net income from continuing operations</b>	<b>13 487</b>	<b>7 990</b>	<b>32 930</b>	<b>8 924</b>	<b>52 220</b>
<b>DISCONTINUED OPERATIONS</b>					
Net income from discontinued operations (excl. gain on sale)	0	1 919	0	3 633	7 036
Net gain on sale of discontinued operations	0	0	0	0	184 369
<b>Net income from discontinued operations</b>	<b>0</b>	<b>1 919</b>	<b>0</b>	<b>3 633</b>	<b>191 404</b>
<b>Net income from continuing and discontinued operations</b>	<b>13 487</b>	<b>9 909</b>	<b>32 930</b>	<b>12 557</b>	<b>243 625</b>
<b>ATTRIBUTABLE TO:</b>					
Equity holders of Visma AS	13 567	9 982	33 055	12 726	244 057
Non-controlling interests	(80)	(73)	(125)	(169)	(432)
<b>EARNINGS PR SHARE</b>					
Basic earnings per share (NOK in thousands)	13 567	9 982	33 055	12 726	244 057
Diluted earnings per share (NOK in thousands)	13 567	9 982	33 055	12 726	244 057

### Consolidated statement of comprehensive income

(EUR in thousands)	2nd quarter		1st half year		Year
	2021	2020	2021	2020	2020
Net income from continuing and discontinued operations	13 487	9 909	32 930	12 557	243 625
Net gain (loss) on financial hedging instruments, net of tax	2 610	(6 865)	9 622	(26 886)	(18 767)
Exchange differences on translation of foreign operations, net of tax	1 696	18 089	5 210	(35 504)	(29 381)
<b>Other comprehensive income (loss) for the period, net of tax</b>	<b>4 305</b>	<b>11 224</b>	<b>14 832</b>	<b>(62 390)</b>	<b>(48 148)</b>
Total comprehensive income for the period	17 792	21 133	47 762	(49 833)	195 477
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>					
Equity holders of Visma AS	17 873	21 207	47 887	(49 664)	195 909
Non-controlling interests	(80)	(73)	(125)	(169)	(432)

## Condensed interim financial information

Consolidated statement of financial position

(EUR in thousands)	30 June 2021	30 June 2020	31 March 2021	31 December 2020
<b>ASSETS</b>				
Deferred tax assets	11 910	20 090	11 512	13 221
Patents and other intangible assets	544 026	468 565	482 408	480 297
Capitalised R&D cost own software	64 077	59 289	62 409	62 424
Contracts and customer relationships	752 281	641 062	674 271	654 124
Goodwill	2 724 907	2 156 443	2 509 776	2 410 670
Property, land and buildings	7 321	2 201	2 506	2 415
Machinery and equipment	25 023	18 273	20 520	29 968
Financial assets/Shares	1 634	2 408	2 184	1 799
Investment in associated companies	1 120	0	0	0
Other long-term receivables	55 203	49 882	56 085	53 772
Right of use assets	216 188	204 702	227 820	186 664
Net Investment in subleases	2 075	3 001	3 174	1 871
<b>Total non-current assets</b>	<b>4 405 765</b>	<b>3 625 916</b>	<b>4 052 664</b>	<b>3 897 226</b>
Inventory	7 940	11 764	9 248	8 793
Accounts receivables	203 331	173 627	203 699	194 964
Other current receivables	99 413	88 325	102 877	76 334
Cash and cash equivalents	810 343	766 346	975 521	987 357
<b>Total current assets</b>	<b>1 121 026</b>	<b>1 040 062</b>	<b>1 291 346</b>	<b>1 267 448</b>
<b>TOTAL ASSETS</b>	<b>5 526 791</b>	<b>4 665 978</b>	<b>5 344 010</b>	<b>5 164 673</b>

