

Quarterly Report
2024

Q3

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Record ARR and economies of scale

Q3 highlights

- Revenue of EUR 694 million, 17% growth year-over-year
- EBITDA of EUR 256 million, 26% growth year-over-year, resulting in a margin expansion of 2,7%pt
- Annualized Repeatable Revenue reached EUR 2 574 million, growing 18% year-over-year
- Continued strong growth in the customer base which now stands at 1,9m customers, a YoY growth of 18%
- Closed 6 acquisitions during the quarter
- Increasing presence in France, Germany and Latin America



CEO comment

Visma delivered another strong quarter in Q3 2024, growing revenue by 17% year-over-year to EUR 694 million. EBITDA was EUR 256 million, up by 26%, as we continue to demonstrate positive scale effects of our business model. ARR grew 18% to a new record of EUR 2.6 billion at the end of Q3, underpinning our position as a leading SaaS provider in Europe and Latin America.

Our solid organic growth was once again complemented by strategic SaaS acquisitions, with six new companies joining Visma in Q3. We continued our expansion in major European markets, including HRM and payroll solutions provider quarksUp, our 4th acquisition in France so far in 2024. We also invested in pathway solutions in Germany, a rising star in eCommerce solutions. In Chile, we strengthened our HR tech offering with the acquisition of Rex+ Group. Based on our current pipeline, I expect our M&A-team to remain very busy in Q4.

It was interesting to read former ECB President Mario Draghi's recent report on the future of European competitiveness, and how to close the innovation gap to its peers. While this is clearly a complex issue, with a multitude of initiatives required, I noticed his focus on the continuously growing regulatory burden for European companies. This is especially costly for SME's, and more than half of them flag regulatory obstacles and administrative burdens as their greatest challenge. For Visma, this is a timely reminder of the purpose that connects our 190 companies. By leading in software innovation to automate and simplify complex processes, we can play our part in promoting a more digitally enhanced, efficient and prosperous society for all.

Merete Hverven, CEO

Q3 2024 Key Figures

Revenue

€ 694m

▲ 16,9% growth YoY
12,7% organic growth YoY

EBITDA

€ 256m

▲ 26,2% growth YoY

EBITDA %

36,8%

▲ +2,7%pt YoY

Monthly e-invoices

25,7m

▲ 12,3% growth YoY

ARR

€ 2 574m

▲ 18,3% growth YoY
13,5% organic growth YoY

Free cash flow

€ 245m

99,5% cash conversion LTM

Customers

1,9m

▲ 17,7% growth YoY

Monthly payslips

11,3m

▲ 7,6% growth in SaaS
payslips YoY

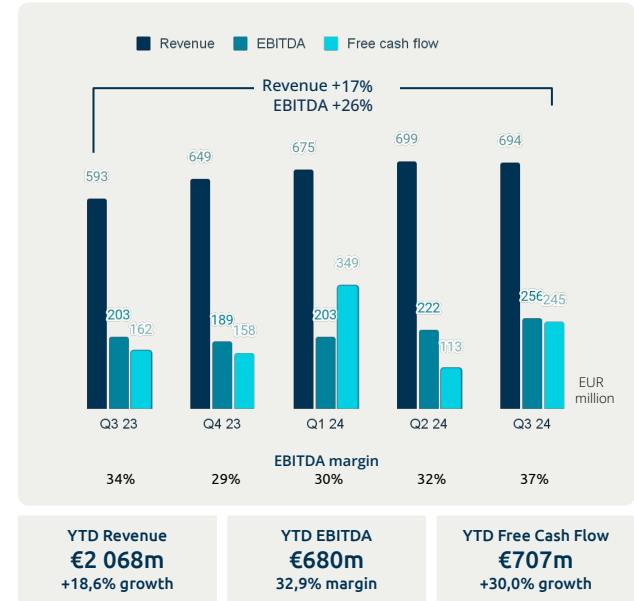
Comments on the third quarter

The third quarter of 2024 continued the year's trend of revenue growth for Visma, with total revenue reaching EUR 694 million, a 17% increase compared to Q3 2023. SaaS revenues were the primary growth driver, rising by 22%, and as a result, the revenue mix continued to improve. In the third quarter, 77% of total revenue came from SaaS, while another 13% came from cloud services, bringing the cloud-based share of total revenue to nearly 90%.

Visma's Annualized Repeatable Revenue (ARR) continued its steady growth in the third quarter, reaching EUR 2 574 million at the end of the period. This represents a growth of 18% year-over-year, highlighting Visma's ability to grow its repeatable revenue base. All four segments continued to show double digit ARR growth year-over-year in the third quarter of 2024, continuing the trend from the second quarter. The growth in ARR and the expanding customer base underscore Visma's success in delivering mission-critical software to both new and existing customers.

EBITDA continues to outpace revenue, demonstrating the scalability of Visma's business model. The EBITDA margin showed a 2,7%pt expansion compared to the third quarter of 2023, thus continuing Visma's strong margin expansion during this year. YTD, the margin is now 32,9% and the margin improvements were evident across all four segments.

