

Q2 and H1 2020

Webstep ASA

Oslo | 26 August 2020

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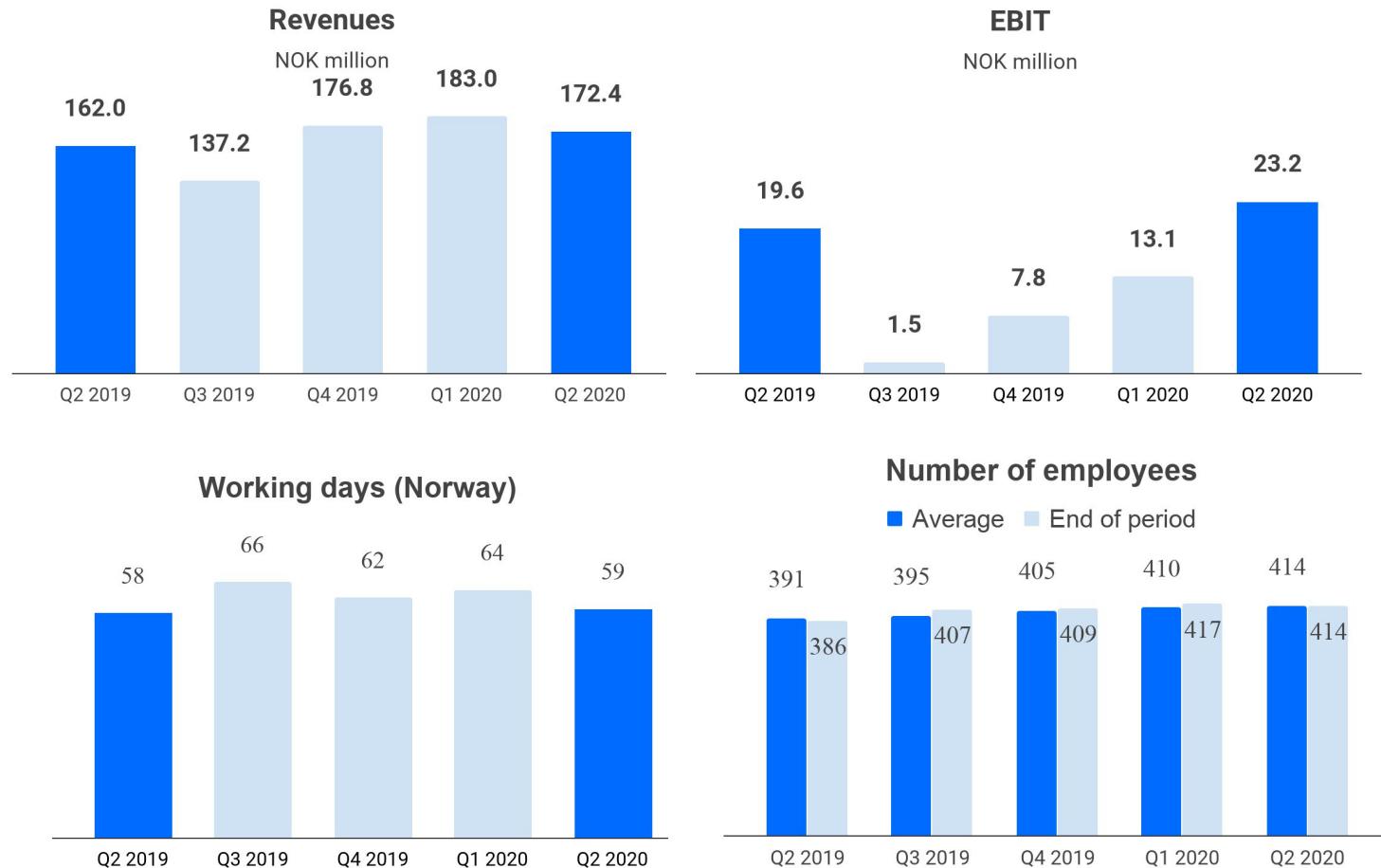
Agenda

