

2023

Q2

**Quarterly
Report**

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Powering ahead: Strong revenue growth in the second quarter

Q2 highlights

- Revenue of EUR 579 million, 15% growth year-over-year
- EBITDA of EUR 164 million, 24% growth year-over-year, demonstrating a strong margin expansion
- Annualized Repeatable Revenue reached EUR 2 069 million
- Closed seven acquisitions during the quarter



CEO comment

Visma continued its strong development in Q2, growing revenue by 15%. We now serve 1,6 million customers, an increase of 20% over the last 12 months. M&A continues to be an important driver with 7 new acquisitions secured in Q2, including our first entry into Dutch public health software with Zorgdomein. 17 new companies have joined us so far in 2023, and I expect us to be busy on this front also in the second half of the year.

I want to highlight two other critical factors behind Visma's growth and development: our people and our products. We continue to show great employee engagement, with a new all-time high eNPS (employee Net Promoter Score) of 64 in June. This puts us well within the top 5% of global tech. What's equally important is to keep our customers happy, and that's why an increasing share of our products measure customer satisfaction through pNPS (product Net Promoter Score). These results provide us with valuable insights for further improving their experience, and I'm pleased to see that the pNPS is gradually increasing across the board and is well above the industry average.

Over the last 6 months we have witnessed a significant technological leap in the development of generative AI. Several Visma companies have proactively been taking advantage of the opportunities it can provide, and currently we have more than 180 ongoing AI initiatives in the Group. I look forward to sharing more details about these projects as they progress, but what I can state already is that generative AI offers huge potential as a driver of efficiency and customer satisfaction, both for Visma and our customers.

Merete Hverven, CEO

Q2 2023 Key Figures

Revenue

€ 579m

▲ 15% growth YoY
15% organic growth YoY

EBITDA

€ 164m

▲ 24% growth YoY

EBITDA %

28%

▲ +2 pp YoY

Monthly e-invoices

22,2m

▲ 16% growth YoY

ARR

€ 2 069m

▲ 23 % growth YoY
17% organic growth YoY

Operating cash flow

€ 98m

97% cash conversion LTM

Customers

1,6m

▲ 20% growth YoY

Monthly payslips

11,2m

▲ +3% growth YoY

Comments on the **second** quarter

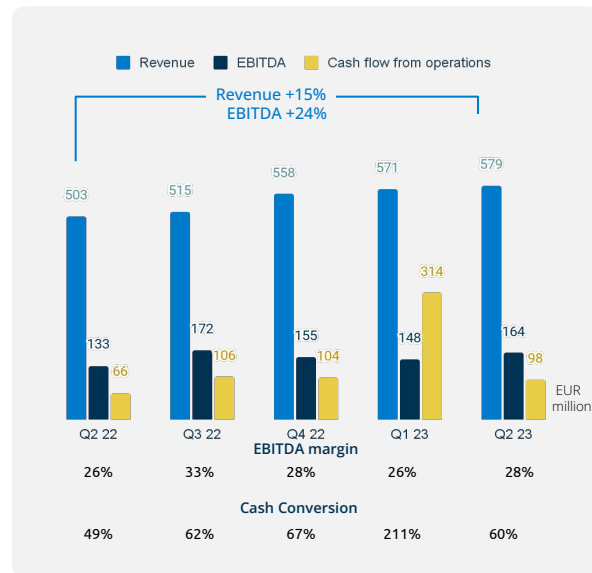
Visma reached a revenue of EUR 579 million in the second quarter of 2023, reflecting growth of 15% compared to Q2 2022. An increasing numbers of businesses trust Visma for their mission critical software and the number of customers grew 20% YoY to reach 1,6m customers at the end of the quarter. As a result of scale in our business model combined with a focus on cost control, EBITDA grew faster than revenue at by 24%, reaching EUR 164 million. The EBITDA margin showed a 2pp expansion compared to the second quarter of 2022

Visma continue to spend significant resources in to further improve our SaaS products to give more value to our customers. During the quarter, we have launched several new features across our product portfolio, as well as strongly increased the number of AI initiatives across the group.

Visma's Annualized Repeatable Revenue (ARR) continued its growth in the second quarter of 2023, reaching EUR 2 069 million, growing by 23% compared to Q2 2022 and setting a new record high level. This forward looking metric is a strong indicator of the development in the most strategic portion of Visma's revenue, and is a key driver of growth within all segments.

Visma remains focused on delivering mission-critical cloud software to the private and public sectors, and will continue to explore growth opportunities both organically and through acquisitions. As we continue to expand our customer offering, Visma have introduced a new segment, Ecosystem, where we have gathered our new business initiatives adding value to the wider ERP and HRM ecosystems.

In Q2, Visma closed seven acquisitions. Visma entered the Dutch health software sector with the acquisition of ZorgDomein, and also increased its presence in the Netherlands through the acquisitions of two other Netherlands-based companies. In addition to these acquisitions, Visma's Nordic presence increased through acquisitions in Finland, Denmark and Sweden.



Financial review

Revenue amounted to EUR 579 million (503 million) and EBITDA to EUR 164 million (133 million) in the second quarter of 2023. Revenue increased 15%. The reported revenue growth saw negative impact from the depreciation of NOK and SEK vs the EUR. This explains why the reported revenue growth and organic revenue growth are both 15% this quarter. EBITDA increased 24% compared to Q2 2022. In line with the scalability of our business model, as well as the focus on cost control, we see that EBITDA is growing faster than revenue, giving the group a healthy margin expansion.

