

2023

# Q4

## Quarterly Report

# Contents

## The quarter in brief

Highlights and CEO comment .....	3
Key figures .....	4
Comments on the fourth quarter .....	5
Financial review .....	6
M&A highlights .....	7
Tech .....	8
Team Jumbo-Visma .....	9

## Business areas

Small Business .....	10
Medium & Large Enterprise .....	11
Public .....	12
Ecosystem .....	13
Market outlook .....	14

## Condensed interim financial information

Consolidated statement of income .....	16
Consolidated statement of financial position .....	17
Consolidated statement of cash flows .....	18
Consolidated statement of changes in equity .....	18
Notes to the consolidated interim financial statements .....	19
Description of KPIs, APMs and revenue classes .....	23



# Closing the year with solid performance

## Q4 highlights

- Revenue of EUR 651 million, 17% growth year-over-year
- EBITDA of EUR 193 million, 24% growth year-over-year. Resulting in a margin expansion of 1,8%pt
- Annualized Repeatable Revenue reached EUR 2 296 million
- The number of customers grew 16% to 1,7m year-over-year
- Closed 7\* acquisitions during the quarter



## CEO comment

Visma rounded off 2023 with a strong performance in Q4. Our revenue grew 17% year-over-year to reach 651 million euros, while EBITDA ended at 193 million euros, up 24% compared to the same period last year. Annualized Repeatable Revenue (ARR) continues to grow at a healthy pace, and stood at 2,3 billion euros at the end of December.

On the M&A front, we welcomed seven new companies to the Visma family in Q4. ESG is a theme that is increasingly important for Visma and our customers, and we strengthened our software portfolio within this area through the acquisition of Ducky, a provider of innovative, data-driven solutions that help companies measure, analyze and improve their sustainability profile. We also finalised the acquisition of Silverfin, Belgium's leading provider of cloud software for accountants, which we first announced in September. Visma remains an attractive owner and growth partner for software entrepreneurs, especially in periods of more economic uncertainty like we currently have now, and I expect us to grow considerably through acquisitions also in 2024.

At the end of the quarter we reached a new milestone, as Visma announced an expansion of its shareholder base through a secondary sale to leading international investors. The transaction values Visma at 19 billion euros, and welcomes around 20 new investors worth over one billion euros of equity investment. I'm also happy to see the continued support from our existing owners, including majority shareholder Hg, who in total have committed around 3 billion euros in new investment. Backed by a solid and knowledgeable shareholder base, Visma is in a great position to continue its unique growth journey!

Merete Hverven, CEO

# Q4 2023 Key Figures

## Revenue

€ 651m

▲ 17% growth YoY  
14% organic growth YoY

## EBITDA

€ 193m

▲ 24% growth YoY

## EBITDA %

29,6%

▲ +1,8%pt YoY

## Monthly e-invoices

23,7m

▲ 15% growth YoY

## ARR

€ 2 296m

▲ 23% growth YoY  
16% organic growth YoY

## Operating cash flow

€ 132m

99,7% cash conversion LTM

## Customers

1,7m

▲ 16% growth YoY

## Monthly payslips

11,6m

▲ +7% growth in SaaS  
payslips YoY

# Comments on the fourth quarter

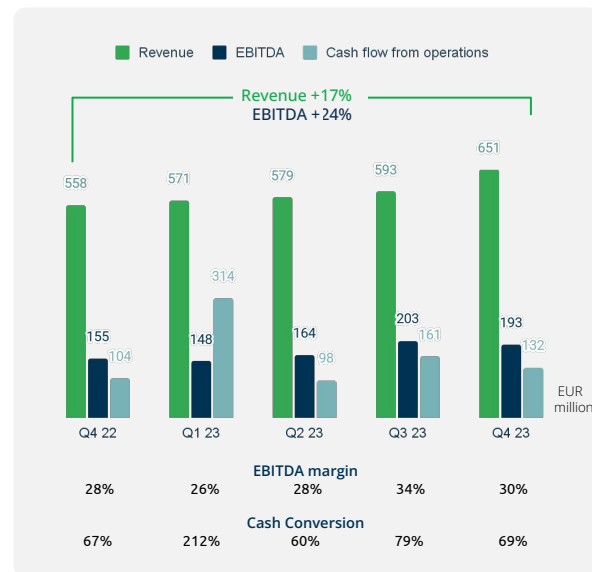
Visma generated revenue of EUR 651 million in the fourth quarter of 2023, reflecting growth of 17% compared to Q4 2022. As in previous quarters, EBITDA continues to grow faster than revenue, a confirmation of the scalability of Visma's business model. The EBITDA margin showed a 1,8%pt expansion compared to the fourth quarter of 2022. The group's cash conversion is now at 99,7% for the last twelve month period. In line with the regular seasonality in our invoicing, operating cash flow was EUR 132m during the quarter.

Visma's Annualized Repeatable Revenue (ARR) continues to grow faster than revenue, reaching EUR 2 296 million at the end of the fourth quarter. This is an all time high level, with a growth of 23% compared to Q4 2022. This forward-looking metric is an important KPI for the development in Visma's repeatable revenue base.

At the end of the quarter, Visma had more than 1,7 million customers, ranging from start-ups to large private enterprises as well as customers in the public sector. During 2023, Visma has increased the number of customers by more than 200 000 fuelled by strong new sales on our SaaS solutions.

The strong growth in ARR, as well as number of customers, highlights Visma's successful strategy, and demonstrates the company's continued ability to generate value from delivering mission critical cloud-software.