1. Q2 and H1 highlights
2. Business review
3. Financial review
4. Outlook
5. Q&A



Q2 and H1 highlights

- Revenue growth of 6.4% in Q2 and 2.6% in H1
- Solid EBIT
- Continued strong market for IT expert services
- Reduced recruitment activity in Q2, back to normal in Q3
- Strong growth in project deliveries (Solutions)
- Webstep Sweden with increased profitability
- The Board maintains its intention to distribute dividend in 2020



Business review



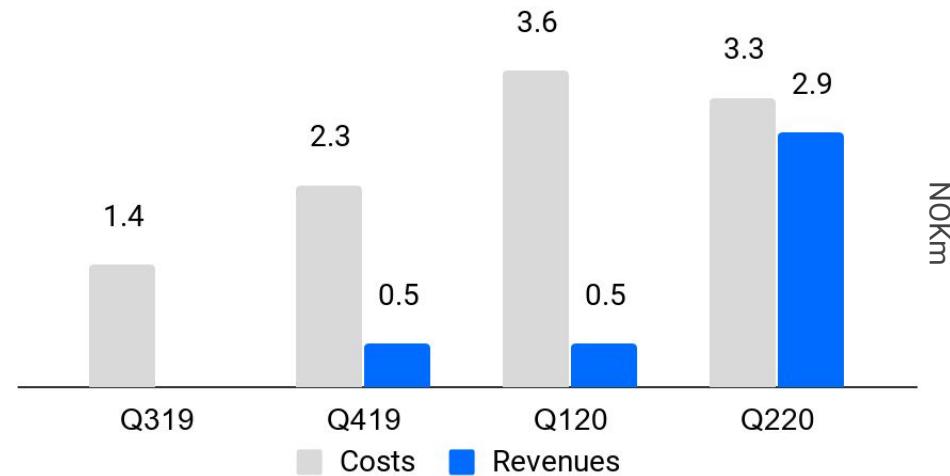
Steady operations and continued demand

Expert Services

- Continued operations through the lock-down
- Webstep experts critical resources for customers
- Steady demand for IT consultants
- High activity in all regions

Solutions

- New contracts signed in Q2 - deliveries start in Q4
- Further development made in municipality offering - set to launch in October
- High recruitment activity to meet demand



Webstep as lead IT partner

Enova selected Webstep as lead IT partner for next 4 years.

- Agreement focused on digitizing the company and make Enova a data driven organization
- Webstep will act as a trusted advisor and ensure development of a cloud based platform
- New solution (named plattform 42) will ensure seamless and agile digital processes and automated tools supporting development of new technology

Enova SF contributes to reduced greenhouse gas emissions, development of energy and climate technology and a strengthened security of supply.