Group EBIT amounted to EUR 74 million (46 million), resulting in growth of 61% YoY. Net financial items were EUR 3 million (-37 million). Consequently, profit before taxes was EUR 76 million (8 million). Taxes amounted to EUR 17 million (5 million), and net income from continuing operations resulted in EUR 69,7 million (4,8 million) in the second quarter.

Cash flow from continuing operations before tax (CFO) amounted to EUR 100 million (66 million). Cash flow from investments related to business combinations was EUR -247 million (-442 million). At the end of the first quarter, the cash position of Visma was EUR 926 million (796 million) providing significant financial muscles for further acquisitions in the quarters to come.

Equity amounted to EUR 2 205 million (1 493 million), corresponding to an equity ratio of 34,4% (24,6%). Long term interest bearing debt amounted to EUR 2 525 million (2 653 million). The debt facilities have maturity dates in the 4th quarter of 2025.

Group	Q2 2023	Q2 2022	Growth
Revenue	579	503	14,9%
SaaS	416	341	22,0%
Cloud Services	84	81	3,9%
On premises software	66	71	-7,3%
Other	13	11	20,3%
Profit			
EBITDA	164	133	23,6%
EBITDA margin	28,4%	26,4%	2,0%
EBIT	74	46	60,8%
Net profit	61	13	375,1%
Cash flow and leverage			
Operating cash flow	98	66	49,0%
Net Debt / EBITDA	2,7x	3,8x	-1,1x

Selected M&A highlights

7*

acquisitions closed Q2

€45m

LTM Revenue

Acquisitions in Q2

*6 business combinations, 1 asset purchase



- Visma enters the Dutch public health software market with the acquisition of Zorgdomein
- Independent digital healthcare platform where care providers can offer, find, and arrange the best possible care
- Most used healthcare platform in the Netherlands



- Danish based company, providing e-invoicing solutions for the enterprise segment
- Inbound and outbound e-invoicing, helping companies with e-invoicing adoption and automation
- Yearly processing volume of more than 10 million invoices



- Enhancing Visma's position in the digital signature market with the acquisition of Validsign
- Benelux market leader in digital signing
- E-signature solution platform enabling customers to digitize and streamline their signing process

Tech highlights

Key product announcements

In Norway, Tripletex launched improved travel and expense functionality, providing an easier and more efficient way for customers to perform registrations and approvals.

In Finland, Numeron launched improved shift planning and approval tools, giving staff leaders a 10x performance improvement as they create rosters and manage their workforce.

In Belgium, Teamleader launched project management functionality that allows for a more fluent and optimized track of time, material and people across projects.

The number of AI initiatives across Visma grew further in Q2, resulting in new automation within our products and our internal functions, in particular within software development and customer support.

We continue to increase our adoption of generative AI to increase the level of automation in our internal functions as well, in particular within software development and customer support. As an example, a new API support bot from Dinero is already handling more than 50% of all incoming customer support requests successfully. The potential in generative AI provides great opportunities for both our customers and for Visma.



ESG highlights

Visma has established climate targets in line with the 1.5 degree pathway

The Visma Group has defined emission targets in line with what is required to limit global warming to 1.5 degrees (according to best available science). The targets will be implemented across the organisation.

To support Visma in achieving its targets and increased ambitions, the Group will utilise the powerful sustainability management system, SmartTrackers. SmartTrackers is a Visma company, which provides sustainability software enabling users to track impact on environment and society, thus managing the goals and the progress in achieving them.



Small Business

Continued growth with AI initiatives

The Small Business segment had revenue growth of 19% in Q2 2023 versus the same quarter last year, with a revenue of EUR 173 million (145 million). Visma's Small Business segment offers cloud accounting, payroll and invoicing solutions for small businesses in 16 European countries, with local teams and products.

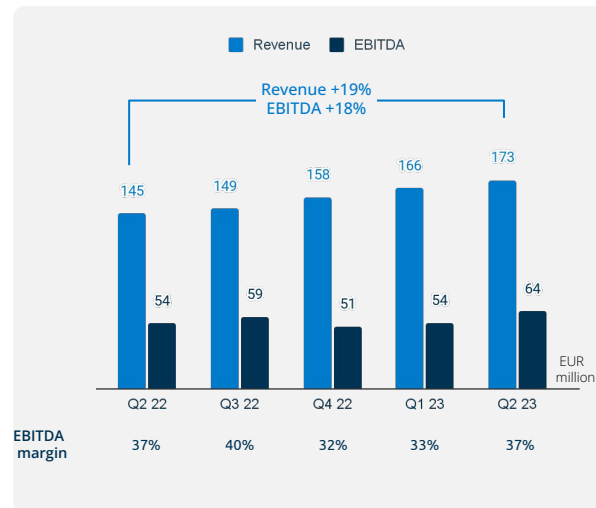
EBITDA amounted to EUR 64 million (54 million). Total EBITDA growth for Q2 was 18% - a 3% higher YoY growth than Q1 2023. As the start-ups continue to grow and improve their margins, the segment margin increases accordingly.

For several years we have been utilizing AI in our products to automate bookkeeping and make our own work more efficient. Now we see big leaps in the results. For example, in Denmark, AI-based customer support is now able to solve up to 74% of customer support requests vs. 50% just a few months ago.