(EUR in thousands)	30 June 2021	30 June 2020	31 March 2021	31 December 2020
<b>EQUITY AND LIABILITIES</b>				
Paid-in capital	627 692	571 855	625 726	625 726
Other reserves	31 496	2 421	27 190	16 663
Retained earnings	690 667	426 281	677 100	657 612
<b>Equity attributable to equity holders of Visma AS</b>	<b>1 349 855</b>	<b>1 000 557</b>	<b>1 330 015</b>	<b>1 300 001</b>
Non-controlling interests	2 604	2 993	2 685	2 730
<b>Total equity</b>	<b>1 352 459</b>	<b>1 003 550</b>	<b>1 332 700</b>	<b>1 302 731</b>
Deferred tax liability	347 969	297 211	297 781	277 709
Financial hedging Instruments	22 701	45 593	26 068	35 116
Long-term interest bearing bank loans	2 410 340	2 089 590	2 420 972	2 392 966
Accrued funding fees	(3 389)	(1 422)	(3 543)	(3 697)
Long-term lease liabilities	164 585	156 371	173 729	149 536
Other long-term non interest bearing liabilities	229 137	239 845	99 154	237 065
<b>Total non-current liabilities</b>	<b>3 171 343</b>	<b>2 827 188</b>	<b>3 014 162</b>	<b>3 088 696</b>
Bank overdraft	123 143	170 000	(0)	0
Short-term interest bearing bank loans	9 890	9 529	9 767	9 966
Trade creditors	68 901	63 371	64 528	67 121
Public duties payable	85 806	80 709	116 862	89 148
Tax payable	7 715	12 533	21 751	42 117
Deferred revenue	251 794	224 861	302 164	163 710
Short-term lease liabilities	57 066	52 297	60 797	51 634
Other current liabilities	398 673	221 941	421 279	349 550
<b>Total current liabilities</b>	<b>1 002 990</b>	<b>835 241</b>	<b>997 148</b>	<b>773 246</b>
<b>Total liabilities</b>	<b>4 174 332</b>	<b>3 662 429</b>	<b>4 011 310</b>	<b>3 861 943</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5 526 791</b>	<b>4 665 978</b>	<b>5 344 010</b>	<b>5 164 673</b>

