



Visma Consulting A/S

Gærtorvet 1, 1799 København V

CVR no. 29 97 33 34

Annual report 2021

Approved at the Company's annual general meeting on 31 January 2022

Chair of the meeting:

.....
Øystein Moan

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Visma Consulting A/S for the financial year 1 January - 31 December 2021.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 31 January 2022
Executive Board:

.....
Lars E. Berthelsen
Managing Director

Board of Directors:

.....
Øystein Moan
Chair

.....
Lars Engbork

.....
Carsten Boje Møller

Independent auditor's report

To the shareholder of Visma Consulting A/S

Opinion

We have audited the financial statements of Visma Consulting A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 January 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren Smedegaard Hvid
State Authorised Public Accountant
mne31450

Management's review

Company details

Name	Visma Consulting A/S
Address, Postal code, City	Gærtorvet 1, 1799 København V
CVR no.	29 97 33 34
Established	20 October 2006
Registered office	Kgs. Lyngby
Financial year	1 January - 31 December
Website	www.visma.com
Board of Directors	Øystein Moan, Chair Lars Engbork Carsten Boje Møller
Executive Board	Lars E. Berthelsen, Managing Director
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights

DKK'000	2021	2020	2019	2018	2017
Key figures					
Revenue	396,280	334,137	292,492	235,726	210,596
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	66,471	51,870	43,646	29,458	23,832
Operating profit/loss	54,018	46,901	41,926	27,555	22,000
Net financials	-312	-608	53	-180	193
Profit for the year	50,341	38,656	32,736	21,350	17,701
Total assets					
Investments in property, plant and equipment	2,185	3,390	1,103	596	1,558
Equity	58,311	67,159	58,503	43,229	55,879
Financial ratios					
EBITDA-margin	16.8%	15.5%	14.9%	12.5%	11.3%
Return on assets	26.3%	25.1%	33.2%	27.3%	19.0%
Current ratio	158.2%	163.8%	168.1%	189.1%	212.5%
Equity ratio	29.8%	31.2%	37.1%	45.8%	51.8%
Return on equity	80.2%	61.5%	64.4%	43.1%	31.0%
Average number of full-time employees					
	208	170	156	128	125

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

The company is merged with Mind4IT A/S per 1 January 2019 for which comparative figures are not included in finance highlights for 2017-2018. The company is merged with Ditmer A/S per 1 January 2021 for which comparative figures are not included in finance highlights for 2017-2020.

Management's review

Business review

In Visma Consulting A/S, we work to digitise Denmark. We help both public and private companies to develop, modernise and maintain their IT solutions.

We provide standard and customised solutions, software as a service and consultancy. Together with our customers, we create increased productivity and growth in Denmark to the benefit of us all.

Mission and target

Visma Consulting A/S is part of the "Visma Custom Solutions Division" in the Visma Group. The Company is a leading provider of business critical and customised IT solutions through a broad range of competences within consulting, system development, application management and software solutions.

Visma Consulting A/S provides IT solutions that are based on understanding the customer's businesses, challenges and potential. The IT solutions cover strategy and process-optimisation, development and implementation of applications on a broad spectrum of platforms, integration and application management. The strength of the company is to create value through intelligent integration between systems and customer business processes.

Recognition and measurement uncertainties

The Company has not experienced any uncertainties relating to recognition and measurement at the preparation of the financial statements for 2021.

Financial review

The company's Revenue is DKK 396.3 million. This is an increase of +18.6% compared to last year's Revenue of DKK 334.1 million.

The company's profit before amortisation and depreciation (EBITDA) is DKK 66.7 million. This is an increase of +28.7% compared to last year's EBITDA of DKK 51.9 million. Visma Consulting A/S has this year recognised an extraordinary income of DKK 6.6 million related to part of the merged business activities from Ditmer A/S to Visma Local Government A/S.

The profit of the year is a surplus of DKK 50.3 million compared to last year's profit of DKK 38.7 million, which is an increase of +30%.

With realized EBITDA-margin of 16.8% and an increase in revenue to DKK 396.3 million.

The results are in line with expectations and considered satisfactory.

Events in 2021

Visma Consulting A/S continues to be a healthy company with good customers, good employees and a strong economy. The company was not negatively affected by the COVID-19 pandemic.