ARR growth
26%

1 270 000
customers

ARPC **€ 530**



Medium & Large Enterprise

Strong margin improvement

In the Medium & Large Enterprise (MLE) segment, revenue amounted to EUR 127 million (115 million) in the second quarter of the year, growing 11% YoY. Looking specifically at the growth in SaaS, and the ongoing transition to cloud, it can be noted that 78% of the ARR today is SaaS revenue compared to 73% the same period last year.

Our SaaS ERP and HRM systems are a key drivers of growth and we see strong interest in the efficiency gains these modern solutions provide from both new customers as well as on premises customers migrating to the cloud.

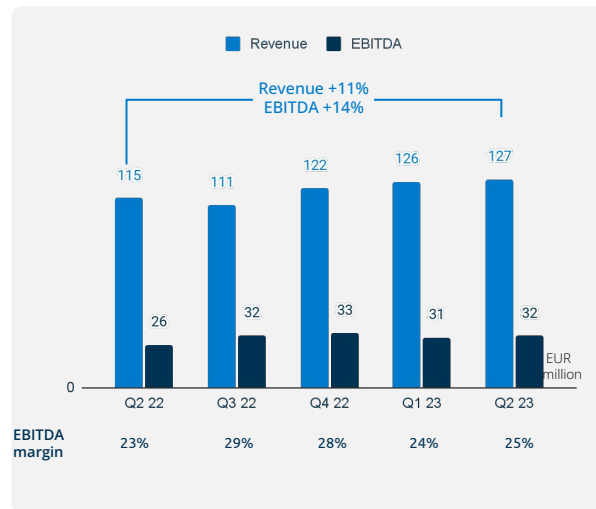
Several initiatives are taking place to increase the margin within the segment, and the Medium & Large Enterprises segment continues to see a margin improvement. This gives comfort going forward, and margin is expected to expand even further upcoming months.

In the second quarter, one company joined the segment, eFacto. eFacto is a provider of e-invoicing solutions based in Denmark, and adds scalable growth to the segment.

ARR growth
18%

141 000
customers

ARPC **€ 3 200**



Public

Expanding with new acquisitions

Total revenue in the Public segment amounted to EUR 155 million (132 million), reflecting growth of 14% YoY. We continue to see a strong growth in this segment, both organically and through acquisitions.

EBITDA was EUR 38 million (29 million), reaching a margin of 24% (23%). Despite cost pressures from inflation, the segment continues to deliver a strong growth in EBITDA.

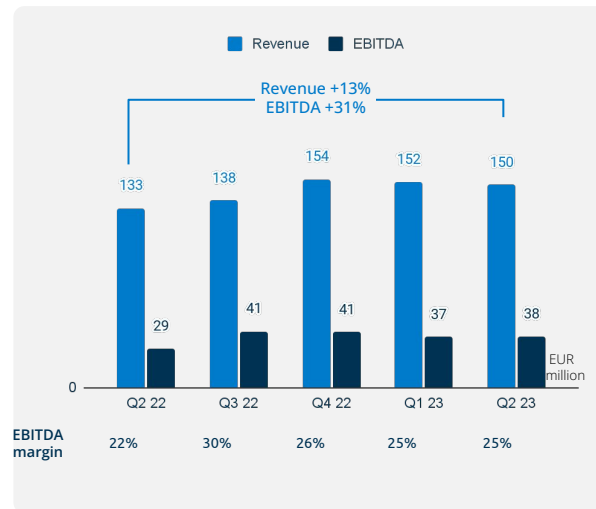
Important contracts were won during the second quarter. In Norway this includes amongst other, Vestland FK, Digitale Gardermoen and Namsos kommune. In Finland, the Meita and Southern Ostrobothnia cases were significant wins within the Wellbeing Service Counties. Overall, the Public segment companies welcomed several new customers during the second quarter and continue to expand their market share within local governments as well as private customers.

During the second quarter, Visma made its first entry in the healthcare area in the Netherlands with the acquisition of ZorgDomein (see page 7). Furthermore, Visma expanded its offering in Finland through the acquisition of the market-leading waste management software provider, Enpros. Enpros provides offerings within easy-to-use and cost-effective solutions for a smarter environment with software products such as Digital transfer document, Transport management and Environmental reporting.

ARR growth
16%

26 000
customers

ARPC **€ 18 800**



Ecosystems

Broadening our customer offering

Responding to our customers' increasing need for efficient software to fuel their business, Visma is constantly expanding our software offering and thus increasing our software ecosystem. Vertical solutions and new business opportunities are presented in the ecosystem segment.

Total revenue in the Ecosystem segment amounted to EUR 114 million (93 million), reflecting growth of 22% YoY. We continue to see a strong growth in this segment, both organically and through acquisitions.