In Q3, Visma completed six acquisitions, strengthening its position in key markets. The acquisition of quarksUp in France and pathway solutions in Germany further expanded Visma's footprint in continental Europe, while the purchase of Rexmas in Chile marked continued growth in Latin America. These moves align with Visma's M&A strategy, and we look forward to tracking the progress in these regions. Additionally, Visma acquired November First in Denmark and Securelogin in the Netherlands, bringing valuable additions to the Small Business segment and Ecosystem segment. These acquisitions further strengthen Visma's portfolio and reinforce its commitment to supporting growth across diverse markets.



Financial review

(Third quarter 2023 in brackets)

Revenue amounted to EUR 694 million (EUR 593 million), and EBITDA to EUR 256 million (EUR 203 million) in the third quarter of 2024. Revenue increased by 16,9% on a reported basis year-over-year, while the organic growth in the same period was 12,7%. SaaS revenues continue to be a major driver, with a reported 22,1% growth compared to the third quarter of 2023. EBITDA increased by 26,2% compared to Q3 2023, reaching EUR 256 million.

In line with the regular seasonality, the EBITDA margin in the third quarter, of 36,8%, is significantly above the year-to-date margin. This is driven by holiday effects. Nonetheless, the group delivered an EBITDA margin expansion of 2,7 percentage points compared to the third quarter of 2023, highlighting the scalability of Visma's business model. The group's operating profit (EBIT) reached EUR 149 million (EUR 105 million).

Net financial items were EUR -63 million (EUR -99 million), with EUR 42 million being interest expense (EUR 35 million). The increased interest expense reflect a larger nominal debt as well as higher interest costs. Another key financial item is contingent consideration related to business combinations, which amounted to EUR -19 million during the quarter (EUR -66 million).

Removing the impact of items driven by M&A gives an adjusted net income of EUR 144 million (EUR 131 million), growing with 9,7% year-over-year.

At the end of the third quarter, Visma's cash position was EUR 1 071 million (EUR 906 million). Free cash flow amounted to EUR 245 million (EUR 162 million) in the third quarter of 2024. The cash conversion for the LTM period ending Q3 was 99,5%. Visma continue to invest its cash flow in M&A. Cash flow from investments related to business combinations was EUR -99 million (EUR -100 million) in the quarter.

Group	Q3 2024	Q3 2023	Growth
Revenue	694	593	16,9%
SaaS	533	438	21,8%
Cloud Services	88	79	12,5%
On premises software	62	65	-5,0%
Other	10	12	-13,1%
Profit			
EBITDA	256	203	26,2%
<i>EBITDA margin</i>	36,8%	34,1%	2,7%pt
EBIT	149	105	40,8%
Adjusted net income	144	131	9,7%
Cash flow and leverage			
Free cash flow	245	162	51,2%
Net Debt / EBITDA	2,6x	2,6x	0,0x

Selected M&A highlights

6 acquisitions
closed in Q3

€ 16m
LTM Revenue | Acquisitions in Q3



- In the third quarter, Visma expands its software presence in Germany through an investment in pathway solutions
- pathway is a rising star in eCommerce solutions for the German market
- pathway provides a user-friendly cloud solution for eCommerce and SaaS-companies, that matches transactions, invoices, and payments, integrating with accounting systems
- pathway is already a leading solution for Shopify and Stripe accounting automation in Germany, the biggest total addressable market for eCommerce in Europe



- With the acquisition of Rex+ Group, Visma strengthens its HR tech offering in Chile
- Rex+ Group provides their customers with a modern and flexible user-friendly platform for HR management
- With this acquisition, Visma continues to grow its presence in Latin America, with an ambition of being the preferred software provider for businesses and entrepreneurs



- The acquisition of quarksUp marks Visma's 6th acquisition in France, further strengthening its footprint in this market
- quarksUp is a SaaS product offering payroll and HR management solutions, helping French companies digitize their HR processes
- quarksUp provides a valuable addition to the Ecosystem segment, and together with Visma they aim to accelerate growth and innovation in HR solutions in France

Tech highlights

Key product announcements

In Norway, Visma Software AS has introduced a climate reporting tool as an add-on to its ERP solutions, offering its customers the capability to automatically calculate their carbon emissions. This provides near-instant access to emissions data, transforming a previously complex and time-consuming process into one that is efficient and straightforward.

In Denmark, e-economic has rolled out its new and improved bookkeeping journal, enabling users to record entries more efficiently. So far, more than 125 000 customers have experienced an easier workflow when doing their accounting in e-economic.

In Peru, the employee engagement and performance management software Mandü is now providing managers with AI-generated action plans for their direct reports following employee appraisals.

In Sweden, Accountec has launched an updated version of its Know Your Customer (KYC) solution, featuring enhanced flexibility for users. This improvement streamlines the onboarding process for new clients and helps maintain regulatory compliance more efficiently.

Across Visma, we continue to see increased use of AI-assisted customer support, with 26 more companies going live in Q3, using AI to help customer support representatives provide better service, or through customer-facing chatbots. In several cases, as much as 90% of chat-based support requests are now resolved without human intervention, driving efficiency and enhancing customer satisfaction. We also see a significant portion of customers enjoying being able to get their queries solved by the AI powered chat assistants outside of regular support hours.