Visma Consulting A/S moved from the premises in Lyngby in May 2021 and into a combined Visma Denmark domicile in Carlsberg Byen, a central location in Copenhagen.

Knowledge resources

The key to create value for the customers is the personal development of the employees. Through competence development programs and continuing education, the company assures that the employees continuously update their skills to fit the customers' current and future demands.

Visma Consulting A/S requires that the employees have a general knowledge of IT and the customers' business processes, but also that they have the time to specialise in specific fields.

Management's review

Statutory CSR report

Business model

Visma Consulting A/S advises both public and private companies in developing, modernizing and maintaining their IT solutions, including cloud solutions. Visma's vision is to shape the future of society through technology. Our software gives people the opportunity to streamline processes and take advantage of vast amounts of data – offering a world of new opportunities for businesses and organisations. In Visma's role as a leading international software company, we have the opportunity to positively impact the world and drive change towards more sustainable business practices in all of our operations and value chains. At Visma Consulting, we work to strengthen the community of which we are a part of. Technology is the means. Growth and welfare is the goal.

Human rights and anti-bribery & corruption policy

In Visma, we have an anti-corruption program with a policy and dedicated responsible personnel in the Visma companies. The policy gives practical guidance on how to act in relevant situations in addition to general information about anti-corruption and why it is important to us. An annual anti-corruption training is part of our anti-corruption program. For more information about our work against corruption and bribery, read Visma's Anti-corruption policy.

Visma does not tolerate any violations of human rights among our suppliers, partners, customers, and other stakeholders, and we are committed to conducting our business ethically and with integrity. We comply with all applicable employment legislation, including employee pay and working conditions in Denmark and we invest heavily in supporting the health and wellbeing of our staff. Based on the nature of our business as a professional software provider, we consider the risks of modern slavery and human trafficking in our value chain to be low. To reduce risks, we strive towards selecting reliable and well-known world class vendors. We also undertake due diligence when evaluating agreements with new suppliers, and we regularly review our existing suppliers. Visma Consulting has not experienced any human rights violations in connection to due diligence of new suppliers, or through review of existing suppliers. In the coming years, we expect to continue the due diligence and review procedures to keep potential risks at a minimum.

Actions and results:

In 2021, Visma Consulting A/S did not experience any cases of corruption and all employees completed the annual anti-corruption and code of conduct training e-learning program. In the coming years, we expect to continue the annual anti-corruption and bribery training program as well as introduce a diligent vendor assessment policy.

Environmental and climatic conditions

Politics:

At Visma, we are in the process of defining a unified approach towards sustainability, including identifying the performance indicators that are most important for us to track. While we have mainly office-based operations and do not produce physical goods, protecting the environment and managing our own impacts is simply the right thing to do, as well as being a sound way to conduct business. The transition to a low-carbon, resource-efficient and circular economy, in line with the United Nations' Sustainable Development Goals, is key to ensuring long-term competitiveness. An important step in our efforts to gain better insight into the environmental impacts of all parts of the organisation is to measure our carbon footprint. To do this, we have started the process of onboarding into carbon accounting software provided by Worldfavor AB since the beginning of 2021.

Risks:

Visma Consulting A/S's most significant environmental and climate impact happens through Air travel and heating & cooling of offices. We will, together with Visma Group, look more into the impact of data centers in 2022. The Covid-19 pandemic significantly reduced business travel during 2021, and conducting meetings online has proved to be an efficient way to both decrease wasted (travel) time and reduce carbon emissions. We will continue with this new way of conducting meetings online and hold the business travel to a bare minimum.

Management's review

Actions and results:

Historically, sustainability initiatives have been implemented differently across Visma companies, markets and office locations. As a result of this, there are different levels of maturity when it comes to working with sustainability across the organisation. Currently, we are working on a new sustainability strategy with a more unified approach. As part of our strategy work, we are developing a new Visma-wide Sustainability Policy to complement our already existing policies. This group policy aims to set a foundation for improved transparency and governance on sustainability topics within Visma. Visma Consulting A/S' new home in Carlsberg Byen is a sustainable building, this means using and introducing available resources consciously, minimising energy consumption and preserving the environment. The building is gold-certified in the DGNB system, which is based on the concept of holistic sustainability, placing equal emphasis on the environment, people and commercial viability. Almost all areas of the building, from the construction process itself to the materials used, space planning, energy concept, lighting and waste management, play a part in achieving the certification. The roofs have an important function: They protect against cloudbursts, save CO2 and give life to new residents such as birds and bees. The roof of the building has solar panels, and on days with clear skies, the building covers its own energy consumption. Visma Consulting A/S has actively sought to reduce e-waste during 2021 by arranging collection of private e-waste from the employees with the aim of recycling the products in a substantial method.