In Q4, Visma closed seven acquisitions, where the acquisition of iVision marked Visma's entry into the legal tech market. The acquisition of Silverfin was closed in the fourth quarter, further strengthening Visma's presence in Belgium. In addition to this, the minority purchase in Ducky represents another exciting addition to Visma's investments in sustainability offerings, and strengthens Visma's contribution to our customers' access to sustainability data. For more details on acquisitions, see page 7.



# Financial review

(Fourth quarter 2022 in brackets)

Revenue amounted to EUR 651 million (EUR 558 million) and EBITDA to EUR 193 million (EUR 155 million) in the fourth quarter of 2023. Revenue increased by 17% on a reported basis year over year, while the organic growth in the same period was 14%. The revenue growth is driven both by increasing number of customers and increased spending from existing customers. EBITDA increased by 24% compared to Q4 2022. As a result of scale in the business model revenue growth exceed cost growth and as a result the group saw an EBITDA margin expansion of 1,8%pt compared to the same quarter last year.

Depreciation remained stable at EUR 27 million (EUR 24 million) during the fourth quarter. Amortization of intangible assets arising on M&A increased to EUR 110 million (EUR 64 million). The increase in amortization of intangible assets due to high M&A explains a decrease in Group Operating profit (EBIT) which amounted to EUR 56 million (EUR 67 million).

Net financial items were EUR -34 million (EUR 21 million), with the main driver being increased interest expenses on the Group debt facilities, which amounted to EUR 35 million (EUR 21 million) during the quarter. Profit before taxes from continuing operations was EUR 19 million (EUR 88 million) with the decrease explained by increased financial expenses and amortization as outlined above.

Cash flow from continuing operations before tax (CFO) amounted to EUR 132 million (EUR 111 million). Cash flow from investments related to business combinations was EUR -299 million (EUR -269 million) in the fourth quarter. The cash conversion for the LTM period ending Q4 was 99,7%, an increase from 91,9% last year. At the end of the fourth quarter, the cash position of Visma was EUR 1 031 million (EUR 1 072 million).

Equity amounted to EUR 2 191 million (2 162 million), corresponding to an equity ratio of 31,6% (33,8%). Long-term interest bearing debt amounted to EUR 2 819 million (EUR 2 623 million). The debt facilities have maturity dates in the 4th quarter of 2025.

Group	Q4 2023	Q4 2022	Growth
<b>Revenue</b>	<b>651</b>	<b>558</b>	<b>16,7%</b>
SaaS	474	380	24,7%
Cloud Services	96	97	-0,5%
On premises software	66	68	-3,8%
Other	15	13	18,1%
<b>Profit</b>			
EBITDA	193	155	24,4%
EBITDA margin	29,6%	27,7%	1,8%pt
EBIT	56	67	-17,2%
Net profit	0	93	-99,8%
<b>Cash flow and leverage</b>			
Operating cash flow	132	104	27,3%
Net Debt / EBITDA	2,7x	2,7x	0,0x

# Selected M&A highlights

7\*

acquisitions closed in Q4

€36m

LTM Revenue | Acquisitions in Q4

## S silverfin

- The acquisition of Silverfin was closed during the fourth quarter, enhancing Visma's presence in Belgium, and strengthening its position as a European cloud accounting software leader
- Silverfin serves international customers, with nearly 850 direct customers and 320 000 end clients
- Their software provides accountants with the technologies and tools they need to be more successful, both for themselves and for their clients, making Silverfin a perfect match for Visma

## ivision

- During the fourth quarter, Visma acquired iVISION, marking Visma's entry into the legal tech market
- iVISION provides comprehensive, intuitive and user-friendly IT solutions for Danish lawyers
- Its cloud-based administration system, Legis 365, streamlines the work of more than 300 Danish law firms



## Accountants Academy

- The acquisition of Accountants Academy in the fourth quarter further increases Visma's presence in Belgium
- Accountants Academy is a digital learning platform, providing online courses for accountants
- This acquisition will be an exciting addition to the Ecosystem segment



# Tech highlights

## Key product announcements

With industry-leading spending in tech and product development, Visma ensures that its solutions remain relevant, secure and valuable for customers. This continuous innovation process resulted in several new features and upgrades of Visma-products introduced to the market during Q4.

In Sweden, SPCS launched a new AI assistant in their eAccounting Pro product. The assistant correctly answers 70% of questions, helping users navigate and find answers about their financial context quickly.

Our Icelandic accounting and payroll software Payday has improved its document and invoice interpretation capabilities by integrating Visma's proprietary document scanning AI, Smartscan, saving small and mid-sized business customers from manual data entry.

In Poland, SaldeoSmart launched a new automation feature powered by AI to connect bank transactions with invoices. It reduces errors and saves customers time by automatically linking more than 97% of their transactions.

In Finland, our payroll software Personec F now directly fetches the latest tax card information from tax authorities. This saves users more than 7 minutes per tax card processed through the service.

In Norway, ACOS has successfully launched the new cloud platform of their WebSak product. The major renewal of the product means goodbye to the remaining modules that were on Windows clients and an important step towards pure SaaS.







## World's best cycling team rides on as Team Visma | Lease a Bike

Following a historic season, containing an unprecedented three Grand Tour victories, Team Jumbo-Visma will continue as Team Visma | Lease a Bike. After five years as second title sponsor, Visma will be the team's first title sponsor from the 2024 season.

This hugely successful partnership supports Visma's strategy of increasing its footprint in Europe, both in current and new potential markets. It also allows us to advocate for the importance of values like teamwork and an active lifestyle, as well as fostering internal pride and enhancing brand awareness.

We also help the team, so they can focus on winning. They use Visma software to run key business functions like accounting and financial processes, data analysis, HR operations, contract signing, and more. In addition, our AI-based nutrition prediction solution ensures the riders perform their best when it matters most.