ENOVA



Webstep supports the global COVID-19 response

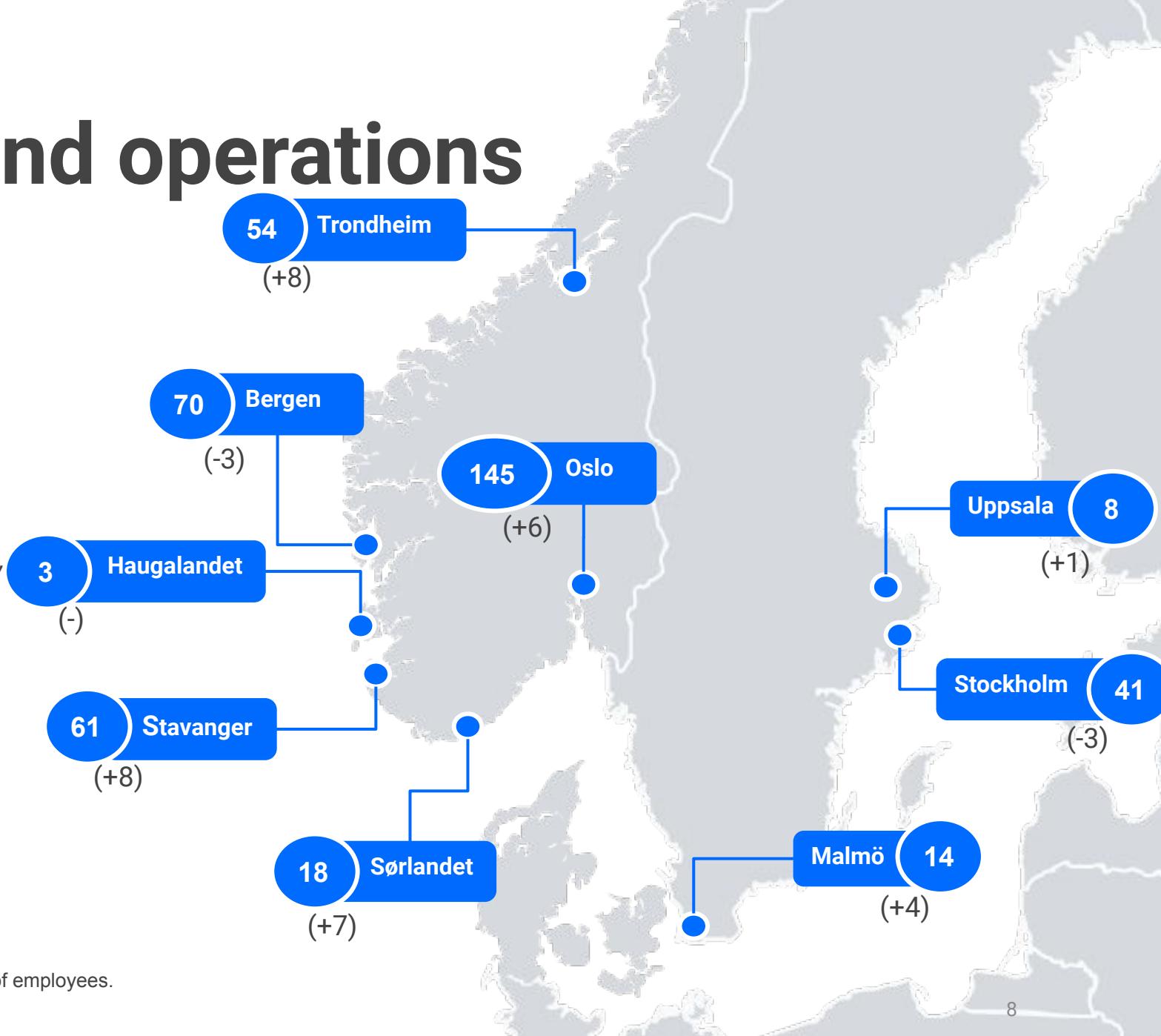
- A new digital app for peer-to-peer training related to COVID-19 protection equipment was delivered in April 2020 by Webstep senior consultants
- Webstep has been a trusted provider of services related to design, development and project management for various digital projects and deliveries

Laerdal Medical is a global provider of products and services to the healthcare industry. The company's vision is Helping save lives.



Organization and operations

- 414 employees at the end of Q2 2020
 - Up 5 from year-end 2019
 - Up 28 last 12 months
- Average number of employees in the quarter up 5.9% from Q2 2019
- COVID-19:
 - Most of the employees worked from home offices in Q2
 - Closed kindergartens and schools in Norway affected work situation for employees with children
 - Recruitment activities slowed down
 - COVID-19 salary programme to provide security for consultants
 - Utilization lower than normal
- Sundsvall served from Stockholm going forward



Note: Numbers in parentheses refer to year-over-year growth in number of employees.