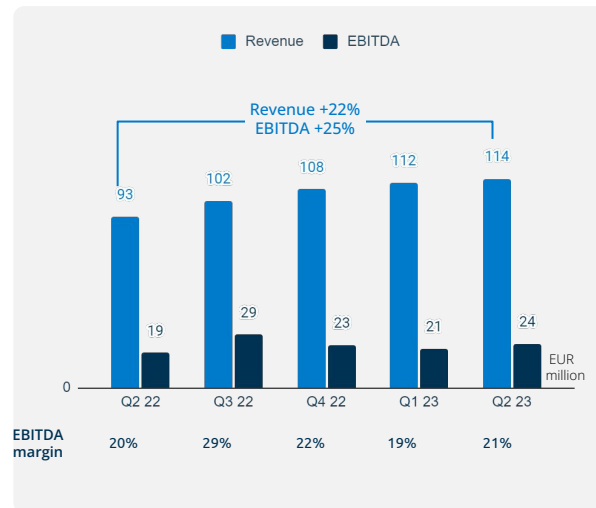
EBITDA was EUR 24 million (19 million), reaching a margin of 21% (20%). Along with this strong and stable revenue growth across the segment, the cost base growth is decelerating, leading to improved margins, a development that is forecasted to continue in the coming quarter.

During the second quarter, the Ecosystem segment has strengthened its Workforce Management offering through the acquisition of Clevergig in the Netherlands, and TooEasy in Sweden. In addition, Visma's eSignature offering has been expanded through the acquisition of the eSignature solution Validsign in the Netherlands.

ARR growth
42%

129 000 new
customers

ARPC € 3 200

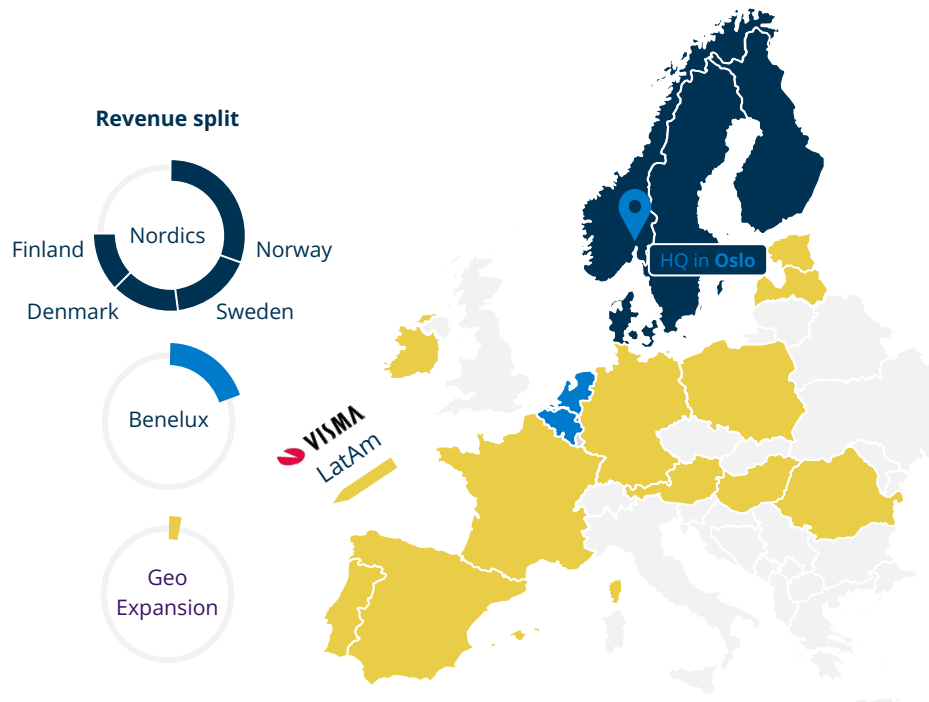


Market outlook

Halfway into 2023, the global economy, though still challenging, has not evolved as badly as some commentators feared at the start of the year. The OECD is now projecting global GDP growth of 2,7 percent in 2023, down from 3,5 percent in 2022, but still surprisingly strong considering the recession concerns that loomed over Western economies going into the year.

However, core inflation remains at a high level, and the impact of higher interest rates is increasingly being felt across the economy. Despite these continued headwinds for consumers and businesses, The European Central Bank (ECB) now expects a return to growth in the Euro area in the coming quarters as energy prices moderate, foreign demand strengthens and supply bottlenecks are resolved.

Visma remains resilient through a challenging economic period, and continues to see healthy demand for its mission critical software across key markets. Businesses continue to invest in digitalisation and automation to unlock efficiency gains and improve their financial control, and the current environment of high inflation and tight labour markets amplifies this trend further. High inflation is mainly affecting the Group through increased personnel costs and costs related to cloud services. Visma is managing this margin pressure through operational prudence and strict cost control.



Shareholders

Hg Capital and co-investors 54,8%

GIC 18,1%

CPPIB 6,1%

Warburg Pincus 4,7%

ICG 3,3%

TPG 3,1%

General Atlantic 1,7%

Folketrygdfondet 0,6%

Aeternum Capital 0,6%

Vind 0,4%

Management 6,5%

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Risks

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

Inflation and rising interest rates continue to affect the global economy, and Visma is continuously monitoring the situation. Visma has hedged around 50% of its interest exposure. The group also has a strong cash position, and as such retains its solid financial health. Visma is investing to stay part of the forefront on compliance trends, including the various upcoming legislation related to transparency on business operations. For more details please refer to the Directors' Report in the Annual report.

Security

Security and Privacy related incidents in the reporting period was stable compared to last reporting period. No incidents with material impact, only local short term impact observed.

Threat actor activity was normal during Q2.

The global trend where cyber attacks are increasingly being financed and run by organised crime continues and Visma monitors this development closely. Visma continues our collaboration with the police and national security authorities in our markets to help managing cyber crime.