## Small Business

# Dedicated to automate

Visma's Small Business segment offers cloud accounting, payroll and invoicing solutions for small businesses in 18 European countries, with local teams and products. During the quarter, Small Business increased the footprint in Belgium and the UK with the acquisition of Silverfin, and in Finland with the acquisition of FabricAI.

Utilising AI to make our systems more efficient remains a key theme: Dinero in Denmark automated more than a quarter of all transactions in the system during December. In Sweden, SPCS enhanced its eAccounting product with a GPT-powered chatbot, successfully addressing 73% of support requests, and thereby joining a growing list of Visma companies leveraging this technology to improve customer experience. Payday was onboarded to Smartscan after only 2 months in the Visma group, which has already saved Payday customers hours of manual data entry. These advancements demonstrate Visma's ongoing dedication to simplifying the operations of entrepreneurs and small businesses.

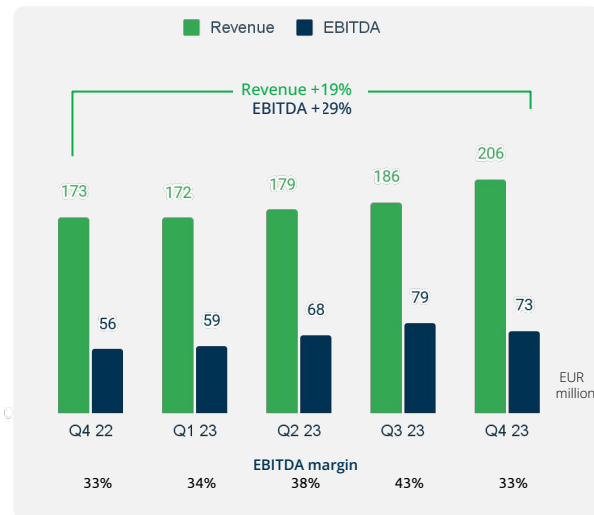
The Small Business segment had revenue growth of 19% in Q4 2023 compared to the same quarter last year, with a revenue of EUR 206 million (EUR 173 million).

EBITDA amounted to EUR 73 million (EUR 56 million). Total EBITDA growth for Q4 was 29%.

ARR growth  
**31%**

**1 344 000**  
customers

ARPC **€ 590**



## Medium & Large Enterprise

# SaaS solutions driving growth

Helping our Medium and Large Enterprise customers move to the cloud has been a key theme for Visma during the year with significant migration projects and investments into our modern SaaS portfolio enabling customers to be more efficient.

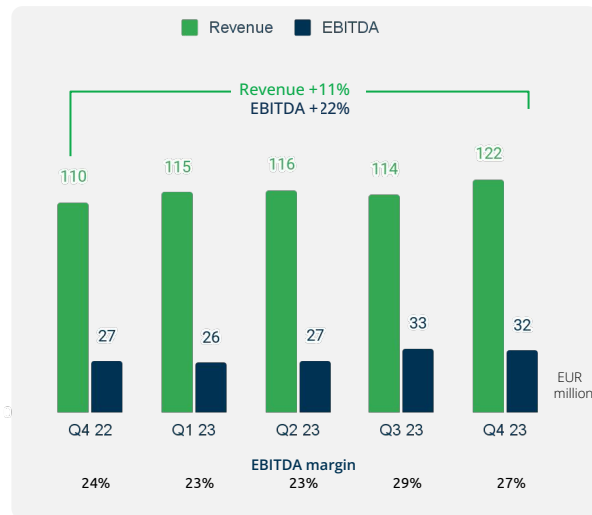
Year over year, revenue grew by 11% to 122 million. EBITDA in the fourth quarter was 32 million, compared to 27 million last year, a year-over-year growth of 22%. During the fourth quarter and moving into 2024, the focus is to boost the scalability of the segment, and we are exiting 2023 with good speed into next year.

In November 2023, the acquisition of Didac was closed. Didac's business is within the learning management industry, and will enable a migration of customers from a third-party solution resold in Visma Talent. ESG is also a key theme for our customers and through the acquisition of Sonya, we are able to improve the ESG reporting in our travel expense solutions.

ARR growth  
**14%**

**127 000**  
customers

ARPC **€ 3 400**



## Public

# Expanding customer offering

Total revenue in the Public segment amounted to EUR 182 million (EUR 152 million), reflecting a growth of 20% YoY. We continue to see a strong growth in this segment, both organically and through acquisitions.

EBITDA was EUR 49 million (EUR 41 million), ending the year with a margin of 27% (27%). Despite cost pressures from inflation, the segment continues to deliver a strong growth in EBITDA.

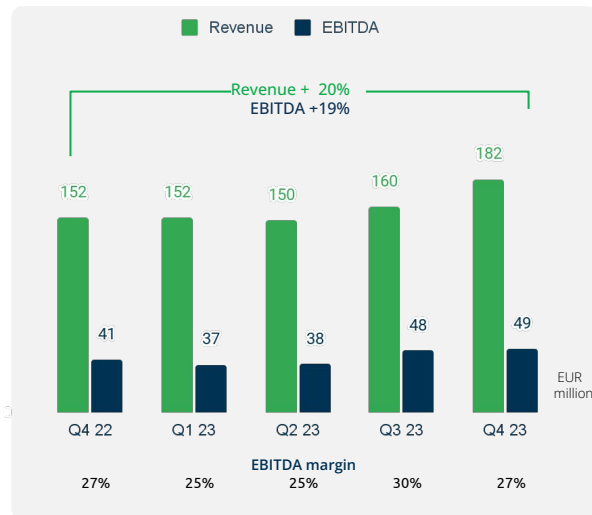
Important contracts were secured during the fourth quarter. In the Nordics, important contracts for several municipalities were won. Noteworthy wins include Comfortcare in Denmark, Monetra Pirkanmaa, Monetra Oulu and Meita in Finland, Nordre Follo and Kommunal Landspensjonskasse in Norway and Göteborg Stad, Grundskoleförvaltningen and Tjörns kommun in Sweden. These contracts cover areas ranging from financial planning and ERP, case management, digital services and workforce management, representing the broad offering in Visma's public segment. Overall, the Public segment companies welcomed several new customers during the fourth quarter, expanded its product offering and continued to expand market share within local governments.