Small Business

Productive growth in third quarter

In Q3 2024, Visma's Small Business segment, which serves 20 European countries with cloud-based solutions, achieved notable progress.

The segment introduced a range of product enhancements, focusing on improving integrations, user experience, mobile capabilities, and AI functionalities. These advancements support better financial management, advanced payment solutions, and enhanced user interfaces for small business clients across the region.

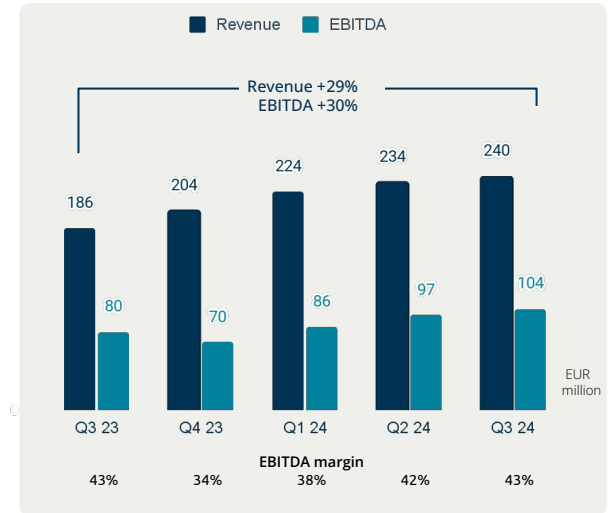
The updates aim to simplify complex business processes and foster ease of use for clients. They showcase Visma's dedication to harnessing the power of technology to drive business efficiency. By focusing on innovation and responsiveness to user needs, Visma strengthens its leadership in the small business technology market.

With 37 500 customers added in Q3 2024, the Small Business segment achieved EUR 240 million in revenues and EUR 104 million in EBITDA. ARR grew by 29%, resulting in an ARPC of EUR 580.

ARR growth
29%

1 615 000
customers

ARPC **€ 580**



Medium Business

Serving complex customer needs in the cloud

By emphasising strategic workforce planning, leveraging modern technology, and achieving operational efficiencies, the Medium Business segment is able to grow scalably and took a step up to reach a margin of 31% in the third quarter of the year. With an ARR growth of 9% running a bit higher than overall revenue growth of 8% the segment is aligning the business toward strategic and repeatable revenue, setting a healthy foundation for the exit of 2024.

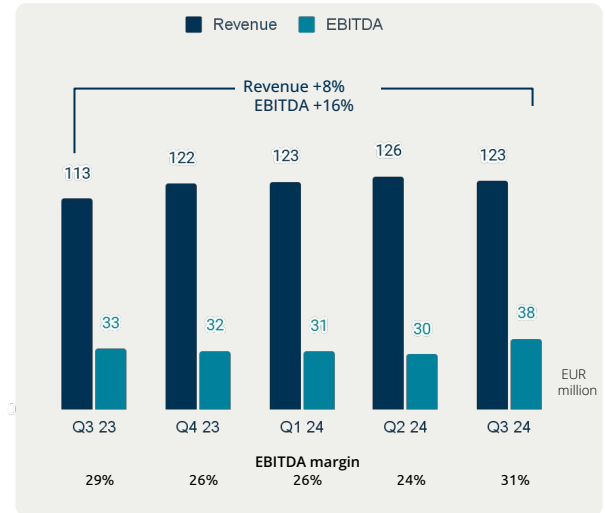
With a strong presence in the core solutions of payroll and financial management, the Medium Business segment continues to utilise the Visma ecosystem, sustaining the ARPC at EUR 4 700 in the third quarter.

In July, the Medium Business segment entered into the French HRM space with the acquisition of quarksUp. Their cloud-based solution covers the entire employee lifecycle, including a close connection to several payroll systems in France.

ARR growth
9%

94 000
customers

ARPC **€ 4 700**



Ecosystem

Expanded offering and strong scalability

The Ecosystem segment concluded the third quarter of 2024 with a 18% increase in revenue and increased its EBITDA margin to 35%, marking a significant improvement from the 29% margin seen in the third quarter of 2023.

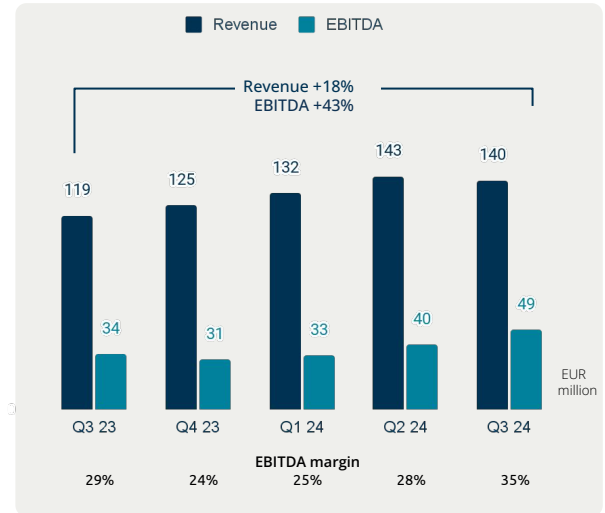
The segment reported revenues of EUR 140 million in Q3 2024, compared to EUR 119 million for the same period last year, and EBITDA increased to EUR 49 million from EUR 34 million in Q3 2023. Notably, the companies in Latin America and within the Workforce Management vertical demonstrated impressive growth and scaling in Q3. Moreover, the acquisitions made over the past year have contributed to strong growth and scalability. The segment is also refining the revenue mix by phasing out non-strategic, low-margin revenue streams. While this will slightly slow growth in the coming quarters, it will ensure a permanent increase in margins and allow the business to concentrate on core areas.