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, 13 July 2023, The Board of Directors of VISMA AS

Condensed interim financial information

Consolidated statement of income*

(EUR in thousands)	2nd quarter 2023		1st half year 2023		Year 2022
CONTINUING OPERATIONS					
OPERATING REVENUE					
Sales revenue	578 629	503 430	1 149 512	984 003	2 056 475
Total operating revenue	578 629	503 430	1 149 512	984 003	2 056 475
OPERATING EXPENSES					
Sales and distribution costs (COGS)	79 828	74 823	159 368	148 943	282 908
Gross profit	498 801	428 607	990 143	835 059	1 773 567
Payroll and personnel expenses	274 335	236 984	547 856	460 532	942 452
Bad debts	1 373	703	2 232	970	2 879
Other operating expenses	58 040	56 951	124 885	111 216	237 331
Total operating expenses	333 748	294 638	674 973	572 717	1 182 661
EBITDA before M&A expenses	165 052	133 968	315 170	262 342	590 905
M&A expenses	661	964	2 415	2 089	4 162
EBITDA	164 391	133 004	312 754	260 253	586 743
Depreciation tangible assets and capitalised R&D	9 522	8 127	18 215	15 727	34 120
Depreciation right of use assets	12 517	12 191	24 126	19 030	48 530
EBITA	142 352	112 685	270 413	225 496	504 093
Amortisation intangible assets	68 345	66 667	137 148	130 341	260 541
Operating profit EBIT	74 008	46 018	133 265	95 156	243 552
Result from associated companies	(97)	(67)	13	(135)	(242)
FINANCIAL ITEMS					
Financial income	30 071	7 373	91 975	36 908	98 471
Financial expenses	(25,634)	(45,207)	(107 848)	(89 377)	(155 199)
Net financial items	4 437	(37,835)	(15 873)	(52 469)	(56 727)
Profit before taxes	78 348	8 116	117 405	42 551	186 583
Taxes	17 258	3 275	25 826	12 210	25 867
Net income from continuing operations	61 090	4 842	91 578	30 341	160 716
DISCONTINUED OPERATIONS					
Net income from discontinued operations (excl. gain on sale)	0	8 009	0	15 731	17 393
Net gain on sale of discontinued operations	0	0	5 848	0	570 198
Net income from discontinued operations	0	8 009	5 848	15 731	587 591
Net income	61 090	12 851	97 426	46 072	748 307
ATTRIBUTABLE TO:					
Equity holders of Visma AS	61 069	12 851	97 348	46 105	748 704
Non-controlling interests	21	(0)	79	(33)	(397)
EARNINGS PR SHARE					
Basic earnings per share (EUR)	0.031	0.006	0.049	0.023	0.374
Diluted earnings per share (EUR)	0.031	0.006	0.049	0.023	0.374
EBITDA margin	28.4 %	26.4 %	27.2 %	26.4 %	28.5 %

Consolidated statement of comprehensive income*

(EUR in thousands)	2nd quarter 2023		1st half year 2023		Year 2022
Net income	61 090	12 851	97 426	46 072	748 307
Net gain (loss) on financial hedging instruments, net of tax	14 131	23 392	2 252	54 531	72 879
Exchange differences on translation of foreign operations, net of tax	(24,276)	(25,946)	(55 926)	(20 966)	(36 635)
Net gain (loss) on qualified employee share options in fully own subsidiaries	77	0	77	0	0
Other comprehensive income (loss) for the period, net of tax	(10,067)	(2,554)	(53 597)	33 565	36 244
Total comprehensive income for the period	51 023	10 297	43 829	79 637	784 551
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Equity holders of Visma AS	51 002	10 298	43 751	79 671	784 948
Non-controlling interests	21	(0)	79	(33)	(397)

*2022 has been restated to reflect the sale of the Consulting business and Cloud Infrastructure Services