Expectations for the work ahead:

Going forward, Visma Consulting A/S expects to intensify its efforts to reduce environmental and climate conditions through the use of the new Visma-wide Sustainability Policy.

Social and employee relations

Politics:

It is Visma Consulting A/S goal to have a good and safe working environment for all employees. The other policies regarding social conditions and employee relations are formulated in our personnel handbook. The wellbeing of our employees is one of our greatest priorities. Through various measures for diversity and inclusion, we take steps we believe will lead to a more dynamic, happy, and innovative company.

Risks:

The most significant identified risk in relation to social and employee conditions is a poor working environment which can lead to stress.

Actions and results:

Visma Consulting A/S has an initiative called a "safe and healthy working day". We have a work environment group consisting of a safety manager and safety representative at our locations in Aarhus and in Copenhagen. The tasks conducted annually and during 2021 of our work environment groups are to observe and solve the safety and health challenges that may arise in the area that the group covers. This can be the physical and mental work environment, bullying and harassment as well as the indoor climate. In addition, the work environment group also prepares the company's APV (Workplace assessment). Consequently, the work environment group have been able to provide a healthier work environment with satisfied and happy employees throughout 2021, through actions related to better lighting and working conditions at our offices.

Expectations for the work ahead:

Joint focus on well-being, health, training and the mental well-being for our employees in Visma Consulting A/S. Visma Consulting A/S has hired Company Health, an authorized health consultancy company who ensures both physical and mental health in the workplace.

Covid-19

Politics:

Visma Consulting A/S wants to ensure that the health of all employees is ensured in the best possible way.

Management's review

Risks:

We do not know if the pandemic will have an impact in 2022, that is why we still have our precautions and guidelines for dealing with Covid-19.

Actions and results:

During the financial year, measures have been taken on an ongoing basis to ensure that employees are protected as best as possible against infection with Covid-19. Among other things, various guidelines have been introduced, protective equipment has been made available and staff segregation and homework have been introduced where possible. As a result, the number of infected employees has been kept to an absolute minimum.

Account of the gender composition of Management

The gender equality policy prescribes that the personnel composition on all managerial levels should reflect the overall gender composition in the company. Being an equal opportunity employer, the company wishes to promote values such as mutual respect, togetherness and diversity among the personnel. When recruiting, the company aims to ensure that both sexes are represented in the selection of candidates. The company wishes to promote an even gender balance in all job functions without engaging in positive discrimination. Thus, all new hires will happen on the basis of an overall assessment of how well a candidate's qualifications match job requirements. Visma Consulting A/S has an overall gender composition of 84% men and 16% women. In addition, the gender composition in the board of directors is 86% men and 14% women, which reflects the company's general gender composition. There is always more we can do to improve gender balance in our company and in the technology industry as a whole. Our management team focuses on gender balance, which leads to more dynamic discussions and more robust decision-making. Some of our initiatives and activities include employer branding at technical universities represented by both male and female representatives from Visma and various activities aiming at increasing the female representation in higher technical educational institutions such as our support of the SHE Community and Women in Tech. We will continue to work towards a more balanced gender ratio in the workplace in the years to come because we believe—and have experienced—that this contributes to a better working environment, greater creativity and adaptability, and better results in the long run. It is the goal to increase the number of females in the board, to at least 1 or 33% before the year 2025. In 2021, no new candidates were elected to the board of directors. Hence, the goal has not yet been reached.

Events after the balance sheet date

Subsequent to closing of the annual accounts for 2020, Visma Consulting A/S has acquired the consulting operations from Ditmer A/S.

Besides the above, no other events have occurred after the financial year end, which could significantly affect the Company's financial position.