In August, Visma strengthened the offering in the Dutch accountancy market with the acquisition of Hix (Securelogin), an accounting portal providing document management and e-signature solutions. In September, the expansion in the Chilean market continued as Rex+ Group, a provider of SaaS solutions for payroll and workforce management, became part of the Visma Group. The segment also invested in pathway solutions, a German cloud tax/accounting software for eCommerce and SaaS companies, strengthening the offering within tax and accounting in the German market.

ARR growth
19%

153 000
customers

ARPC **€ 3 600**



Public

Value adding SaaS solutions supporting the Public Sector's need for digitalisation

Total revenue in the Public segment amounted to EUR 161 million (EUR 138 million), reflecting a revenue growth of 16% YoY. The segment continues to see strong growth in strategic revenue across this segment, with ARR growing at 13%. The timing of the Acos acquisition in 2023 explains why the reported ARR growth is somewhat lower than the revenue growth in this particular quarter. EBITDA was EUR 52 million (EUR 44 million), reaching a margin of 32% (31%) in the third quarter of 2024.

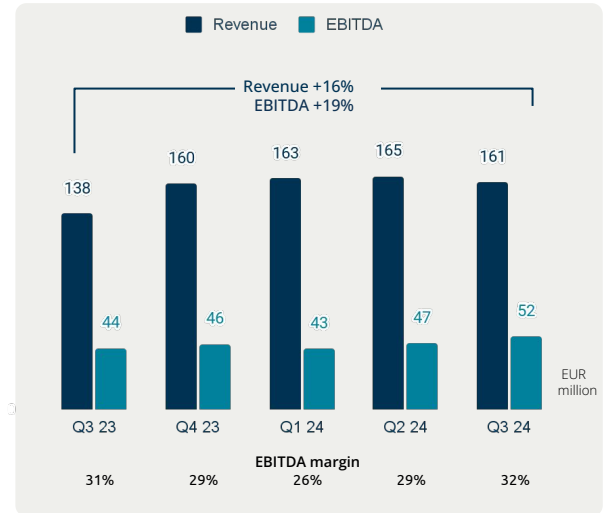
Across the Nordics and the Netherlands, we secured significant contracts with both new and existing customers in the Public Sector, emphasising the strength of our product offerings. In Norway, wins in the Education and Workforce Management (WFM) sectors significantly boosted ARR. The Swedish market and Finland also contributed positively, while the Dutch Business Area renewed a key contract with an existing client for a multi-year term. These successes highlight the broad appeal and competitive edge of Visma's Public segment solutions.

We continue to see significant focus on digitalisation in the Public Sector, as well as a continued trend of moving from On-prem to Cloud. Visma is supporting customers on this journey through our mission-critical standard software deliveries.

ARR growth
13%

34 000
customers

ARPC € **16 500**



Market outlook

Global growth is expected to remain resilient throughout 2024, with declining inflation providing room for an easing of interest rates. However, looking specifically at Visma's core markets in Europe, growth remains markedly below average, with only a moderate recovery expected in the short-term. The OECD now projects the Euro area GDP to grow by 0.7% in 2024, rising to 1.3% in 2025, compared to an expected global average of 3.2% for both years.

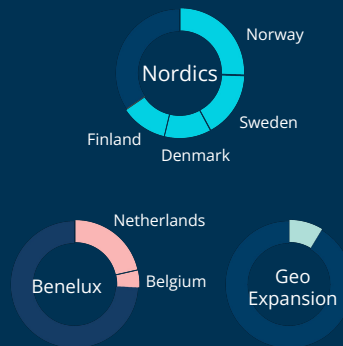
While there are some signs of a software environment in certain regions, the impact on Visma's business remains limited, with our mission-critical software once again proving highly resilient. This is demonstrated by our double-digit organic growth, low and stable customer churn, and high level of new customer acquisition. The Group delivers solutions that customers need to run their business independent of the economic climate, and has a well diversified portfolio with more than 1.9 million customers, ranging from SMEs to government institutions. Additionally, the majority of revenue is of a recurring or repeatable nature, providing further downside protection.

For Visma, ongoing geopolitical tensions are still perceived as the main risk to future market development and growth. On the upside, a softening of interest rates should boost economic activity, real wage growth, and the overall business climate, providing a much welcome tailwind for all the SMEs and entrepreneurs using Visma's software to run and grow their business. The Group continues to see substantial growth opportunities in both existing and new markets, and expects to maintain an active M&A agenda in Q4.