Condensed interim financial information

Consolidated statement of financial position

(EUR in thousands)	30 June 2023	30 June 2022	31 March 2023	31 December 2022	(EUR in thousands)	30 June 2023	30 June 2022	31 March 2023	31 December 2022
ASSETS					EQUITY AND LIABILITIES				
Deferred tax assets	11 492	10 587	11 480	13 014	Paid-in capital	588 615	588 615	588 615	588 615
Patents and other intangible assets	512 683	537 305	495 795	519 713	Other reserves	78 885	75 993	78 885	78 885
Capitalised R&D cost own software	62 726	66 266	63 918	70 168	Retained earnings	1 535 396	824 477	1 484 395	1 491 646
Contracts and customer relationships	675 912	741 167	636 504	642 041	Equity attributable to equity holders of Visma AS	2 202 897	1 489 086	2 151 895	2 159 146
Goodwill	3 599 215	3 234 234	3 447 538	3 439 291	Non-controlling interests	3 361	3 926	3 391	3 349
Property, land and buildings	6 225	7 051	6 513	6 770	Total equity	2 206 257	1 493 012	2 155 286	2 162 495
Machinery and equipment	30 954	33 570	30 476	31 268	Deferred tax liability	364 248	364 193	318 310	311 175
Financial assets/Shares	7 660	3 661	6 659	3 705	Financial hedging Instruments	(85,345)	(58,935)	(67 228)	(82 458)
Investment in associated companies	939	1 032	1 035	926	Long-term interest bearing bank loans	2 525 670	2 652 533	2 558 504	2 623 286
Other long-term receivables	5 096	61 852	5 017	4 775	Accrued funding fees	(3,620)	(5,108)	(3 992)	(4 364)
Right of use assets	178 804	204 823	172 772	181 298	Long-term lease liabilities	145 041	170 713	141 848	149 328
Net Investment in subleases	7 124	3 847	7 250	7 555	Other long-term non interest bearing liabilities	319 877	362 756	429 307	401 131
Total non-current assets	5 098 830	4 905 396	4 884 957	4 920 524	Total non-current liabilities	3 265 872	3 486 152	3 376 749	3 398 098
Inventory	785	9 032	1 100	1 052	Bank overdraft	(0)	244 990	0	0
Accounts receivables	206 163	240 703	227 219	237 579	Short-term interest bearing bank loans	8 471	9 319	8 865	8 991
Other current receivables	188 376	123 875	183 838	170 279	Trade creditors	67 737	86 324	63 240	85 672
Cash and cash equivalents	926 369	796 826	1 126 146	1 071 512	Public duties payable	86 016	93 132	118 449	95 862
Total current assets	1 321 692	1 170 436	1 538 303	1 480 422	Tax payable	27 057	14 763	35 312	47 096
TOTAL ASSETS	6 420 522	6 075 832	6 423 260	6 400 946	Deferred revenue	318 260	293 365	385 352	242 400
					Short-term lease liabilities	51 509	48 698	48 724	51 273
					Other current liabilities	389 343	306 078	231 283	309 058
					Total current liabilities	948 392	1 096 669	891 226	840 353
					Total liabilities	4 214 264	4 582 820	4 267 975	4 238 451
					TOTAL EQUITY AND LIABILITIES	6 420 522	6 075 832	6 423 260	6 400 946

Condensed interim financial information

Consolidated statement of cash flows (EUR in thousands)		2nd quarter 2023 2022		1st half year 2023 2022		Year 2022
Ordinary profit before tax		78 348	8 116	117 405	42 551	186 583
Depreciation right of use assets		12 517	14 005	24 126	21 950	48 530
Depreciation tangible assets		2 974	3 268	5 947	6 446	11 979
Depreciation capitalised R&D cost		6 548	5 232	12 268	10 019	22 141
Amortisation patents and other intangible assets		31 088	31 456	62 462	62 315	119 089
Amortisation contracts and customer relationships		37 257	38 723	74 686	75 059	141 452
Amortisation Goodwill		0	0	0	0	0
Changes in debtors		21 057	(2 507)	31 416	(1 799)	1 325
Changes in inventory and trade creditors		4 812	4 276	(17 668)	(12 175)	(4 847)
Changes in public duties payable		(32 433)	(33 630)	(9 847)	(4 930)	(2 200)
Changes in deferred revenue		(67 092)	(61 563)	75 860	86 669	35 704
Changes in other accruals		3 244	70 386	35 267	48 553	(17 445)
Net cash flow from operations (before tax)		98 319	77 762	411 923	334 659	542 311
Net cash flow from continuing operations (before tax)		98 319	65 971	411 923	324 189	534 052
Net cash flow from discontinued operations (before tax)		0	(4 212)	0	29 357	44 587
Tax paid		(18 175)	(17 797)	(39 069)	(46 968)	(84 453)
Net cash flow from operations (after tax)		80 144	59 965	372 854	287 691	457 858
Net cash flow from continuing operations		80 144	47 905	372 854	275 639	454 980
Net cash flow from operations, discontinued operations		0	12 061	0	12 052	2 878
Investment in tangible fixed assets related to business comb.		1 062	(1 137)	1 420	(1 443)	(2 504)
Investment in R&D software related to business combinations		(5 000)	(9 942)	(5 144)	(13 025)	(30 301)
Investment in businesses		(242 098)	(430 487)	(361 844)	(576 123)	(908 544)
Sale of (investment in) shares		(1 001)	(479)	(3 956)	(551)	(595)
Net cash flow from investments related to business combination		(247 037)	(442 044)	(369 523)	(591 142)	(941 944)
Net proceeds from divestiture of discontinued operations		0	0	5 792	0	830 737
Cash inflow from dividends		0	0	0	0	0
Sale of (investment in) tangible fixed assets		(2 602)	(3 258)	(4 683)	(5 572)	(11 197)
Sale of (investment in) R&D own software		(1 489)	(1 193)	(3 101)	(2 238)	(6 063)
Net cash flow from investments		(251 128)	(446 495)	(371 515)	(598 953)	(128 467)
Repayments of interest bearing loans		0	0	(4 556)	(5 149)	(9 873)
Net proceeds from interest bearing loans		0	0	0	0	0
Changes in bank overdraft		0	166 000	0	246 792	0
Cashflow from leases		(14 166)	(14 375)	(26 832)	(24 655)	(51 942)
Changes in long term receivables		1 774	3 075	1 532	(223)	1 967
Repayment of Share premium reserve		0	0	0	0	(35 430)
Net cash flow from share issues		0	0	0	0	0
Cash inflow from interest		5 559	422	17 502	510	5 994
Cash outflow from interest and fees		(4 476)	(4 259)	(70 652)	(49 735)	(103 329)
Net cash flow from financing activities		(11 310)	150 863	(83 005)	167 540	(192 613)
Net cash flow from financing activities, continuing operations		(11 310)	153 476	(83 005)	175 834	(182 617)
Cash flow from financing activities, discontinued operations		0	(2 613)	0	(8 294)	(9 997)
Net cash flow		(182 294)	(235 667)	(81 666)	(143 722)	136 777
Cash and cash equivalents, beginning of period		1 126 146	1 058 385	1 071 512	958 114	958 114
Net foreign exchange differences		(17,484)	(25,892)	(63 477)	(17 566)	(23 379)
Cash and cash equivalents, end of period		926 369	796 826	926 369	796 826	1 071 512
Net cash flow from operations (before tax) to EBITDA		59.8 %	49.6 %	131.7 %	124.6 %	91.0 %