During the fourth quarter, Visma completed a strategic acquisition in the Netherlands of ScanGo, a leading player in the field of digital parking enforcement and scanning of public spaces.

ARR growth  
**27%**

**32 000**  
customers

ARPC **€ 17 500**



## Ecosystem

# Continuous margin improvement

The Ecosystem segment continues to prove the scalability in its business in Q4, just as it has throughout 2023, with a growth in EBITDA of 34%, exceeding the revenue growth of 17%, leading to a healthy margin expansion. We continue to work smarter, not harder, and we see that we are able to sustain strong growth, while adding a relatively modest amount of FTEs to the organisation. We continue to see strong growth in this segment, both organically and through acquisitions, and we expect this to continue in 2024.

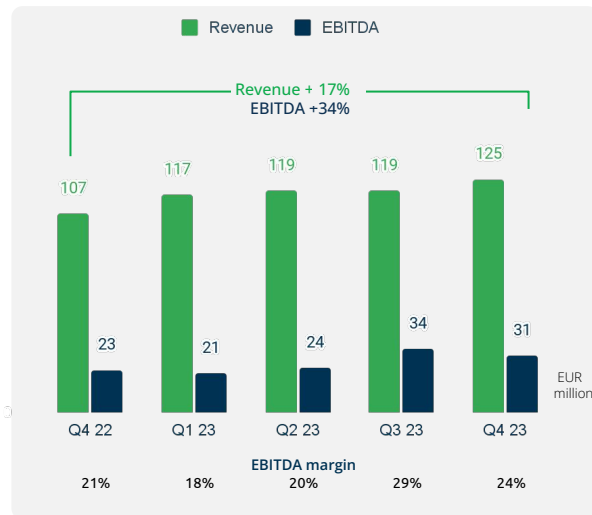
EBITDA was EUR 31 million (23 million), reaching a margin of 24% (21%), demonstrating a margin expansion also in the fourth quarter, as well as for the year as a whole. House of Control, which was acquired in November 2022, and Validsign, which was acquired in June 2023, are two examples of large acquisitions with double-digit margin expansion in 2023.

During the final quarter of the year, the Ecosystem segment acquired a fast-growing Danish legal tech business, expanding our offering in Denmark, as well as Accountants Academy, a fast growing Belgian online knowledge platform for accountants with strong synergies with Yuki.

ARR growth  
20%

144 000  
customers

ARPC € 3 200

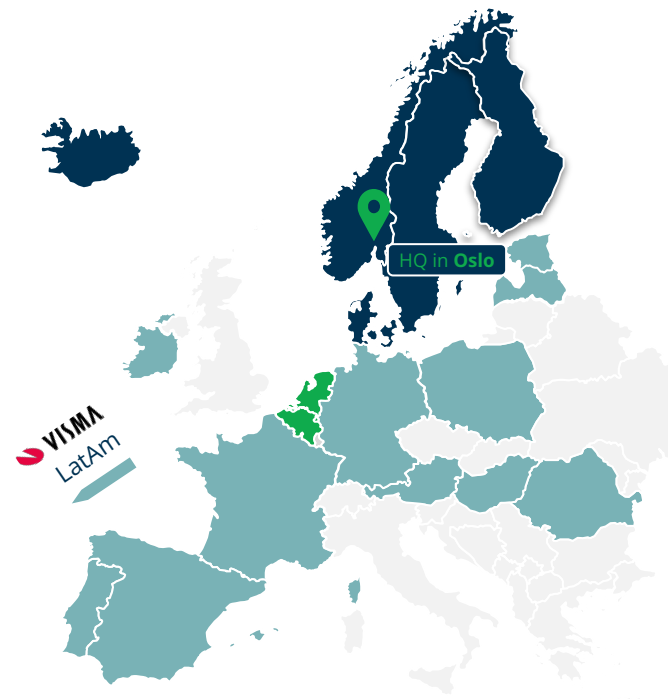
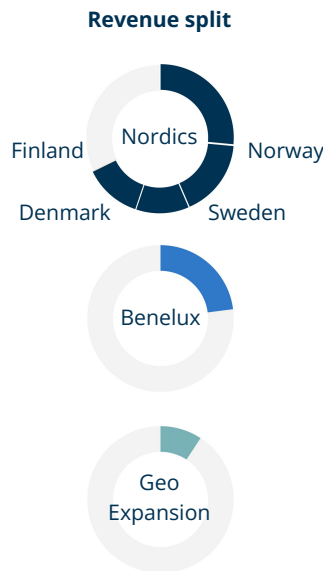


# Market outlook

Although inflation reduced from its previously elevated levels in Q4, the lingering effects of this, coupled with low growth prospects, continued to impact the global economy. While global GDP growth has exceeded expectations in 2023, mainly due to stronger consumer demand than expected, it is still expected to drop to 2.9% for the year as a whole, down from 3.3% in 2022 and an average of 3.4% for the years 2013-2019, according to the OECD.