33
countries

The map includes Visma's operations across our core markets in Europe and Latin America

Revenue split



Shareholders

Hg Capital and co-investors 70,2%

GIC 14,2%

ICG 3,1%

CPP Investments 1,9%

TPG 1,8%

Vind 1,1%

Folketrygdfondet 0,9%

Jane Street 0,3%

Aeternum 0,1%

Management 6,4%

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Risks

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

In 2024, inflation and high interest rates as well as lower economic growth continue to affect the global economy, and Visma is continuously monitoring the situation. The Group's debt facilities mature in 2028, and Visma has hedged around 50% of its interest exposure. The group also maintains strong cash position, and as such, retaining its solid financial health.

Visma is investing to stay at the forefront of legal and compliance trends, including upcoming legislation related to ESG, AI, vendor management, and security. The focus for the remaining quarter of 2024 will be to prepare the roll out of a unified internal risk score in 2025.

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.

As we continue to acquire new companies, we are steadily increasing the pace at which they are fully onboarded to the Visma Security Program – a substantial benefit of being part of the Visma Group.

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, 22 October 2024, The Board of Directors of VISMA AS

Condensed interim financial information

Consolidated statement of income

(EUR in thousands)	Note	3rd quarter		First three quarters		Year
		2024	2023	2024	2023	2023
OPERATING REVENUE						
Sales revenue	2	693 723	593 468	2 067 515	1 742 980	2 391 523
Total operating revenue		693 723	593 468	2 067 515	1 742 980	2 391 523
OPERATING EXPENSES						
Sales and distribution costs (COGS)		86 487	77 972	265 490	237 340	326 755
Gross profit		607 236	515 496	1 802 025	1 505 639	2 064 768
Payroll and personnel expenses		273 790	246 941	884 090	794 797	1 085 021
Bad debts		1 842	1 694	4 318	3 926	6 444
Other operating expenses		74 821	62 366	225 155	187 251	263 361
Total operating expenses		350 453	311 000	1 113 563	985 974	1 354 826
EBITDA before M&A expenses		256 783	204 496	688 462	519 666	709 942
M&A expenses		1 256	1 963	8 419	4 378	5 236
EBITDA		255 527	202 533	680 043	515 287	704 706
Depreciation tangible assets and capitalised R&D		10 651	8 515	32 367	26 730	40 567
Depreciation right of use assets		13 005	15 243	38 934	39 369	52 436
EBITA		231 871	178 775	608 742	449 189	611 703
Amortisation intangible assets		83 365	73 284	254 325	210 432	320 480
Operating profit EBIT		148 506	105 491	354 417	238 756	291 222
Result from associated companies		0	(93)	247	(81)	(135)
FINANCIAL ITEMS						
Financial income		13 219	17 247	55 176	109 222	117 096
Financial expenses		(75 953)	(115 898)	(232 971)	(223 746)	(239 788)
Net financial items		(62 734)	(98 651)	(177 795)	(114 524)	(122 692)
Profit before taxes		85 772	6 746	176 869	124 151	168 395
Taxes		18 870	1 505	24 160	27 331	48 408
Net income from continuing operations		66 902	5 242	152 709	96 820	119 987
DISCONTINUED OPERATIONS						
Net gain on sale of discontinued operations		0	0	0	5 848	5 848
Net income from discontinued operations		0	0	0	5 848	5 848
Net income		66 902	5 242	152 709	102 668	125 835
ATTRIBUTABLE TO:						
Equity holders of Visma AS		66 919	5 228	152 721	102 576	125 843
Non-controlling interests		(17)	13	(11)	92	(8)
EARNINGS PR SHARE						
Basic earnings per share (EUR)		0,033	0,003	0,076	0,051	0,063
Diluted earnings per share (EUR)		0,033	0,003	0,076	0,051	0,063
EBITDA margin		36,8 %	34,1 %	32,9 %	29,6 %	29,5 %

Consolidated statement of comprehensive income

(EUR in thousands)	3rd quarter		First three quarters		Year
	2024	2023	2024	2023	2023
Net income	66 902	5 242	152 709	102 668	125 835
Net gain (loss) on financial hedging instruments, net of tax	(18 770)	(5 365)	(22 011)	(3 113)	(23 809)
Exchange differences on translation of foreign operations, net of tax	(7 514)	12 756	(22 206)	(43 170)	(47 816)
Net gain (loss) on qualified employee share options in fully own subsidiaries	0	0	0	77	77
Other comprehensive income (loss) for the period, net of tax	(26 284)	7 392	(44 218)	(46 205)	(71 548)
Total comprehensive income for the period	40 618	12 633	108 492	56 463	54 287
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Equity holders of Visma AS	40 635	12 620	108 503	56 371	54 295
Non-controlling interests	(17)	13	(11)	92	(8)