Outlook

Expectations to 2022

The economic objectives for 2022 are:

- Revenue growth of minimum 10,0%
- EBITDA margin of minimum in the range of 17,0%

Financial statements 1 January - 31 December

Income statement

Note	DKK	2021	2020
	Revenue	396,280,109	334,136,802
2	Other operating income	10,825,293	3,329,079
	Other external expenses	-185,226,539	-156,526,120
	Gross profit	221,878,863	180,939,761
3	Staff costs	-155,408,281	-129,070,061
4	Amortisation/depreciation of intangible assets and property, plant and equipment	-1,626,805	-1,639,372
	Profit before net financials	64,843,777	50,230,328
	Financial income	28,085	22,178
	Financial expenses	-339,870	-630,038
	Profit before tax	64,531,992	49,622,468
5	Tax for the year	-14,190,960	-10,966,901
	Profit for the year	50,341,032	38,655,567

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Fixed assets		
6	Intangible assets		
	Acquired intangible assets	134,649	122,412
		<u>134,649</u>	<u>122,412</u>
7	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	4,248,899	3,727,792
	Leasehold improvements	107,140	124,133
		<u>4,356,039</u>	<u>3,851,925</u>
	Total fixed assets	<u>4,490,688</u>	<u>3,974,337</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	114,101,040	95,557,913
8	Work in progress for third parties	831,340	1,301,804
	Receivables from group enterprises	66,373,387	111,147,397
10	Deferred tax assets	0	1,517,164
	Other receivables	1,027,913	101,654
	Prepayments	1,804,209	1,677,535
		<u>184,137,889</u>	<u>211,303,467</u>
	Cash	7,243,714	0
	Total non-fixed assets	<u>191,381,603</u>	<u>211,303,467</u>
	TOTAL ASSETS	<u><u>195,872,291</u></u>	<u><u>215,277,804</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	EQUITY AND LIABILITIES		
	Equity		
9	Share capital	4,585,335	4,584,335
	Retained earnings	8,725,499	2,574,474
	Dividend proposed	45,000,000	60,000,000
	Total equity	<u>58,310,834</u>	<u>67,158,809</u>
	Provisions		
10	Deferred tax	302,128	0
	Other provisions	1,500,000	6,519,273
12	Total provisions	<u>1,802,128</u>	<u>6,519,273</u>
	Liabilities other than provisions		
11	Non-current liabilities other than provisions		
	Other payables	14,770,771	12,599,150
		<u>14,770,771</u>	<u>12,599,150</u>
	Current liabilities other than provisions		
	Trade payables	68,998,429	71,020,748
	Payables to group enterprises	2,291,556	5,138,486
	Joint taxation contribution payable	12,491,966	12,657,025
13	Other payables	28,776,386	32,727,980
	Deferred income	8,430,221	7,456,333
		<u>120,988,558</u>	<u>129,000,572</u>
		<u>135,759,329</u>	<u>141,599,722</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>195,872,291</u></u>	<u><u>215,277,804</u></u>

- 1 Accounting policies
- 14 Contractual obligations and contingencies, etc.
- 15 Collateral
- 16 Related parties
- 17 Fee to the auditors appointed by the Company in general meeting
- 18 Appropriation of profit

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK	Share capital	Retained earnings	Dividend proposed	Total
	Equity at				
	1 January 2020	4,584,335	23,918,907	30,000,000	58,503,242
18	Transfer, see				
	"Appropriation of profit"	0	-21,344,433	60,000,000	38,655,567
	Dividend distributed	0	0	-30,000,000	-30,000,000
	Equity at				
	1 January 2021	4,584,335	2,574,474	60,000,000	67,158,809
	Additions on				
	merger/corporate acquisition	1,000	1,550,588	0	1,551,588
18	Transfer, see				
	"Appropriation of profit"	0	5,341,032	45,000,000	50,341,032
	Other value adjustments of equity	0	-740,595	0	-740,595
	Dividend distributed	0	0	-60,000,000	-60,000,000
	Equity at				
	31 December 2021	4,585,335	8,725,499	45,000,000	58,310,834

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Visma Consulting A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the parent company is prepared, as the parent company's cash flows are part of the consolidated cash flow statement.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

The entity have agreements regarding services on behalf of suppliers, where the entity is not taking on material risks related to the services. Income is recognized as work is performed and delivered from the supplier to the third parties, where the entity earns the right to commission. Revenue is recognized to net value of the commission.