## Condensed interim financial information

### Consolidated statement of cash flows

(EUR in thousands)	2nd quarter		1st half year		Year
	2021	2020	2021	2020	2020
<b>Ordinary profit before tax</b>	<b>17 403</b>	<b>11 284</b>	<b>42 490</b>	<b>13 081</b>	<b>68 439</b>
Depreciation right of use assets	12 233	10 749	23 917	21 163	43 307
Depreciation tangible assets	3 101	2 767	5 819	5 500	12 535
Depreciation capitalised R&D cost	5 545	4 309	10 481	8 446	17 491
Amortisation patents and other intangible assets	35 460	34 828	69 436	68 239	143 613
Amortisation contracts and customer relationships	36 549	32 125	70 763	61 510	125 391
Tax paid	(18 418)	(8 799)	(44 268)	(21 756)	(50 287)
Changes in debtors	369	29 086	(8 366)	19 246	(2 091)
Changes in inventory and trade creditors	5 682	(3 647)	2 633	(3 983)	2 738
Changes in public duties payable	(31 056)	(12 537)	(3 342)	10 754	19 193
Changes in deferred revenue	(50 370)	(40 957)	88 084	78 313	17 162
Changes in other accruals	28 084	9 944	(2 829)	(3 285)	71 942
<b>Net cash flow from operations</b>	<b>44 581</b>	<b>69 152</b>	<b>254 817</b>	<b>257 228</b>	<b>469 434</b>
<b>Net cash flow from continuing operations</b>	<b>44 581</b>	<b>65 801</b>	<b>254 817</b>	<b>252 702</b>	<b>464 453</b>
Net cash flow from operations, discontinued operations	0	3 351	0	4 526	4 981
Investment in tangible fixed assets related to business comb.	(2 222)	(1 952)	(3 217)	(2 513)	(5 449)
Investment in R&D software related to business combinations	(7 916)	(1 762)	(10 446)	(2 232)	(8 263)
Sale of (investment in) businesses	(291 843)	(139 980)	(472 105)	(234 849)	(430 651)
Sale of (investment in) shares	549	4 531	164	4 380	4 989
<b>Net cash flow from investments related to business combinations</b>	<b>(301 432)</b>	<b>(139 163)</b>	<b>(485 603)</b>	<b>(235 213)</b>	<b>(439 373)</b>
Net proceeds from divestiture of discontinued operations	0	0	14 948	0	185 012
Cash inflow from dividends	1 026	4 820	1 026	4 820	13 163
Sale of (investment in) tangible fixed assets	(1 761)	(2 060)	(5 609)	(5 441)	(10 066)
Sale of (investment in) R&D own software	(1 168)	(2 132)	(2 283)	(3 930)	(9 385)
<b>Net cash flow from investments</b>	<b>(303 334)</b>	<b>(138 535)</b>	<b>(477 521)</b>	<b>(239 764)</b>	<b>(260 650)</b>
Repayments of interest bearing loans	0	0	(5 002)	(4 788)	(9 338)
Net proceeds from interest bearing loans	0	0	0	0	258 968
Changes in bank overdraft	123 143	(64 831)	123 143	170 635	0
Cashflow from leases	(15 870)	(12 552)	(30 802)	(26 434)	(51 898)
Changes in long term receivables	830	73	1 805	(163)	(242)
Payment of Group contribution	0	0	0	0	0
Net cash flow from share issues	1 966	0	1 966	0	0
Cash inflow from interest	552	2 837	1 092	1 695	2 697
Cash outflow from interest and fees	(12 913)	(2 584)	(54 912)	(47 954)	(94 831)
<b>Net cash flow from financing activities</b>	<b>97 708</b>	<b>(77 057)</b>	<b>37 290</b>	<b>92 991</b>	<b>105 355</b>
<b>Net cash flow from financing activities, continuing operations</b>	<b>97 708</b>	<b>(77 027)</b>	<b>37 290</b>	<b>93 450</b>	<b>110 041</b>
Cash flow from financing activities, discontinued operations	0	(30)	0	(459)	(4 686)
<b>Net cash flow</b>	<b>(161 045)</b>	<b>(146 440)</b>	<b>(185 414)</b>	<b>110 455</b>	<b>314 140</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>975 521</b>	<b>894 501</b>	<b>987 357</b>	<b>677 822</b>	<b>677 822</b>
Net foreign exchange differences	(4 133)	18 285	8 400	(21 932)	(4 605)
<b>Cash and cash equivalents, end of period</b>	<b>810 343</b>	<b>766 346</b>	<b>810 343</b>	<b>766 346</b>	<b>987 357</b>
EBITDA to net cash flow from continuing operations	31,9 %	58,0 %	92,9 %	114,3 %	92,8 %

### Consolidated statement of changes in equity

(EUR in thousands)