Condensed interim financial information

Consolidated statement of financial position

(EUR in thousands)	30 September 2024	30 September 2023	30 June 2024	31 December 2023	(EUR in thousands)	30 September 2024	30 September 2023	30 June 2024	31 December 2023
ASSETS					EQUITY AND LIABILITIES				
Deferred tax assets	12 856	11 557	12 288	12 709	Paid-in capital	588 615	588 615	588 615	588 615
Patents and other intangible assets	438 495	487 374	457 817	471 566	Other reserves	(36 880)	32 680	(10 596)	7 337
Capitalised R&D cost own software	67 146	63 629	70 313	74 085	Retained earnings	1 770 210	1 594 222	1 703 290	1 617 489
Contracts and customer relationships	653 954	715 237	693 194	699 748	Equity attributable to equity holders of Visma AS	2 321 944	2 215 517	2 281 309	2 213 441
Goodwill	4 347 612	3 743 771	4 337 505	4 021 696	Non-controlling interests	3 160	2 517	2 806	2 463
Property, land and buildings	2 630	6 883	6 566	7 012	Total equity	2 325 104	2 218 034	2 284 115	2 215 904
Machinery and equipment	31 729	31 946	31 849	31 833	Deferred tax liability	340 072	361 718	331 435	313 879
Financial assets/Shares	7 903	7 315	8 775	8 448	Financial hedging Instruments	(23 714)	(78 467)	(47 778)	(51 933)
Investment in associated companies	0	1 750	0	1 695	Long-term interest bearing bank loans	2 972 389	2 555 022	2 999 012	2 819 493
Other long-term receivables	8 422	2 614	8 676	3 287	Accrued funding fees	(68 297)	(3 248)	(73 036)	(8 422)
Right of use assets	174 195	178 322	179 743	180 312	Long-term lease liabilities	136 358	144 019	142 079	143 984
Net Investment in subleases	5 542	6 672	6 036	6 250	Other long-term non interest bearing liabilities	246 411	298 155	243 228	273 474
Total non-current assets	5 750 483	5 257 069	5 812 761	5 518 640	Total non-current liabilities	3 603 219	3 277 199	3 594 939	3 490 475
Inventory	778	930	912	793	Bank overdraft	142 501	(0)	93 873	(0)
Accounts receivables	249 545	227 355	263 077	277 962	Short-term interest bearing bank loans	8 850	8 671	8 804	9 012
Other current receivables	138 993	174 035	157 808	110 497	Trade creditors	75 158	69 530	80 262	93 812
Cash and cash equivalents	1 071 250	906 349	953 237	1 031 159	Public duties payable	117 963	108 210	99 893	109 395
Total current assets	1 460 567	1 308 669	1 375 035	1 420 412	Tax payable	37 197	26 383	41 517	100 938
TOTAL ASSETS	7 211 050	6 565 738	7 187 795	6 939 052	Deferred revenue	338 842	296 716	384 069	284 555
					Short-term lease liabilities	52 553	55 426	52 144	53 240
					Other current liabilities	509 663	505 569	548 179	581 721
					Total current liabilities	1 282 727	1 070 505	1 308 742	1 232 673
					Total liabilities	4 885 945	4 347 704	4 903 681	4 723 148
					TOTAL EQUITY AND LIABILITIES	7 211 050	6 565 738	7 187 795	6 939 052

Condensed interim financial information

Consolidated statement of cash flows

(EUR in thousands)	Note	3rd quarter		First three quarters		Year 2023
		2024	2023	2024	2023	
Ordinary profit before tax		85 772	6 746	176 869	124 151	168 395
Depreciation right of use assets		13 005	15 243	38 934	39 369	52 436
Depreciation tangible assets		3 060	3 075	9 935	9 022	12 813
Depreciation capitalised R&D cost		7 591	5 440	22 432	17 708	27 754
Amortisation patents and other intangible assets		33 076	31 669	102 250	94 130	135 758
Amortisation contracts and customer relationships		50 289	41 616	152 075	116 302	184 722
Changes in debtors		13 532	(21 193)	28 416	10 224	(40 383)
Changes in inventory and trade creditors		(4 969)	1 648	(18 639)	(16 020)	8 399
Changes in public duties payable		18 070	22 194	8 568	12 348	13 532
Changes in deferred revenue		(45 227)	(21 544)	54 287	54 317	42 156
Changes in other accruals		74 126	82 162	147 734	95 094	117 000
Net cash flow from operations (before tax)		248 325	167 057	722 861	556 645	722 583
Tax paid		(19 258)	(20 465)	(104 597)	(59 534)	(66 395)
Net cash flow from operations (after tax)		229 067	146 591	618 265	497 111	656 189
Investment in tangible fixed assets related to business comb.		(487)	(1 513)	(1 837)	(2 933)	(3 207)
Investment in R&D software related to business combinations		0	0	0	(5 144)	(217)
Investment in businesses		(99 178)	(98 627)	(611 120)	(460 471)	(765 774)
Sale of (investment in) shares		872	346	545	(3 610)	(4 743)
Net cash flow from investments related to business combinations	3	(98 794)	(99 795)	(612 413)	(472 158)	(773 941)
Net proceeds from divestiture of discontinued operations		0	0	0	5 792	5 792
Sale of (investment in) tangible fixed assets		749	(2 950)	(4 777)	(7 633)	(11 099)
Sale of (investment in) R&D own software		(3 624)	(1 798)	(10 679)	(4 899)	(9 015)
Cash inflow (outflow) from other current receivables					58 395	58 395
Net cash flow from investments		(101 669)	(104 542)	(627 868)	(478 898)	(729 867)
Repayments of interest bearing loans		(4 999)	(4 443)	(9 279)	(8 999)	(8 999)
Net proceeds from interest bearing loans		0	0	198 098	0	250 000
Changes in bank overdraft		50 000	0	143 873	0	0
Cashflow from leases		(12 357)	(13 418)	(42 504)	(40 871)	(60 108)
Changes in long term receivables		254	3 442	(5 135)	4 974	0
Cash inflow from interest		5 839	5 852	19 667	23 355	29 436
Cash outflow from interest and fees		(42 098)	(68 109)	(242 137)	(138 761)	(158 182)
Net cash flow from financing activities		(3 361)	(76 676)	62 583	(160 302)	52 146
Net cash flow		124 037	(34 627)	52 980	(142 089)	(21 532)
Cash and cash equivalents, beginning of period		953 237	926 369	1 031 159	1 071 512	1 071 512
Net foreign exchange differences		(6,024)	14 607	(12 889)	(23 075)	(18 821)
Cash and cash equivalents, end of period		1 071 250	906 349	1 071 250	906 349	1 031 159
Free Cash Flow		245 449	162 309	707 406	544 113	702 470
Cash conversion (FCF to EBITDA)		96.1 %	80.1 %	104.0 %	105.6 %	99.7 %