Consolidated statement of changes in equity

(EUR in thousands)	Attributable to equity holders of Visma AS					Non-controlling interests	Total equity
	Paid-in share capital	Other reserves	Retained earnings	Majority's share of equity			
Equity as at 01.01.2022	588 615	42 428	778 372	1 409 415		4 180	1 413 595
Issue of share capital	0			0		0	0
Share based compensation Fully owned subsidiary		214		214			214
Profit for the period			748 704	748 704		(397)	748 307
Net gain (loss) on financial hedging instruments, net of tax		72 879		72 879			72 879
Exchange differences on translation of foreign operations, net of tax		(36 635)		(36 635)			(36 635)
Total comprehensive income for the period		36 244	748 704	784 948		(397)	784 551
Repayment of Share premium reserve			(35 430)	(35 430)			(35 430)
Changes to non-controlling interest; acquisition and arising on business combination				0		(434)	(434)
Equity as at 31.12.2022	588 615	78 885	1 491 646	2 159 146		3 349	2 162 495
Equity as at 01.01.2023	588 615	78 885	1 491 646	2 159 146		3 349	2 162 495
Issue of share capital	0			0		0	0
Profit for the period			97 348	97 348		79	97 426
Net gain (loss) on financial hedging instruments, net of tax		2 252		2 252			2 252
Exchange differences on translation of foreign operations, net of tax		(55 926)	0	(55 926)			(55 926)
Total comprehensive income for the period		(53 674)	97 348	43 674		79	43 752
Repayment of Share premium reserve			0	0			0
Changes to non-controlling interest; acquisition and arising on business combination						(67)	(67)
Equity at end of period	588 615	25 288	1 588 994	2 202 897		3 361	2 206 257

Notes to the condensed interim financial statements

NOTE 1 — Organisation and basis of preparation

General information and organisation

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 fiscal year follows the calendar year and starts on January 1st.

Visma's condensed interim financial statements for the second quarter of 2023 were authorised for issue by the board of directors on 13 July 2023.

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 2022 and applies to these condensed interim financial statements, except for the adoption of new standards and interpretations as of 1 January 2023.

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.

The condensed interim financial statements are unaudited.

Use of estimates

The preparation of financial statements in conformity with IFRS 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: Small Business, Medium & Large Enterprise, Public and Ecosystem. Group HQ is reported as Other. These aggregations have their basis in similar 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 these segments' profit is Net operating income. Deferred tax assets, pension assets and non-current financial assets are not allocated to the segments.

2nd quarter							2023							2022							2nd quarter			1st half year
(EUR in thousands)	Small business	Medium & Large Enterprise	Public	Ecosystem	Other	TOTAL	Small business	Medium & Large Enterprise	Public	Ecosystem	Other	TOTAL	Reconciliation	2023	2022		2023							
Revenue													Profit before taxes	76 558	8 116		115 614							
Total segment revenue	179 975	136 773	154 758	118 893	102 572	692 972	151 631	123 037	134 265	97 415	87 149	593 496	Net financial items	2 647	(37 835)		(17 664)							
Internal revenue	7 240	9 612	4 946	4 714	87 830	114 343	6 900	7 603	1 654	3 968	69 942	90 067	Depreciations and amortisations	90 384	86 986		179 489							
External revenue													Result from associated companies	(97)	(67)		13							
SaaS	150 882	83 461	92 326	86 065	3 545	416 279	122 993	68 154	79 233	66 901	3 981	341 262	EBITDA	164 391	133 004		312 754							
Cloud Services	6 874	16 758	29 420	22 729	8 073	83 854	5 313	13 741	26 686	21 983	12 947	80 669	EBITDA in operating segments	164 391	133 004		312 754							
On premise software	13 793	25 210	22 457	4 168	(0)	65 627	15 098	29 464	22 288	3 954	0	70 805												
Other	1 186	1 733	5 608	1 217	3 124	12 869	1 327	4 074	4 404	609	279	10 694												
External revenue	172 735	127 162	149 811	114 179	14 742	578 629	144 731	115 434	132 611	93 446	17 207	503 430												
Actual growth (external) %	19.3 %	10.2 %	13.0 %	22.2 %	-14.3 %	14.9 %																		
Repeatable revenue	169,062	116,072	127,448	106,295	6,558	525,435	140,457	102,907	112,150	87,297	12,441	455 252												
EBITDA	63 700	31 527	37 632	23 791	7 740	164 391	53 784	26 172	28 764	19 069	5 215	133 004												
EBITDA margin	36.9 %	24.8 %	25.1 %	20.8 %	52.5 %	28.4 %	37.2 %	22.7 %	21.7 %	20.4 %	30.3 %	26.4 %												
1st half year							2023							2022										
(EUR in thousands)	Small business	Medium & Large Enterprise	Public	Ecosystem	Other	TOTAL	Small business	Medium & Large Enterprise	Public	Ecosystem	Other	TOTAL												
Revenue																								
Total segment revenue	353 040	271 947	308 726	235 635	209 534	1 378 881	294 248	242 466	266 698	185 932	171 155	1 160 498												
Internal revenue	14 459	19 113	7 177	9 454	179 166	229 369	13 674	15 192	3 153	7 686	136 789	176 494												
External revenue																								
SaaS	294 638	163 421	184 613	169 379	7 204	819 254	237 029	131 595	156 167	126 626	7 735	659 152												
Cloud Services	13 660	33 907	59 911	46 075	16 799	170 352	10 443	28 441	53 225	43 255	26 209	161 574												
On premise software	28 143	51 806	45 842	8 519	0	134 310	30 507	59 488	44 956	7 205	0	142 156												
Other	2 139	3 701	11 183	2 207	6 365	25 595	2 595	7 750	9 196	1 159	422	21 122												
External revenue	338 581	252 834	301 549	226 181	30 367	1 149 512	280 573	227 274	263 544	178 246	34 366	984 003												
Actual growth (external) %	20.7 %	11.2 %	14.4 %	26.9 %	-11.6 %	16.8 %																		
Repeatable revenue	330,151	230 070	255 975	209 958	13 297	1 039 451	271,515	201 490	223 013	165 898	24 371	886 286												
EBITDA	117 868	62 140	74 967	44 923	12 856	312 754	102 503	53 129	59 459	36 658	8 894	260 644												
EBITDA margin	34.8 %	24.6 %	24.9 %	19.9 %	42.3 %	27.2 %	36.5 %	23.4 %	22.6 %	20.6 %	25.9 %	26.5 %												