OECD also sees growth moderating further on the back of tighter financial conditions, weak trade growth and lower business and consumer confidence, and therefore projects global GDP growth to weaken to 2.7% in 2024. The organization considers risks to the near-term outlook to be tilted to the downside. Heightened geopolitical uncertainty following rising tensions in the Middle East, and the ongoing effects of monetary policy tightening, are mentioned as examples.

Visma continues to demonstrate its resilience to macroeconomic fluctuations, supported by its offering of mission critical software to a diversified base of 1.7 million customers in both the private and public sectors. Despite lower economic activity in its core markets, and a general increase in bankruptcy rates, Visma has so far only seen a modest increase in churn in its Small Business segment, while new sales have remained high. The Group continues to see substantial growth opportunities in both existing and new markets, and expects to maintain an active M&A agenda also in Q1 2024.



# 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 high-quality portfolio of mission-critical products and services.

Inflation and increased interest rates have made an impact on the global economy in 2023, 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 were stable compared to last reporting period. No incidents with material impact, only local short term impact observed. Threat actor activity was persistent and normal during Q4.

# 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, 24 January 2024, The Board of Directors of VISMA AS*

# Condensed interim financial information

## Consolidated statement of income\*

(EUR in thousands)	Note	4th quarter 2023	2022	Year 2023	2022
<b>CONTINUING OPERATIONS</b>					
<b>OPERATING REVENUE</b>					
Sales revenue	2	651 095	558 096	2 394 075	2 056 475
<b>Total operating revenue</b>		<b>651 095</b>	<b>558 096</b>	<b>2 394 075</b>	<b>2 056 475</b>
<b>OPERATING EXPENSES</b>					
Sales and distribution costs (COGS)		89 348	79 488	326 688	282 908
<b>Gross profit</b>		<b>561 747</b>	<b>478 608</b>	<b>2 067 386</b>	<b>1 773 567</b>
Payroll and personnel expenses		290 224	256 625	1 085 021	942 452
Bad debts		2 270	880	6 196	2 879
Other operating expenses		75 870	64 918	263 121	237 331
<b>Total operating expenses</b>		<b>368 364</b>	<b>322 424</b>	<b>1 354 338</b>	<b>1 182 661</b>
<b>EBITDA before M&amp;A expenses</b>		<b>193 383</b>	<b>156 184</b>	<b>713 049</b>	<b>590 905</b>
M&A expenses		858	1 435	5 236	4 162
<b>EBITDA</b>		<b>192 525</b>	<b>154 749</b>	<b>707 813</b>	<b>586 743</b>
Depreciation tangible assets and capitalised R&D		13 837	10 059	40 567	34 120
Depreciation right of use assets		13 067	13 737	52 436	48 530
<b>EBITA</b>		<b>165 621</b>	<b>130 953</b>	<b>614 810</b>	<b>504 093</b>
Amortisation intangible assets		109 946	63 746	320 378	260 541
<b>Operating profit EBIT</b>		<b>55 675</b>	<b>67 207</b>	<b>294 431</b>	<b>243 552</b>
<b>Result from associated companies</b>		<b>(55)</b>	<b>(53)</b>	<b>( 135)</b>	<b>( 242)</b>
<b>FINANCIAL ITEMS</b>					
Financial income		7 614	29 371	116 836	98 471
Financial expenses		(41 896)	(8 341)	(265 643)	(155 199)
<b>Net financial items</b>		<b>(34 282)</b>	<b>21 029</b>	<b>(148 806)</b>	<b>(56 727)</b>
<b>Profit before taxes</b>		<b>21 338</b>	<b>88 183</b>	<b>145 489</b>	<b>186 583</b>
Taxes		21 167	3 339	48 498	25 867
<b>Net income from continuing operations</b>		<b>171</b>	<b>84 844</b>	<b>96 991</b>	<b>160 716</b>
<b>DISCONTINUED OPERATIONS</b>					
Net income from discontinued operations (excl. gain on sale)		0	(798)	0	17 393
Net gain on sale of discontinued operations		0	9 081	5 848	570 198
<b>Net income from discontinued operations</b>		<b>0</b>	<b>8 283</b>	<b>5 848</b>	<b>587 591</b>
<b>Net income</b>		<b>171</b>	<b>93 127</b>	<b>102 839</b>	<b>748 307</b>
<b>ATTRIBUTABLE TO:</b>					
Equity holders of Visma AS		271	93 191	102 848	748 704
Non-controlling interests		(100)	(64)	( 8)	( 397)
<b>EARNINGS PR SHARE</b>					
Basic earnings per share (EUR)		0,000	0,047	0,051	0,374
Diluted earnings per share (EUR)		0,000	0,047	0,051	0,374
EBITDA margin		29,6 %	27,7 %	29,6 %	28,5 %

## Consolidated statement of comprehensive income\*

(EUR in thousands)	4th quarter 2023	2022	Year 2023	2022
Net income	171	93 127	102 839	748 307
Net gain (loss) on financial hedging instruments, net of tax	(20 696)	(1 642)	(23 809)	72 879
Exchange differences on translation of foreign operations, net of tax	(4 891)	(1 866)	(48 061)	(36 635)
Net gain (loss) on qualified employee share options in fully own subsidiaries	0	0	77	0
<b>Other comprehensive income (loss) for the period, net of tax</b>	<b>(25 587)</b>	<b>(3 508)</b>	<b>(71 793)</b>	<b>36 244</b>
<b>Total comprehensive income for the period</b>	<b>(25 416)</b>	<b>89 619</b>	<b>31 047</b>	<b>784 551</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Equity holders of Visma AS	(25 316)	89 683	31 055	784 948
Non-controlling interests	(100)	(64)	( 8)	( 397)