Consolidated statement of changes in equity

(EUR in thousands)	Attributable to equity holders of Visma AS				Non-controlling interests	
	Paid-in share capital	Other reserves	Retained earnings	Majority's share of equity	Non-controlling interests	Total equity
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
Share based compensation Fully owned subsidiary		77			77	77
Profit for the period			125 843	125 843	(8)	125 835
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		(47 816)		(47 816)		(47 816)
Total comprehensive income for the period		(71 625)	125 843	54 218	(8)	54 210
Changes to non-controlling interest; acquisition and arising on business combination					0	(878)
Equity as at 31.12.2023	588 615	7 337	1 617 489	2 213 441	2 463	2 215 904
Equity as at 01.01.2024	588 615	7 337	1 617 489	2 213 441	2 463	2 215 904
Issue of share capital	0				0	0
Profit for the period			152 721	152 721	(11)	152 709
Net gain (loss) on financial hedging instruments, net of tax		(22 011)		(22 011)		(22 011)
Exchange differences on translation of foreign operations, net of tax		(22 206)	0	(22 206)		(22 206)
Total comprehensive income for the period		(44 218)	152 721	108 503	(11)	108 492
Changes to non-controlling interest; acquisition and arising on business combination					709	709
Equity at end of period	588 615	(36 880)	1 770 210	2 321 944	3 160	2 325 104

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 third quarter of 2024 were authorised for issue by the board of directors on 22 October 2024.

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 2023 and applies to these condensed interim financial statements, except for the adoption of new standards and interpretations as of 1 January 2024.

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 Business, Ecosystem and Public. 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. Visma have made some changes to its segments after the third quarter 2023 and the 2023 numbers have been restated to reflect this change

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.

3rd quarter (EUR in thousands)	2024					TOTAL	2023					TOTAL
	Small business	Medium Business	Ecosystem	Public	Other		Small business	Medium Business	Ecosystem	Public	Other	
Revenue												
Total segment revenue	250 730	134 399	146 790	167 098	128 977	827 994	193 797	122 547	123 554	140 792	127 953	708 644
Internal revenue	10 893	11 493	6 537	6 537	98 811	134 270	7 457	9 243	4 848	2 482	91 146	115 176
External revenue												
SaaS	213 960	86 964	109 563	106 650	15 822	532 959	163 697	73 873	91 733	87 258	21 099	437 661
Cloud Services	11 560	14 872	24 380	25 916	11 658	88 385	6 866	13 954	21 972	23 404	12 391	78 587
On premise software	13 308	19 837	5 185	23 840	0	62 170	14 588	23 793	4 322	22 770	0	65 473
Other	1 009	1 233	1 126	4 155	2 686	10 208	1 189	1 684	679	4 878	3 317	11 747
External revenue	239 837	122 906	140 253	160 561	30 166	693 723	186 340	113 304	118 707	138 310	36 807	593 468
Actual growth (external) %	28.7 %	8.5 %	18.2 %	16.1 %	-18.0 %	16.9 %						
Repeatable revenue	233,339	115,199	131,604	137,112	21,812	639,066	189,852	101,996	107,996	118,979	26,194	545 017
EBITDA	103 835	38 134	48 681	51 724	13 153	255 527	80 106	32 791	34 080	43 554	12 002	202 533
EBITDA margin	43.3 %	31.0 %	34.7 %	32.2 %	43.6 %	36.8 %	43.0 %	28.9 %	28.7 %	31.5 %	32.6 %	34.1 %
First three quarters (EUR in thousands)												
Revenue												
Total segment revenue	730 801	405 619	434 176	497 169	394 922	2 462 688	560 373	371 802	368 370	404 419	382 562	2 087 526
Internal revenue	33 484	34 375	18 739	8 306	300 270	395 174	22 136	28 137	14 301	7 161	272 811	344 546
External revenue												
SaaS	621 590	254 270	320 059	316 654	48 825	1 561 398	469 169	217 033	267 834	237 609	62 551	1 254 196
Cloud Services	32 104	50 157	75 831	82 872	37 292	278 257	21 218	47 289	70 076	75 659	36 826	251 068
On premise software	40 556	62 160	15 673	71 758	0	190 148	44 468	74 030	13 221	68 628	0	200 347
Other	3 067	4 656	3 873	17 580	8 536	37 712	3 383	5 313	2 939	15 361	10 374	37 370
External revenue	697 316	371 244	415 437	488 863	94 653	2 067 514	538 237	343 665	354 069	397 258	109 751	1 742 980
Actual growth (external) %	29.6 %	8.0 %	17.3 %	23.1 %	-13.8 %	18.6 %						
Repeatable revenue	674,714	342 864	386 685	408 783	66 514	1 879 560	547,859	304,133	318,030	335,660	78,499	1 584 182
EBITDA	286 441	99 103	121 560	142 017	30 921	680 043	208 418	84 307	79 182	111 339	32 041	515 287
EBITDA margin	41.1 %	26.7 %	29.3 %	29.1 %	32.7 %	32.9 %	38.7 %	24.5 %	22.4 %	28.0 %	29.2 %	29.6 %