Equity as at 01.01.2020

Issue of share capital

Profit for the period

Net gain (loss) on financial hedging instruments, net of tax

Exchange differences on translation of foreign operations, net of tax

Total comprehensive income for the period

Equity as at 31.12.2020

Equity as at 01.01.2021

Issue of share capital

Profit for the period

Net gain (loss) on financial hedging instruments, net of tax

Exchange differences on translation of foreign operations, net of tax

Total comprehensive income for the period

Equity at end of period

#### Attributable to equity holders of Visma AS

Paid-in share capital	Other reserves	Retained earnings	Majority/s share of equity	Non-controlling interests	Total equity
<b>571 855</b>	<b>64 811</b>	<b>413 555</b>	<b>1 050 221</b>	<b>3 162</b>	<b>1 053 383</b>
53 871			53 871		53 871
		244 057	244 057	(432)	243 625
	(18 767)		(18 767)		(18 767)
	(29 381)		(29 381)		(29 381)
	(48 148)	244 057	195 909	(432)	195 477
<b>625 726</b>	<b>16 663</b>	<b>657 612</b>	<b>1 300 000</b>	<b>2 730</b>	<b>1 302 730</b>
<b>625 726</b>	<b>16 663</b>	<b>657 612</b>	<b>1 300 000</b>	<b>2 730</b>	<b>1 302 730</b>
1 966			1 966		1 966
		33 055	33 055	(125)	32 930
	9 622		9 622		9 622
	5 210	0	5 210		5 210
	14 832	33 055	47 887	(125)	47 762
<b>627 692</b>	<b>31 495</b>	<b>690 667</b>	<b>1 349 854</b>	<b>2 604</b>	<b>1 352 458</b>

# Notes to the condensed interim financial statements

Note 1 - Organization and basis of preparation

## General information and organization

Visma (the Group) consists of Visma AS (the Company) and its subsidiaries. Visma AS is a limited liability company, incorporated in Norway. The address of its registered office is Karenslyst allé 56, N-0214 Oslo, Norway.

Visma's condensed interim financial statements for the second quarter of 2021 were authorized for issue by the board of directors on 12 July 2021.

## Basis of preparation

These condensed interim financial statements are prepared in accordance with International Reporting Standard as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The condensed interim financial statements do not include all the information and disclosures required by Financial Reporting Standards (IFRSs) for a complete set of financial statements, and these condensed interim financial statements should be read in conjunction with the Visma annual financial statements. A description of the significant accounting policies applied is included in the Visma annual financial statements for 2020 and applies to these condensed interim financial statements, except for the adoption of new standards and interpretations as of 1 January 2021.

The condensed interim financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the financial position, results of operations and cash flows for the dates and interim periods presented. Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. Certain amounts in the comparable periods have been restated to conform to current period presentation.

From 2021, Visma changed its reporting currency to EUR. Historical figures in this report have been restated to EUR for comparative purposes. On 12 June 2021 Visma Group Holding AS was merged with Visma AS. These interim financial statements, including comparative historical figures, are presented for the merged entity.

The condensed interim financial statements are unaudited.

## Use of estimates

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis, considering the current and expected future market conditions. A change in an accounting estimates is recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## NOTE 2 — Segment Information

Visma reports its business through four core business areas; Nordics, Benelux, Custom Solutions and Geo Expansion. Group HQ + IT + Cloud Infrastructure Services are reported as other. These aggregations has its basis in similar regional characteristics, the nature of products, services and the type and class of customers. Transfer prices between segments are set at an arm's length basis in a manner similar to transactions with third parties. The measurement basis of segments profit is Net operating income. Deferred tax assets, pension assets and non-current financial assets are not allocated to the segments.