Revenue is recognized without VAT charged on behalf of the third parties. All discounts are recognized within the revenue

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Software	3-5 years
Fixtures and fittings, other plant and equipment	3-5 years
Leasehold improvements	3-10 years

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Other intangible assets include acquired intangible rights, including software licences and distribution rights.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Impairment of fixed assets

Intangible assets, property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Work in progress for third parties

Ongoing service supplies and work in progress for third parties are measured at the market value of the work performed less advances received. The market value is calculated on the basis of the percentage of completion at the balance sheet date and the total expected income from the relevant contract. The percentage of completion is made up based on costs incurred relative to the expected, total expenses on each individual work in progress.

Where the outcome of contract work in progress cannot be made up reliably, the market value is measured at the costs incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of each contract in progress less prepayments is classified as assets when the market value exceeds prepayments and as liabilities when prepayments exceed the market value.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash and cash equivalents comprise cash which is subject to an insignificant risk of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, restructurings, etc. Provisions are recognised when the company has a legal or constructive obligation as a result of a past event at the balance sheet date and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
EBITDA-margin	$\frac{\text{Earnings before interest, taxes and amortisations (EBITDA)} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

Financial statements 1 January - 31 December

Notes to the financial statements

2 Other operating income

Other operating income includes gains on the sale of goodwill and rental income.

DKK	2021	2020
3 Staff costs		
Wages/salaries	144,590,085	120,497,751
Pensions	6,090,383	5,473,164
Other social security costs	2,051,883	561,282
Other staff costs	2,675,930	2,537,864
	<u>155,408,281</u>	<u>129,070,061</u>
Average number of full-time employees	<u>208</u>	<u>170</u>

Total remuneration to Management: DKK 3.621 thousand (2020: DKK 2.981 thousand)

By reference to section 98b(3), (i), of the Danish Financial Statements Act, remuneration to Management is disclosed total and not separately by category.

4 Amortisation/depreciation of intangible assets and property, plant and equipment

Amortisation of intangible assets	108,713	252,613
Depreciation of property, plant and equipment	1,518,092	1,386,759
	<u>1,626,805</u>	<u>1,639,372</u>

5 Tax for the year

Estimated tax charge for the year	12,488,861	12,653,919
Deferred tax adjustments in the year	1,702,099	-1,687,018
	<u>14,190,960</u>	<u>10,966,901</u>

6 Intangible assets

DKK	Acquired intangible assets
Cost at 1 January 2021	5,544,481
Additions	120,950
Cost at 31 December 2021	<u>5,665,431</u>
Impairment losses and amortisation at 1 January 2021	5,422,069
Amortisation for the year	108,713
Impairment losses and amortisation at 31 December 2021	<u>5,530,782</u>
Carrying amount at 31 December 2021	<u>134,649</u>
Amortised over	<u>3-5 years</u>

Financial statements 1 January - 31 December

Notes to the financial statements

7 Property, plant and equipment

DKK	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2021	17,511,867	2,793,494	20,305,361
Additions	2,022,206	0	2,022,206
Cost at 31 December 2021	19,534,073	2,793,494	22,327,567
Impairment losses and depreciation at 1 January 2021	13,784,075	2,669,361	16,453,436
Depreciation	1,501,099	16,993	1,518,092
Impairment losses and depreciation at 31 December 2021	15,285,174	2,686,354	17,971,528
Carrying amount at 31 December 2021	4,248,899	107,140	4,356,039
Depreciated over	3-5 years	3-10 years	

DKK	2021	2020
8 Work in progress for third parties		
Selling price of work performed	5,354,135	8,049,040
Progress billings	-4,522,795	-6,747,236
	831,340	1,301,804

9 Share capital

Analysis of the share capital:

4,502,000 A shares of DKK 1.00 nominal value each	4,502,000	4,501,000
83,335 B shares of DKK 1.00 nominal value each	83,335	83,335
	4,585,335	4,584,335

Analysis of changes in the share capital over the past 5 years:

DKK	2021	2020	2019	2018	2017
Opening balance	4,584,335	4,584,335	4,583,335	4,583,335	4,583,335
Capital increase	1,000	0	1,000	0	0
	4,585,335	4,584,335	4,584,335	4,583,335	4,583,335