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





# Condensed interim financial information

Consolidated statement of financial position

(EUR in thousands)	31 December 2023	31 December 2022	30 September 2023
<b>ASSETS</b>			
Deferred tax assets	12 662	13 014	11 557
Patents and other intangible assets	471 668	519 713	487 374
Capitalised R&D cost own software	74 085	70 168	63 629
Contracts and customer relationships	699 748	642 041	715 237
Goodwill	4 021 696	3 439 291	3 743 771
Property, land and buildings	7 012	6 770	6 883
Machinery and equipment	31 833	31 268	31 946
Financial assets/Shares	8 448	3 705	7 315
Investment in associated companies	1 695	926	1 750
Other long-term receivables	3 287	4 775	2 614
Right of use assets	180 312	181 298	178 322
Net Investment in subleases	6 250	7 555	6 672
<b>Total non-current assets</b>	<b>5 518 695</b>	<b>4 920 524</b>	<b>5 257 069</b>
Inventory	793	1 052	930
Accounts receivables	277 962	237 579	227 355
Other current receivables	110 565	170 279	174 035
Cash and cash equivalents	1 031 159	1 071 512	906 349
<b>Total current assets</b>	<b>1 420 479</b>	<b>1 480 422</b>	<b>1 308 669</b>
<b>TOTAL ASSETS</b>	<b>6 939 174</b>	<b>6 400 946</b>	<b>6 565 738</b>

(EUR in thousands)	31 December 2023	31 December 2022	30 September 2023
<b>EQUITY AND LIABILITIES</b>			
Paid-in capital	588 615	588 615	588 615
Other reserves	78 885	78 885	78 885
Retained earnings	1 522 701	1 491 646	1 548 017
<b>Equity attributable to equity holders of Visma AS</b>	<b>2 190 201</b>	<b>2 159 146</b>	<b>2 215 517</b>
Non-controlling interests	2 463	3 349	2 517
<b>Total equity</b>	<b>2 192 664</b>	<b>2 162 495</b>	<b>2 218 034</b>
Deferred tax liability	313 994	311 175	361 718
Financial hedging Instruments	(51 933)	(82 458)	(78 467)
Long-term interest bearing bank loans	2 819 493	2 623 286	2 555 022
Accrued funding fees	(8 422)	(4 364)	(3 248)
Long-term lease liabilities	143 984	149 328	144 019
Other long-term non interest bearing liabilities	273 474	401 131	298 155
<b>Total non-current liabilities</b>	<b>3 490 590</b>	<b>3 398 098</b>	<b>3 277 199</b>
Bank overdraft	(0)	0	(0)
Short-term interest bearing bank loans	9 012	8 991	8 671
Trade creditors	93 812	85 672	69 530
Public duties payable	109 395	95 862	108 210
Tax payable	100 866	47 096	26 383
Deferred revenue	282 255	242 400	296 716
Short-term lease liabilities	53 240	51 273	55 426
Other current liabilities	607 342	309 058	505 569
<b>Total current liabilities</b>	<b>1 255 921</b>	<b>840 353</b>	<b>1 070 505</b>
<b>Total liabilities</b>	<b>4 746 510</b>	<b>4 238 451</b>	<b>4 347 704</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6 939 174</b>	<b>6 400 946</b>	<b>6 565 738</b>