## NOTE 2 — Segment Information continued

## OPERATING SEGMENTS

2nd quarter (EUR in thousands)	2021						2020					
	Nordics	Benelux	Custom Solutions	Geo Expansion	Other	TOTAL	Nordics	Benelux	Custom Solutions	Geo Expansion	Other	TOTAL
<b>Revenue</b>												
Total segment revenue	316 309	94 538	113 150	30 068	62 395	616 459	278 249	80 621	90 446	25 437	68 221	542 974
Internal revenue	21 299	14 821	8 179	15 176	36 875	96 351	38 892	14 157	7 719	16 710	47 624	125 103
<b>External revenue on each group of similar products and services</b>												
On-premises software	65 873	10 959	19 257	2 661	0	98 750	63 148	9 490	16 777	2 459	0	91 874
New software licences	730	217	771	65	0	1 783	929	151	1 037	69	0	2 186
Annual agreements	57 610	9 393	6 105	1 590	0	74 698	53 056	8 113	6 053	1 763	0	68 985
Software Consulting and Implementation	7 533	1 349	12 381	1 006	0	22 270	9 163	1 226	9 687	627	0	20 703
Cloud Computing	224 194	68 502	84 550	11 124	16 280	404 651	170 534	56 758	64 792	5 949	14 286	312 318
SaaS Subscriptions	126 747	19 639	18 145	7 809	514	172 853	95 873	12 309	12 071	3 918	455	124 626
SaaS Transactions and sign up fees	65 878	29 190	4 088	1 625	289	101 070	43 530	26 935	4 078	1 655	269	76 467
Cloud Infrastructure and Hosting Services	716	349	3 732	201	15 478	20 477	234	316	5 036	0	13 562	19 148
Software Consulting and Implementation on SaaS	10 912	7 887	58 566	168	0	77 533	8 309	6 356	43 607	376	0	58 647
Premium Support & Managed Services	5 166	11 418	19	1 321	0	17 925	3 713	10 842	0	0	0	14 556
FinTech Services and debt collection	14 774	19	0	0	0	14 794	18 875	0	0	0	0	18 875
Other	4 943	255	1 163	1 106	9 240	16 708	5 675	216	1 158	320	6 311	13 680
<b>External revenue</b>	<b>295 010</b>	<b>79 717</b>	<b>104 970</b>	<b>14 891</b>	<b>25 520</b>	<b>520 109</b>	<b>239 357</b>	<b>66 464</b>	<b>82 726</b>	<b>8 727</b>	<b>20 597</b>	<b>417 872</b>
Actual growth (external) %	23,3 %	19,9 %	26,9 %	70,6 %	23,9 %	24,5 %						
<b>EBITDA</b>	<b>89 552</b>	<b>17 232</b>	<b>24 235</b>	<b>5 728</b>	<b>3 068</b>	<b>139 815</b>	<b>73 011</b>	<b>13 393</b>	<b>19 004</b>	<b>3 744</b>	<b>4 370</b>	<b>113 522</b>
EBITDA margin	30,4 %	21,6 %	23,1 %	38,5 %	12,0 %	26,9 %	30,5 %	20,2 %	23,0 %	42,9 %	21,2 %	27,2 %

1st half year (EUR in thousands)	2021						2020					
	Nordics	Benelux	Custom Solutions	Geo Expansion	Other	TOTAL	Nordics	Benelux	Custom Solutions	Geo Expansion	Other	TOTAL
<b>Revenue</b>												
Total segment revenue	612 312	189 604	220 459	57 430	123 174	1 202 979	557 212	156 152	184 306	50 375	85 547	1 033 592
Internal revenue	42 179	30 579	15 820	29 846	73 001	191 425	77 325	28 515	14 887	34 100	44 251	199 078
<b>External revenue on each group of similar products and services</b>												
On-premises software	131 000	21 196	39 316	5 297	0	196 808	131 415	16 717	33 675	5 053	0	186 860
New software licences	1 550	475	1 465	146	0	3 637	2 051	401	2 161	168	0	4 781
Annual agreements	114 692	18 049	12 301	3 203	0	148 245	107 978	13 726	12 129	3 291	0	137 124
Software Consulting and Implementation	14 757	2 672	25 549	1 948	0	44 927	21 386	2 590	19 385	1 593	0	44 954
Cloud Computing	427 374	137 310	162 834	20 801	31 976	780 294	337 062	110 454	133 544	10 607	29 191	620 858
SaaS Subscriptions	243 585	38 628	37 577	14 443	990	335 222	186 854	20 152	26 011	6 917	889	240 822
SaaS Transactions and sign up fees	123 520	58 997	7 770	3 401	583	194 271	88 505	54 646	5 272	2 941	525	151 889
Cloud Infrastructure and Hosting Services	986	689	7 194	201	30 403	39 474	420	632	10 105	0	27 777	38 934
Software Consulting and Implementation on SaaS	19 553	16 533	110 257	351	0	146 694	15 842	14 053	92 156	750	0	122 802
Premium Support & Managed Services	9 519	22 425	37	2 404	0	34 384	7 474	20 971	0	0	0	28 445
FinTech Services and debt collection	30 211	39	0	0	0	30 250	37 967	0	0	0	0	37 967
Other	11 760	520	2 490	1 486	18 197	34 452	11 410	466	2 199	614	12 105	26 796
<b>External revenue</b>	<b>570 133</b>	<b>159 026</b>	<b>204 639</b>	<b>27 584</b>	<b>50 173</b>	<b>1 011 554</b>	<b>479 887</b>	<b>127 637</b>	<b>169 419</b>	<b>16 275</b>	<b>41 296</b>	<b>834 513</b>
Actual growth (external) %	18,8 %	24,6 %	20,8 %	69,5 %	21,5 %	21,2 %						
<b>EBITDA</b>	<b>174 653</b>	<b>34 482</b>	<b>46 873</b>	<b>11 410</b>	<b>6 788</b>	<b>274 205</b>	<b>143 438</b>	<b>23 834</b>	<b>38 665</b>	<b>7 661</b>	<b>7 424</b>	<b>221 022</b>
EBITDA margin	30,6 %	21,7 %	22,9 %	41,4 %	13,5 %	27,1 %	29,9 %	18,7 %	22,8 %	47,1 %	18,0 %	26,5 %