Financial review



Key figures - Group

NOK million	Q2	Q2	Y/Y %	H1	H1	Y/Y %
	2020	2019	growth	2020	2019	growth
Sales revenues	172.4	162.0	6.4%	355.4	346.5	2.6%
EBITDA	26.7	22.0	21.4%	43.2	44.3	(2.4%)
EBITDA margin	15.5%	13.5%	2.0pp	12.2%	12.8%	(0.6pp)
EBIT	23.2	19.6	18.4%	36.3	39.8	(8.7%)
EBIT margin	13.5%	12.1%	1.4pp	10.2%	11.5%	(1.3pp)
Net profit	17.7	14.8	19.3%	27.3	30.2	(9.8%)
Net cash flow	11.6	(19.9)	158.4%	25.3	(27.8)	191.1%
Earnings per share (NOK)	0.66	0.56	18.4%	1.02	1.14	(10.5%)
Earnings per share. fully diluted (NOK)	0.66	0.56	18.8%	1.02	1.14	(10.2%)
Equity ratio	68.7%	64.1%	4.5pp	68.7%	64.1%	4.5pp
Cash and cash equivalents	50.8	5.7		50.8	5.7	
Number of employees, average (FTE)	414	391	5.9%	412	395	4.4%
Number of employees, end of period	414	386	7.1%	414	386	7.1%
EBITDA per FTE (NOK thousand)	64.6	56.1	15.1%	105.0	112.1	(6.4%)
EBIT per FTE (NOK thousand)	56.2	50.2	11.9%	88.2	100.8	(12.5%)

Q2 and H1 highlights

- Revenue growth driven by headcount and hourly rates
- Estimated negative effect of COVID-19 on revenues:
 - Ca. NOK 10 million in Q2
 - Ca. NOK 13 million in H1
 - Canceled projects and family care leave
- Solid financial results
 - COVID-19 salary program for consultants funded by cost savings and reduced social security contribution tax
 - Estimated negative effect on EBIT from COVID-19: NOK 1 million in Q2 and NOK 3 million in H1
- Net cash flow positively affected by extended payment terms for taxes

Key figures - Norway

NOK million	Q2	Q2	Y/Y %	H1	H1	Y/Y %
	2020	2019	growth	2020	2019	growth
Sales revenues	145.7	138.4	5.3%	301.1	300.0	0.3%
EBIT	20.5	18.6	10.0%	31.1	38.2	(18.5%)
EBIT margin	14.0%	13.4%	0.6pp	10.3%	12.7%	(2.4pp)
Number of employees, average (FTE)	351	329	6.7%	348	334	4.2%
Number of employees, end of period	351	325	8.0%	351	325	8.0%
Number of work days, excl. vacation	59	58		123	121	
EBIT per FTE (NOK thousand)	58.3	56.5	3.1%	89.4	114.3	(21.8%)
Revenue breakdown						
NOK million	Q2	Q2	Y/Y %	H1	H1	Y/Y %
	2020	2019	growth	2020	2019	growth
Oslo	66.1	71.2	(7.2%)	136.2	161.3	(15.6%)
Regional offices	76.7	67.2	14.1%	161.5	138.7	16.4%
Solutions	2.9	0	-	3.4	0	-
Total	145.7	138.4	5.3%	301.1	300.0	0.3%

Q2 and H1 highlights

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 - Ca. NOK 10 million in Q2
 - Ca. NOK 13 million in H1
 - Canceled projects and family care leave
- Solid financial results
 - COVID-19 salary program for consultants funded by cost savings and reduced social security contribution tax
- Government grants of NOK 4.3 million in Q2 and H1