*2022 has been restated to reflect the sale of the Consulting business and Cloud Infrastructure Services



NOTE 2 — Segment Information continued

GEOGRAPHICAL AREAS

(EUR in thousands)	2023		Long lived assets
	Net sales	%	
Norway	306 011	26.6 %	900 351
Sweden	201 754	17.6 %	649 027
Denmark	132 285	11.5 %	468 753
Finland	149 527	13.0 %	245 776
Netherlands	266 143	23.2 %	1 868 738
Geo Expansion	93 790	8.2 %	717 889
Total	1 149 512	100.0 %	4 850 536

(EUR in thousands)	2022		Long lived assets
	Net sales	%	
Norway	238 162	24.2 %	1 016 375
Sweden	152 620	15.5 %	520 585
Denmark	90 216	9.2 %	424 675
Finland	101 578	10.3 %	234 372
Netherlands	192 797	19.6 %	1 523 143
Geo Expansion	208 630	21.2 %	366 141
Total	984 003	100.0 %	4 085 291

*2022 has been restated to reflect the sale of the Consulting business and Cloud Infrastructure Services

NOTE 3 — Business Combinations

During the second quarter of 2023, the Visma Group had a net cash outflow from investment related to Business Combinations of EUR 247M. All preliminary fair value of the identifiable assets and liabilities in the acquisitions during the quarter, as at the date of acquisition, are presented in aggregate in the table to the right.

1 June: Clevergig, a SaaS workforce management (WFM) platform, based in the Netherlands

1 June: Validsign, provider of e-signing solutions, based in the Netherlands

1 June: Enpros, a Finnish-based waste management software provider

2 June: TooEasy, a workforce management (WFM) platform, based in Sweden

19 June: efacto, specialist in e-invoicing solution, based in Denmark

30 June: ZorgDomein, a leading healthcare platform based in the Netherlands

(EUR in thousands)	Q2 2023
Total acquisition cost	312 366
Consideration transferred	204 900
Deferred payment	0
Contingent payment	112 453
Net cash acquired	(10 632)
Net assets before identified excess value	13 898
Technology	46 656
Brand	5 599
Contracts and customer relationships	82 360
Deferred taxes	(32 804)
Fair value of net assets	115 709
Goodwill	196 657

KPIs & Alternative performance measures

Organic growth

Comparing against historical periods on constant currency, acquired companies included fully in the reporting period as well as in historical comparative periods.

LTM Revenue

Last twelve months Revenue.

Cash Conversion

Cash conversion is the ratio of net cash flow from continuing operations (before tax) to EBITDA.

Annualized Repeatable Revenue (ARR)

Annualized Repeatable 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.

e-invoices

The average number of monthly e-Invoices sent through Visma e-Invoicing hubs over the last twelve months. The metric measures only e-invoices at the point they are sent. Invoices received by an invoice handling system are not included.

Number of monthly payslips

The average number of monthly payslips generated across Visma's payroll systems over the last twelve months. The metric is an important measure of the economic value going through Visma's ecosystem.

Average Revenue Per Customer (ARPC)

The ARR in the segment divided by the total number of customers in the segment.

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.

Description of main revenue classes

SaaS Revenue

Software revenue derived from cloud products, either as a fixed monthly fee or based on the transaction volumes within a given period.

Cloud Services Revenue

Revenue derived from value-added services such as customer success packages, implementation, invoice lifecycle management and managed services

On-premises Software Revenue

Revenue derived from maintenance agreements and licenses from on-premises software

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