NOTE 2 — Segment Information continued

Reconciliation	3rd quarter		First three quarters
	2024	2023	2024
Profit before taxes	85 772	6 746	176 869
Net financial items	(62 734)	(98 651)	(177 795)
Depreciations and amortisations	107 022	97 042	325 626
Result from associated companies	0	(93)	247
EBITDA	255 527	202 533	680 043
EBITDA in operating segments	255 527	202 533	680 043

GEOGRAPHICAL AREAS

(EUR in thousands)	2024		
	Net sales	%	Long lived assets
Norway	530 019	25.6 %	994 171
Sweden	340 255	16.5 %	675 727
Denmark	241 215	11.7 %	468 663
Finland	242 224	11.7 %	243 645
Netherlands	443 527	21.5 %	1 712 336
Belgium	89 577	4.3 %	603 663
Geo Expansion	180 696	8.7 %	860 626
Total	2 067 514	100.0 %	5 558 830

(EUR in thousands)	2023		
	Net sales	%	Long lived assets
Norway	464 306	26.6 %	1 077 815
Sweden	298 231	17.1 %	666 836
Denmark	201 948	11.6 %	463 264
Finland	223 079	12.8 %	241 751
Netherlands	388 833	22.3 %	1 383 330
Belgium	45 999	2.6 %	485 408
Geo Expansion	120 584	6.9 %	532 132
Total	1 742 980	100.0 %	4 850 536

NOTE 3 — Business Combinations

During the third quarter of 2024, the Visma Group had a net cash outflow from investment related to Business Combinations of EUR 99 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.

08 July: quarksUp, a French company offering an innovative HR and payroll management solution

10 July: Meet Dottie, a SaaS solution for HRM to small and medium-sized companies. Visma has been a minority owner since 2023, and increased its ownership to a majority share in Q3 2024

14 August: SecureLogin, a Dutch provider of the AO platform Hix

18 August: November First, a provider of payment solutions to small and medium-sized companies in Denmark

02 September: Pathway solutions, a German provider of a user-friendly cloud solution for eCommerce and SaaS-companies

25 September: Rex+, a leading provider of SaaS solutions for payroll and workforce management, located in Chile.

(EUR in thousands)	Q3 2024
Total acquisition cost	92 703
Consideration transferred	46 637
Deferred payment	0
Contingent payment	47 534
Net cash acquired	(1 454)
Net assets before identified excess value	924
Technology	10 716
Brand	4 762
Contracts and customer relationships	14 194
Deferred taxes	(7 940)
Non-controlling interests	(382)
Fair value of net assets	22 273
Goodwill	70 430

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 Free Cash Flow 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 receive 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.

EBITDA / EBITA / EBIT

EBITDA is defined as Earnings Before Interests, Tax, Depreciation and Amortisation 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 presents EBITA, which is defined as EBITDA less Depreciation, as well as EBIT / operating profit, defined as EBITA less amortisation. 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

Free cash flow

Cash flow from operations before tax, after investment in R&D on own software and investments in tangible and intangible assets

(EUR in thousands)	Q3 24	Q3 23
Cash flow from continuing operations (before tax)	248 325	167 057
Investment in tangible and intangible assets	749	(2,950)
Investment in R&D own software	(3,624)	(1,798)
Free cash flow	245 449	162 309

Adjusted net income

As a highly acquisitive organisation, Visma presents net income adjusted for items driven by the M&A transactions themselves. The company believes this gives a better underlying picture of the net income from its operations. The following items are added back to net income from continuing operations: Amortisation of intangible assets arising from the purchase price allocations of acquisitions, net financial income/expense from contingent consideration related to business combinations, M&A expenses. The deferred tax impact of these items is also deducted in the calculation.

(EUR in thousands)	Q3 24	Q3 23
Net income from continuing operations	66 902	5 242
Amortisation related to PPAs from business combinations	81 458	71 590
Net financial expense on contingent consideration related to business combinations	19 101	67 049
M&A expenses	1 256	1 963
Deferred tax impact	(24,505)	(14,350)
Adjusted net income	144 211	131 493

General information

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.

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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