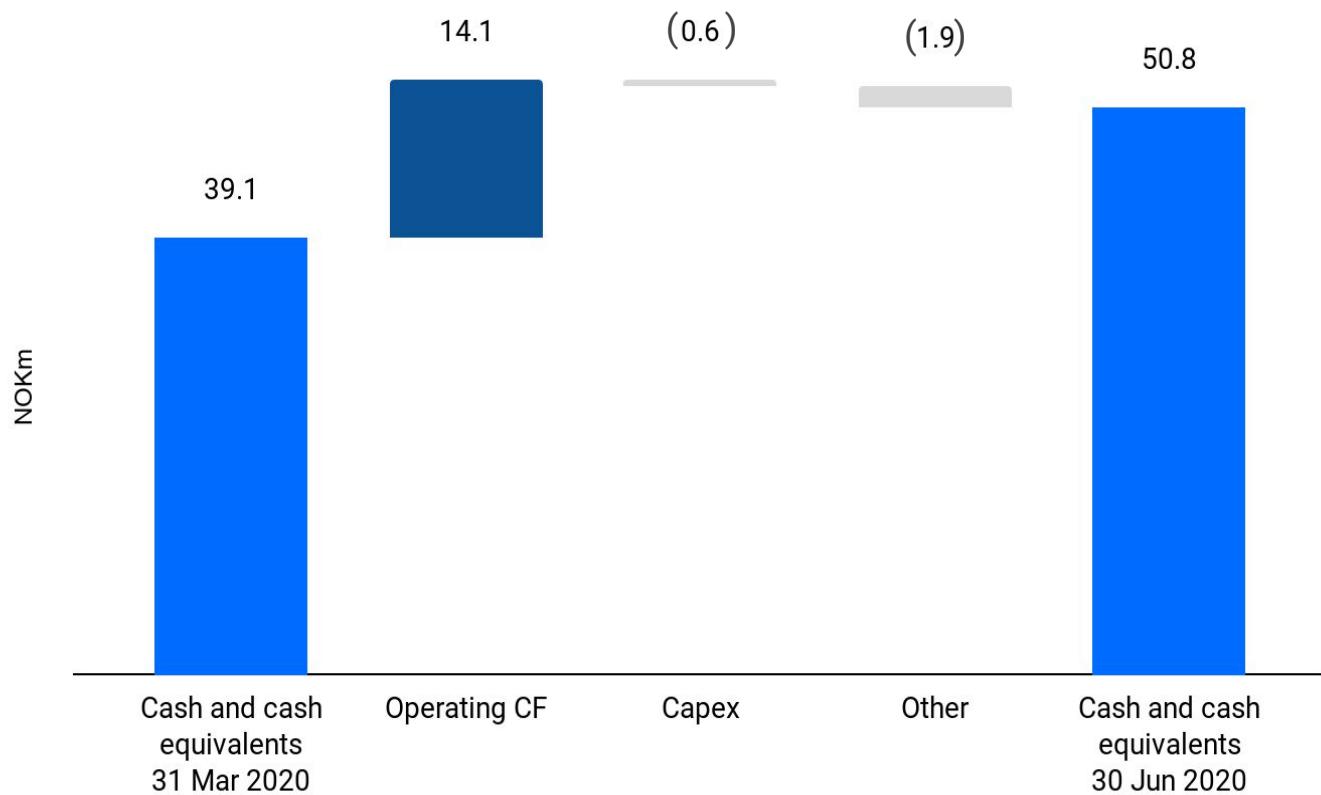
Key figures - Sweden

NOK million	Q2 2020	Q2 2019	Y/Y % growth	H1 2020	H1 2019	Y/Y % growth
Sales revenues	26.7	23.6	13.1%	54.3	46.4	17.1%
EBIT	2.8	1.0	176.2%	5.2	1.6	223.3%
EBIT margin	10.4%	4.2%	6.2pp	9.6%	3.5%	6.1pp
Number of employees, average (FTE)	63	62	1.6%	63	61	3.8%
Number of employees, end of period	63	61	3.3%	63	61	3.3%
Number of work days, excl. vacation	60	59		123	122	
EBIT per FTE (NOK thousand)	43.8	16.1	171.9%	82.9	26.6	211.3%

Q2 and H1 highlights

- Constant currency revenue growth Y/Y:
 - Decrease 0.5% in Q2
 - Increase 6.5% in H1
- Increased revenue from own consultants:
 - + 11.9% (constant currency) in Q2
 - + 15.2% (constant currency) in H1
- Improved EBIT margins from cost savings and increased revenues from consultants

Cash flow and net debt



Q2 highlights

- Operating cash flow increase from negative NOK 6.4 million in Q2 2019 to positive NOK 14.1 million in 2020
 - Temporary positive effect of NOK 8.7 million in payment terms of taxes
- Capex relates to office equipment
- Total lease liabilities of NOK 33.3 million, comprise of office rentals and company cars in Sweden (not included in NIBD)
- Undrawn credit line of NOK 110 million in Norway and SEK 5 million in Sweden per end of quarter