# Condensed interim financial information

## Consolidated statement of cash flows

(EUR in thousands)	Note	4th quarter 2023	2022	Year 2023	2022
<b>Ordinary profit before tax</b>		<b>21 338</b>	<b>88 183</b>	<b>145 489</b>	<b>186 583</b>
Depreciation right of use assets		13 067	11 225	52 436	48 530
Depreciation tangible assets		3 791	2 860	12 813	11 979
Depreciation capitalised R&D cost		10 046	6 923	27 754	22 141
Amortisation patents and other intangible assets		42 140	30 242	136 271	119 089
Amortisation contracts and customer relationships		68 420	32 390	184 722	141 452
Amortisation Goodwill		0	0	0	0
Changes in debtors		(50 606)	(39 144)	(40 383)	1 325
Changes in inventory and trade creditors		24 419	29 364	8 399	(4 847)
Changes in public duties payable		1 184	8 930	13 532	(2 200)
Changes in deferred revenue		(14 462)	(9 941)	39 855	35 704
Changes in other accruals		12 991	(49 933)	124 709	(17 445)
<b>Net cash flow from operations (before tax)</b>		<b>132 329</b>	<b>111 099</b>	<b>705 598</b>	<b>542 311</b>
<b>Net cash flow from continuing operations (before tax)</b>		<b>132 329</b>	<b>103 927</b>	<b>705 598</b>	<b>534 052</b>
Net cash flow from discontinued operations (before tax)		0	19 393	0	44 587
Tax paid		22 355	(24 016)	(37 179)	(84 453)
<b>Net cash flow from operations (after tax)</b>		<b>154 684</b>	<b>87 083</b>	<b>668 419</b>	<b>457 858</b>
<b>Net cash flow from continuing operations</b>		<b>154 684</b>	<b>87 083</b>	<b>668 419</b>	<b>454 980</b>
Net cash flow from operations, discontinued operations		0	0	0	2 878
Investment in tangible fixed assets related to business comb.		274	(1 018)	3 207	(2 504)
Investment in R&D software related to business combinations		0	(17 264)	(5 144)	(30 301)
Investment in businesses		(299 464)	(269 490)	(759 935)	(908 544)
Sale of (investment in) shares		(1 133)	(90)	(4 743)	(595)
<b>Net cash flow from investments related to business combinations</b>	3	<b>(300 323)</b>	<b>(287 863)</b>	<b>(766 615)</b>	<b>(941 944)</b>
Net proceeds from divestiture of discontinued operations		0	52 445	5 792	830 737
Cash inflow from dividends		0	0	0	0
Sale of (investment in) tangible fixed assets		(3 466)	(3 622)	(11 099)	(11 197)
Sale of (investment in) R&D own software		(4 116)	(2 335)	(9 015)	(6 063)
<b>Net cash flow from investments</b>		<b>(307 905)</b>	<b>(241 374)</b>	<b>(780 936)</b>	<b>(128 467)</b>
Repayments of interest bearing loans		0	0	(8 999)	(9 873)
Net proceeds from interest bearing loans		250 000	0	250 000	0
Changes in bank overdraft		0	(246 792)	0	0
Cashflow from leases		(19 238)	(13 064)	(60 108)	(51 942)
Changes in long term receivables		53 421	766	58 395	1 967
Repayment of Share premium reserve		0	0	0	(35 430)
Net cash flow from share issues		0	0	0	0
Cash inflow from interest		6 081	4 345	29 436	5 994
Cash outflow from interest and fees		(19 421)	(6 795)	(158 182)	(103 329)
<b>Net cash flow from financing activities</b>		<b>270 843</b>	<b>(261 540)</b>	<b>110 541</b>	<b>(192 613)</b>
<b>Net cash flow from financing activities, continuing operations</b>		<b>270 843</b>	<b>(261 540)</b>	<b>110 541</b>	<b>(182 617)</b>
Cash flow from financing activities, discontinued operations		0	0	0	(9 997)
<b>Net cash flow</b>		<b>117 622</b>	<b>(415 831)</b>	<b>(1 976)</b>	<b>136 777</b>
<b>Cash and cash equivalents, beginning of period</b>		<b>906 349</b>	<b>1 466 523</b>	<b>1 071 512</b>	<b>958 114</b>
Net foreign exchange differences		7 188	20 821	(38 377)	(23 379)
<b>Cash and cash equivalents, end of period</b>		<b>1 031 159</b>	<b>1 071 512</b>	<b>1 031 159</b>	<b>1 071 512</b>
Net cash flow from operations (before tax) to EBITDA		68,7 %	67,2 %	99,7 %	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			
<b>Equity as at 01.01.2022</b>	<b>588 615</b>	<b>42 428</b>	<b>778 372</b>	<b>1 409 415</b>		<b>4 180</b>	<b>1 413 595</b>
Issue of share capital	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)
<b>Total comprehensive income for the period</b>		<b>36 244</b>	<b>748 704</b>	<b>784 948</b>	<b>(397)</b>		<b>784 551</b>
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)
<b>Equity as at 31.12.2022</b>	<b>588 615</b>	<b>78 885</b>	<b>1 491 646</b>	<b>2 159 146</b>		<b>3 349</b>	<b>2 162 495</b>
<b>Equity as at 01.01.2023</b>	<b>588 615</b>	<b>78 885</b>	<b>1 491 646</b>	<b>2 159 146</b>		<b>3 349</b>	<b>2 162 495</b>
Issue of share capital	0			0			0
Profit for the period			102 848	102 848	(8)		102 839
Net gain (loss) on financial hedging instruments, net of tax		(23 809)		(23 809)			(23 809)
Exchange differences on translation of foreign operations, net of tax		(48 061)	0	(48 061)			(48 061)
<b>Total comprehensive income for the period</b>		<b>(71 870)</b>	<b>102 848</b>	<b>30 978</b>	<b>(8)</b>		<b>30 970</b>
Repayment of Share premium reserve			0	0			0
Changes to non-controlling interest; acquisition and arising on business combination					(878)		(878)
<b>Equity at end of period</b>	<b>588 615</b>	<b>7 093</b>	<b>1 594 493</b>	<b>2 190 201</b>		<b>2 463</b>	<b>2 192 664</b>

# 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 1<sup>st</sup>.

Visma's condensed interim financial statements for the fourth quarter of 2023 were authorised for issue by the board of directors on 24 January 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.

### 4th quarter

2023

(EUR in thousands)	Small business	Medium & Large Enterprise	Public	Ecosystem	Other	TOTAL
<b>Revenue</b>						
Total segment revenue	211 077	132 875	188 087	130 936	103 321	766 295
Internal revenue	4 726	10 862	6 247	5 960	87 405	115 200
<b>External revenue</b>						
SaaS	185 782	80 694	110 093	93 789	3 627	473 985
Cloud Services	7 776	16 724	39 776	22 667	9 240	96 183
On premise software	11 228	22 867	24 098	7 385	0	65 578
Other	1 564	1 728	7 873	1 135	3 049	15 349
<b>External revenue</b>	<b>206 350</b>	<b>122 013</b>	<b>181 840</b>	<b>124 976</b>	<b>15 916</b>	<b>651 095</b>
Actual growth (external) %	19.5 %	11.1 %	19.9 %	17.3 %	-8.5 %	16.7 %
Repeatable revenue	177,447	119,690	305,130	127,876	7,092	737,235
<b>EBITDA</b>	<b>72 709</b>	<b>32 399</b>	<b>49 390</b>	<b>30 588</b>	<b>7 440</b>	<b>192 525</b>
EBITDA margin	35.2 %	26.6 %	27.2 %	24.5 %	46.7 %	29.6 %
	29.4 %	21.9 %	19.3 %	34.4 %	-4.5 %	