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2021	2020
10 Deferred tax		
Deferred tax at 1 January	-1,517,164	120,646
Addition, merger	117,193	0
Deferred tax adjustments in the year	1,702,099	-1,637,810
Deferred tax at 31 December	302,128	-1,517,164

Deferred tax relates to:

Intangible assets	29,623	28,996
Property, plant and equipment	-229,059	-225,390
Receivables	998,516	532,101
Provisions	-496,952	-1,852,871
	302,128	-1,517,164

11 Non-current liabilities other than provisions

DKK	Total debt at 31/12 2021	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Other payables	14,770,771	0	14,770,771	14,770,771
	14,770,771	0	14,770,771	14,770,771

12 Provisions

Other provisions comprise of provisions for idle office space and reestablishment of leasehold improvement.

DKK	2021	2020
13 Other payables		
VAT and other indirect taxes	4,456,398	3,871,217
Salary taxes, social security contributions, etc.	4,900,133	11,500,955
Compensated absence commitment	8,402,801	5,887,849
Other accrued expenses	11,017,054	11,467,959
	28,776,386	32,727,980

Financial statements 1 January - 31 December

Notes to the financial statements

14 Contractual obligations and contingencies, etc.

Other contingent liabilities

DKK	2021	2020
Guarantee commitments	<u>0</u>	<u>214,377</u>
	<u>0</u>	<u>214,377</u>

The Company is jointly taxed with its parent, Visma Danmark Holding A/S, which acts as management company, and is jointly and severally with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends falling due for payment.

Other financial obligations

Rent and lease liabilities vis-à-vis the parent company and its other subsidiaries:

Rent and lease liabilities	<u>16,741,443</u>	<u>0</u>
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Other rent and lease liabilities:

DKK	2021	2020
Rent and lease liabilities	<u>10,304,625</u>	<u>11,261,600</u>

15 Collateral

The Visma Group has a cash pool agreement, under which the Norwegian parent company, Visma AS, is the holder of the agreement, while other group companies are sub-account holders. The bank can settle drafts and deposits with each other, so the net amount constitutes a balance between the bank and Visma AS. For Visma Consulting A/S's intercompany balances, 62,9 million are included in the joint cash pool agreement.

16 Related parties

Visma Consulting A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Metatron AS	Oslo, Norway	Ultimate owner
Visma Danmark Holding A/S	Copenhagen, Denmark	Capital owner, 100%

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Visma AS	Oslo, Norway	www.visma.com/investors
Visma Group Holding AS	Oslo, Norway	Karenslyst allé 56, P.O Box 733 Skøyen, NO-0214, Oslo

Financial statements 1 January - 31 December

Notes to the financial statements

16 Related parties (continued)

Related party transactions

Other related parties

The parent company Visma AS and its affiliated are the only related parties of Visma Consulting A/S.

The company solely discloses transactions that have not been carried out on arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on arm's length basis.

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
Visma Danmark Holding A/S	Copenhagen, Denmark

17 Fee to the auditors appointed by the Company in general meeting

Audit fees are not disclosed with reference to section 96(3) of the Danish Financial Statements Act. The fee is specified in the consolidated financial statements for Visma AS.

DKK	2021	2020
18 Appropriation of profit		
Recommended appropriation of profit	45,000,000	60,000,000
Proposed dividend recognised under equity	5,341,032	-21,344,433
Retained earnings/accumulated loss	50,341,032	38,655,567



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Øystein Moan

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1/30/2022 9:57 PM

Søren Smedegaard Hvid

Signer's name supplied by Michael Assam
1/31/2022 10:03 AM

Lars Engbork

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Documents in the transaction

This document

2021 Årsrapport Visma Consulting AS.pdf

The documents and attachments above have been signed and sent to all parties by e-mail or as a download link. Signer is responsible for downloading and securing the content of the documents and attachments.

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2022-01-30 14:45 A notification has been sent to Lars Engbork
2022-01-30 14:45 A notification has been sent to Lars Berthelsen
2022-01-30 14:45 A notification has been sent to Øystein Moan
2022-01-30 14:45 A notification has been sent to Carsten Boje Møller
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2022-01-30 19:41 The document was opened via the link sent to Lars Berthelsen
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2022-01-31 08:25 The document was signed by Lars Engbork (IP: 80.161.x.x)
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