	30 Jun 2020
Cash and cash equivalents*	(50.8)
Restricted cash	2.4
Debt to credit institutions	0.0
Net interest bearing debt (NIBD)	(48.4)
NIBD/EBITDA (rolling 12 months)	(0.82)

*Negative indicates positive amount

Outlook



Outlook

- Carefully optimistic market outlook
 - *Signed order flow from Q2 builds a solid foundation for H2*
- Continued focus on retention and recruitment:
 - *Recruitment drive ongoing in all locations*
 - *Q3 headcount expected to be higher than Q2, but paused recruitment activities in Q2 will have a lagging effect in Q4*
 - *COVID-19 salary programme for consultants continues through October*
 - *Continued home office*
- Organic growth in existing locations through recruitment and utilization is the main focus in the coming quarters



Q&A



Appendix

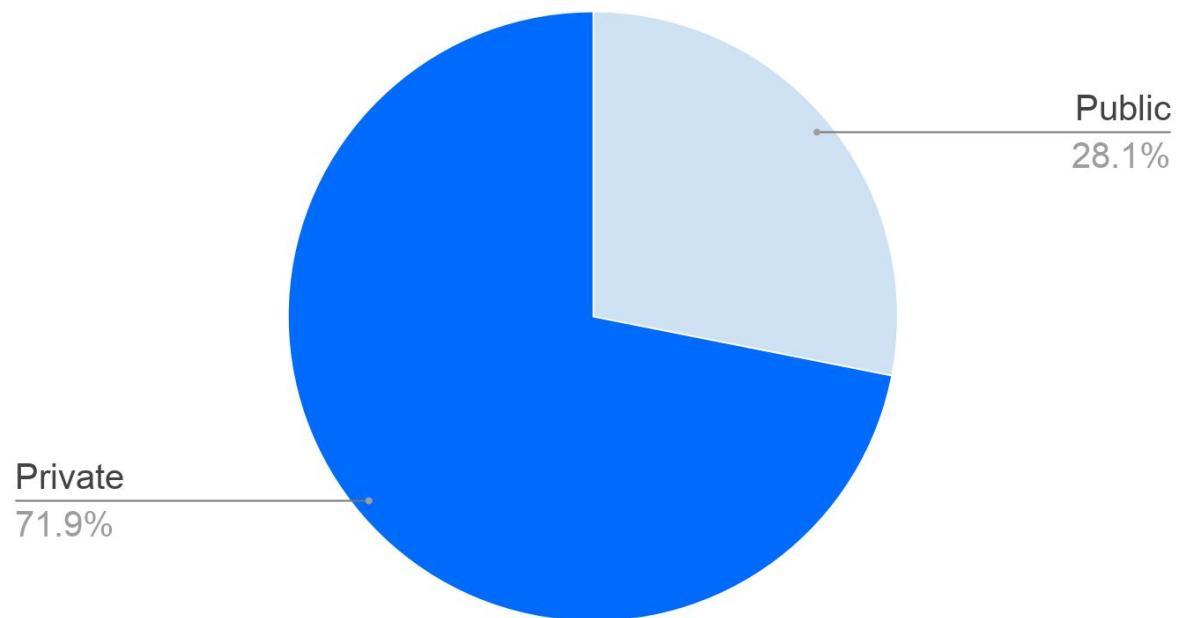


Top 20 shareholders at 8 August 2020

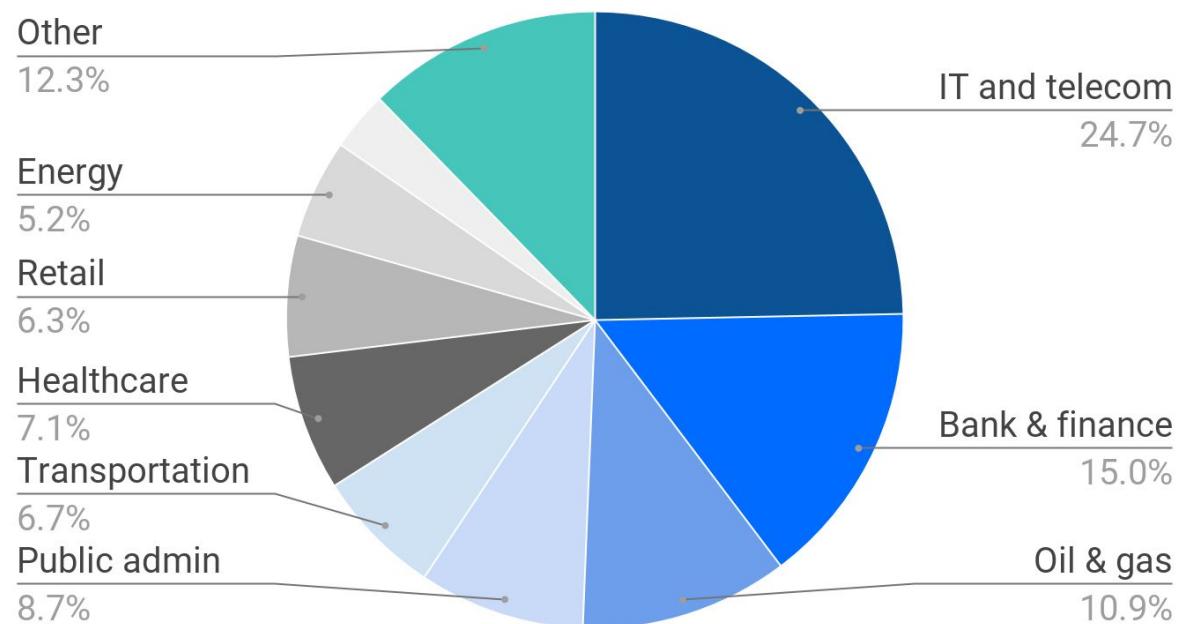
Shareholder name	Shares	%	Type	Country
EMBRO EIENDOM AS	7,608,735	28.2%	Ordinary	Norway
Virtus KAR International Small-Cap	3,119,279	11.6%	Ordinary	United States
VERDIPAPIRFONDET ALFRED BERG GAMBA	1,556,645	5.8%	Ordinary	Norway
JAKOB HATTELAND HOLDING AS	1,000,000	3.7%	Ordinary	Norway