2022\*

	Small business	Medium & Large Enterprise	Public	Ecosystem	Other	TOTAL
	179 856	119 999	154 137	109 299	102 598	665 889
	7 171	10 159	2 482	2 779	85 202	107 794
	148 220	64 002	86 441	77 938	3 642	380 244
	6 115	16 454	36 422	24 209	13 475	96 675
	16 266	27 156	21 277	3 476	0	68 176
	2 083	2 229	7 514	895	280	13 001
	<b>172 684</b>	<b>109 840</b>	<b>151 655</b>	<b>106 519</b>	<b>17 397</b>	<b>558 096</b>
	166,327	94,523	119,025	98,789	12,610	491 275
	<b>56 208</b>	<b>26 588</b>	<b>41 393</b>	<b>22 766</b>	<b>7 794</b>	<b>154 749</b>
	32.5 %	24.2 %	27.3 %	21.4 %	44.8 %	27.7 %

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

### Year

2023

(EUR in thousands)	Small business	Medium & Large Enterprise	Public	Ecosystem	Other	TOTAL
<b>Revenue</b>						
Total segment revenue	770 105	506 082	660 807	499 245	417 582	2 853 821
Internal revenue	26 862	38 995	17 089	20 265	356 536	459 746
<b>External revenue</b>						
SaaS	653 279	298 896	399 227	361 419	14 360	1 727 181
Cloud Services	29 308	64 208	127 479	92 940	34 312	348 247
On premise software	55 696	96 953	92 732	20 550	0	265 931
Other	4 959	7 030	24 280	4 072	12 375	52 717
<b>External revenue</b>	<b>743 243</b>	<b>467 087</b>	<b>643 719</b>	<b>478 981</b>	<b>61 047</b>	<b>2 394 075</b>
Actual growth (external) %	16.3 %	13.5 %	16.9 %	24.3 %	-11.9 %	16.4 %
Repeatable revenue	723,949	425,241	771,415	445,846	26,816	2 393 267
<b>EBITDA</b>	<b>279 383</b>	<b>118 628</b>	<b>172 525</b>	<b>109 592</b>	<b>27 685</b>	<b>707 813</b>
EBITDA margin	37.6 %	25.4 %	26.8 %	22.9 %	45.4 %	29.6 %

2022\*

	Small business	Medium & Large Enterprise	Public	Ecosystem	Other	TOTAL
	667 137	444 051	558 289	399 738	360 811	2 430 026
	27 872	32 404	7 426	14 341	291 509	373 551
	543 033	234 648	325 108	278 706	14 830	1 396 326
	23 318	54 945	115 825	89 638	53 283	337 009
	66 522	110 362	87 591	14 437	0	278 913
	6 392	11 691	22 339	2 616	1 189	44 227
	<b>639 265</b>	<b>411 647</b>	<b>550 864</b>	<b>385 397</b>	<b>69 302</b>	<b>2 056 475</b>
	617,764	363 895	457 202	358 530	48 307	1 845 698
	<b>229 454</b>	<b>101 208</b>	<b>141 457</b>	<b>88 080</b>	<b>26 544</b>	<b>586 743</b>
	35.9 %	24.6 %	25.7 %	22.9 %	38.3 %	28.5 %

## NOTE 2 — Segment Information continued

Reconciliation	4th quarter		Year
	2023	2022*	2023
<b>Profit before taxes</b>	<b>21 338</b>	<b>88 183</b>	<b>145 489</b>
Net financial items	(34 282)	21 029	(148 806)
Depreciations and amortisations	136 850	87 542	413 382
Result from associated companies	(55)	(53)	(135)
<b>EBITDA</b>	<b>192 525</b>	<b>154 749</b>	<b>707 813</b>
<b>EBITDA in operating segments</b>	<b>192 525</b>	<b>154 749</b>	<b>707 813</b>

### GEOGRAPHICAL AREAS

(EUR in thousands)	2023		Long lived assets
	Net sales	%	
Norway	633 732	26.5 %	1 063 046
Sweden	408 406	17.1 %	686 462
Denmark	278 558	11.6 %	459 758
Finland	302 205	12.6 %	244 397
Benelux	603 635	25.2 %	1 754 570
Geo Expansion	167 539	7.0 %	1 057 068
<b>Total</b>	<b>2 394 075</b>	<b>100.0 %</b>	<b>5 265 301</b>

(EUR in thousands)	2022*		Long lived assets
	Net sales	%	
Norway	587 342	28.6 %	965 194
Sweden	371 124	18.0 %	693 850
Denmark	231 426	11.3 %	454 285
Finland	258 631	12.6 %	235 119
Netherlands	467 208	22.7 %	1 646 744
Geo Expansion	140 745	6.8 %	504 741
<b>Total</b>	<b>2 056 475</b>	<b>100.0 %</b>	<b>4 499 935</b>

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

## NOTE 3 — Business Combinations

During the fourth quarter of 2023, the Visma Group had a net cash outflow from investment related to Business Combinations of EUR 299 million. 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.

02 November: Silverfin, Belgium's leading provider of cloud accounting software

09 November: iVISION, the company behind Legis 365, Denmark's leading administration software for law firms

13 November: Didac, an eLearning platform provider, based in Norway

13 November: FabricAI, a Finnish provider of AP automation

14 November: Globe Solutions, a Dutch provider of professional environment scanning software

12 December: Accountants Academy, a Belgian digital learning platform for accountants

(EUR in thousands)	Q4 2023
<b>Total acquisition cost</b>	<b>345 914</b>
Consideration transferred	307 172
Deferred payment	0
Contingent payment	45 863
Net cash acquired	(9 160)
<b>Net assets before identified excess value</b>	<b>18 388</b>
Technology	17 627
Brand	8 013
Contracts and customer relationships	74 323
Deferred taxes	(24 751)
<b>Fair value of net assets</b>	<b>93 599</b>
<b>Goodwill</b>	<b>252 315</b>

## 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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