Reconciliation	2nd quarter		1st half year
	2021	2020	2021
<b>Profit before taxes</b>	<b>17 403</b>	<b>11 284</b>	<b>42 490</b>
Net financial items	29 524	17 003	51 299
Result from associated companies	0	1 062	0
Depreciations and amortisations	92 888	84 160	180 416
<b>EBITDA</b>	<b>139 815</b>	<b>113 509</b>	<b>274 205</b>
<b>EBITDA in operating segments</b>	<b>139 815</b>	<b>113 522</b>	<b>274 205</b>

## GEOGRAPHICAL AREAS

(EUR in thousands)	2021		
	Net sales	%	Long lived assets
Norway	314 538	31,1 %	1 016 375
Sweden	190 501	18,8 %	520 585
Denmark	134 412	13,3 %	424 675
Finland	138 433	13,7 %	234 372
Netherlands	196 637	19,4 %	1 523 143
Geo Expansion	37 033	3,7 %	366 141
<b>Total</b>	<b>1 011 554</b>	<b>100,0 %</b>	<b>4 085 291</b>

(EUR in thousands)	2020		
	Net sales	%	Long lived assets
Norway	244 957	29,4 %	1 046 684
Sweden	164 059	19,7 %	291 338
Denmark	109 057	13,1 %	398 912
Finland	124 330	14,9 %	211 987
Netherlands	172 966	20,7 %	1 282 053
Geo Expansion	19 144	2,3 %	94 385
<b>Total</b>	<b>834 513</b>	<b>100,0 %</b>	<b>3 325 359</b>

## NOTE 3 — Business Combinations

During the second quarter of 2021, the Visma Group had a net cash outflow from investment related to business combinations of EUR 301m.