PARK LANE FAMILY OFFICE AS	905,581	3.4%	Ordinary	Norway
Goldman Sachs International	783,058	2.9%	Nominee	United Kingdom
VERDIPAPIRFONDET NORDEA NORGE VERD	685,000	2.5%	Ordinary	Norway
SALT VALUE AS	566,637	2.1%	Ordinary	Norway
Danske Invest Norge Vekst	542,000	2.0%	Ordinary	Norway
Citibank, N.A.	488,491	1.8%	Nominee	Ireland
AMG RENAISSANCE INTL EQ FD	415,000	1.5%	Ordinary	United States
NWT MEDIA AS	390,000	1.4%	Ordinary	Norway
INTERTRADE SHIPPING AS	371,000	1.4%	Ordinary	Norway
J.P. Morgan Bank Luxembourg S.A.	334,292	1.2%	Nominee	Finland
VIOLA AS	330,000	1.2%	Ordinary	Norway
Taaleri Nordic Value Equity Fund	320,000	1.2%	Ordinary	Finland
WEBSTEP ASA	293,633	1.1%	Ordinary	Norway
VIRTUS TACTICAL ALLOCATION FUND	282,917	1.0%	Ordinary	United States
EMPLOYEES RETIR SYSTEM OF TEXAS	225,741	0.8%	Ordinary	United States
VERDIPAPIRFONDET NORDEA AVKASTNING	225,383	0.8%	Ordinary	Norway
Top 20 shareholders	20,443,392	75.8%		
Other	6,523,625	24.2%		
Total share outstanding	26,967,017	100.0%		

A diversified customer base

Public and Private Sectors Q2 2020



Business Sectors Q2 2020



Top 10 customers represent 32.1% of total revenues – up from 26.2% in Q2 2019

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