**Nordics & Geo**

6 April 2021: Viskan AB offers a cloud-based e-commerce platform

27 April 2021: Crall AS a Norwegian provider of e-commerce software

3 May 2021: eTaika Oy offers competence and training management solutions

10 May 2021: Datema Norge AS provider of Cloud Infrastructure Services

11 May 2021: Concretio Oy specializes in personnel development and competence management

25 May 2021: Tabular Editor ApS which offers software for analysis services and power BI tabular modelling

6 June 2021: Kontek System AB a Swedish provider of payroll software

16 June 2021: Holded Technologies SL a fast growing cloud ERP & accounting software in Spain

18 June 2021: Digital Keez Srl a Romanian SaaS company offering complete accounting services

**Benelux**

22 April 2021: Syneton bvba supports accountants and auditors with office management software

7 May 2021: Ecare Solutions BV a Dutch provider of SaaS healthcare software

10 June 2021: Therapieland BV a Dutch specialist in e-mental health

(EUR in thousands)	Nordics & Geo	Benelux
Deferred tax assets	1 127	0
Other intangible assets	6 892	195
Machinery and equipment	1 203	1 355
Property	4 870	0
Other long-term receivables	189	0
Rights of use assets	1 683	4 324
Inventories	334	64
Trade receivables	4 051	1 528
Other short term receivables	1 968	933
Cash and cash equivalents	16 566	3 420
<b>Assets</b>	<b>38 977</b>	<b>11 818</b>
Other long-term liabilities	1 527	0
Deferred tax liability	531	0
Lease liabilities	1 683	4 324
Bank overdraft	0	0
Trade creditors	2 717	313
Public duties payable	1 771	837
Tax payable	(256)	53
Other current liabilities	13 710	2 271
<b>Liabilities</b>	<b>21 682</b>	<b>7 798</b>
<b>Fair value of net assets</b>	<b>17 295</b>	<b>4 020</b>
Goodwill arising on acquisition	206 623	57 352
Other intangible assets	83 729	22 368
Contracts and customer relationship arising on acquisition	40 961	14 753
Deferred tax liability	(28 458)	(9 021)
<b>Total acquisition cost</b>	<b>320 150</b>	<b>89 473</b>
Net cash acquired with the subsidiary	(16 566)	(3 420)
Cash paid	201 203	43 333
<b>Net cash outflow</b>	<b>184 637</b>	<b>39 913</b>
Deferred payment	118 947	46 140

## Alternative performance measures

### General information

Visma's condensed interim financial statements are prepared in accordance with International Reporting Standard IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). Additionally, selected alternative performance measures are provided by the management in this report to allow the reader to gain a better understanding of the Group's underlying performance. The alternative performance measures provided may be defined or calculated differently than for other companies.

### EBITDA / EBITA / EBIT

EBITDA is defined as Earnings Before Interests, Tax, Depreciation and Amortization and is an indicator of the performance of the underlying operations in Visma Group. EBITDA margin is presented as EBITDA as a percentage of Operating Revenues. In addition to EBITDA, management also present EBITA which is defined as EBITDA less Depreciation as well as EBIT / operating profit defined as EBITA less amortization.

EBITDA growth is presented for the current quarter, defined as the percentage growth over EBITDA in the same quarter last year. EBITDA growth is also presented on a year-to-date basis, defined as the percentage growth over EBITDA for the corresponding period last year.

### Annualized Repeatable Revenue (ARR)

Annualized Revenue Revenue measures the run rate of revenue derived from customer relationships that are contractually recurring (subscription revenue) or structurally repeatable by nature, such as revenue derived from a per payslip or per e-invoice charge (repeatable transactions revenue). Recurring agreements are valued at the monthly recurring revenue base at the end of the quarter multiplied by 12. The revenue base for repeatable transactions are valued on a last 12 month basis.

### Customers

The number of customers that have a support, subscription or maintenance agreement and receives an invoice from a Visma company for their service.

### Number of monthly invoices

The number of invoices generated in a Visma system by our customers during a one month period. The metric measures all types of invoices at the point where they are generated. Invoices that are not generated in a Visma system, but transported through one of our e-invoicing hubs or received by an invoice handling system are not included. To account for seasonal variations, the number of monthly invoices is measured as the last twelve month average.

### Number of monthly payslips

The number of payslips generated across Visma's payroll systems during a one month period. The metric is an important measure of the economic value going through Visma's ecosystem. To account for seasonal variations, the number of monthly payslips is measured as the last twelve month average.

### On-premises software

Revenue from On-premises software is revenue related to software installed on the customers premises, typically windows based software and similar. Revenue from consulting and implementation of on-premises software is also included here.

### Cloud Computing

Revenue from cloud computing is revenue derived from SaaS and SaaS related services, such as for instance consulting on SaaS solutions or cloud infrastructure services. Unlike traditional on-premises solutions that are locally installed, SaaS Solutions are centrally installed in datacentres run by either Visma or third party providers, and made accessible to the customer through a "thin client" such as a web browser or mobile app.



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