

# Q1 2021

Webstep ASA

Oslo | 20 May 2021

Save Asmervik, CEO

Fredrik Skuland, Interim CFO



# Agenda

1. Q1 highlights
2. Business review
3. Financial review
4. Outlook

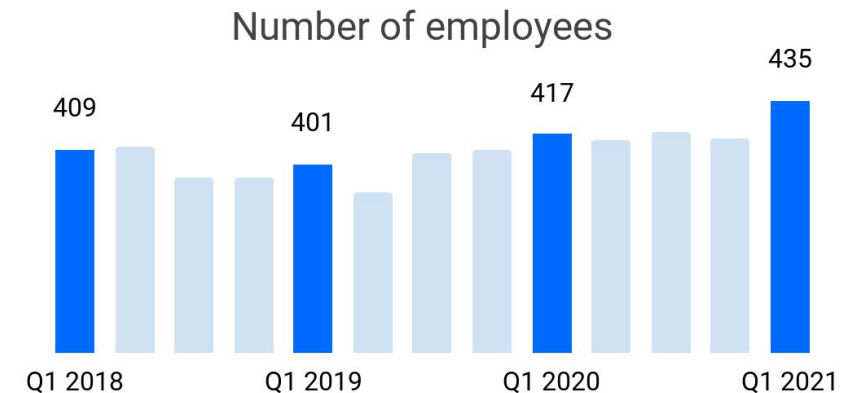
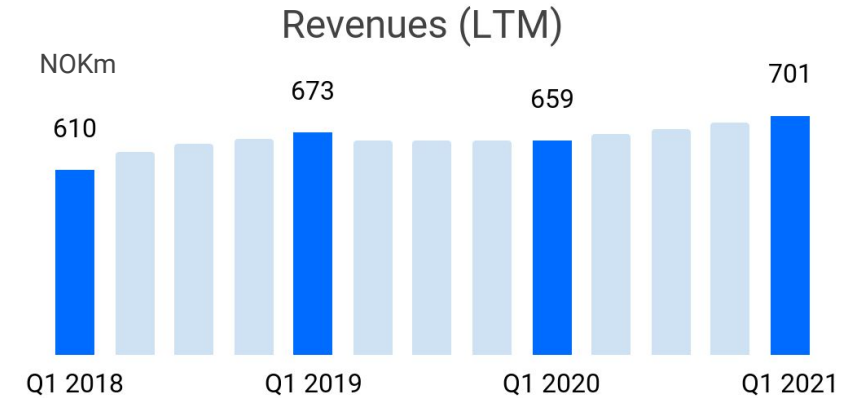


# Highlights from the quarter



# Q1 highlights

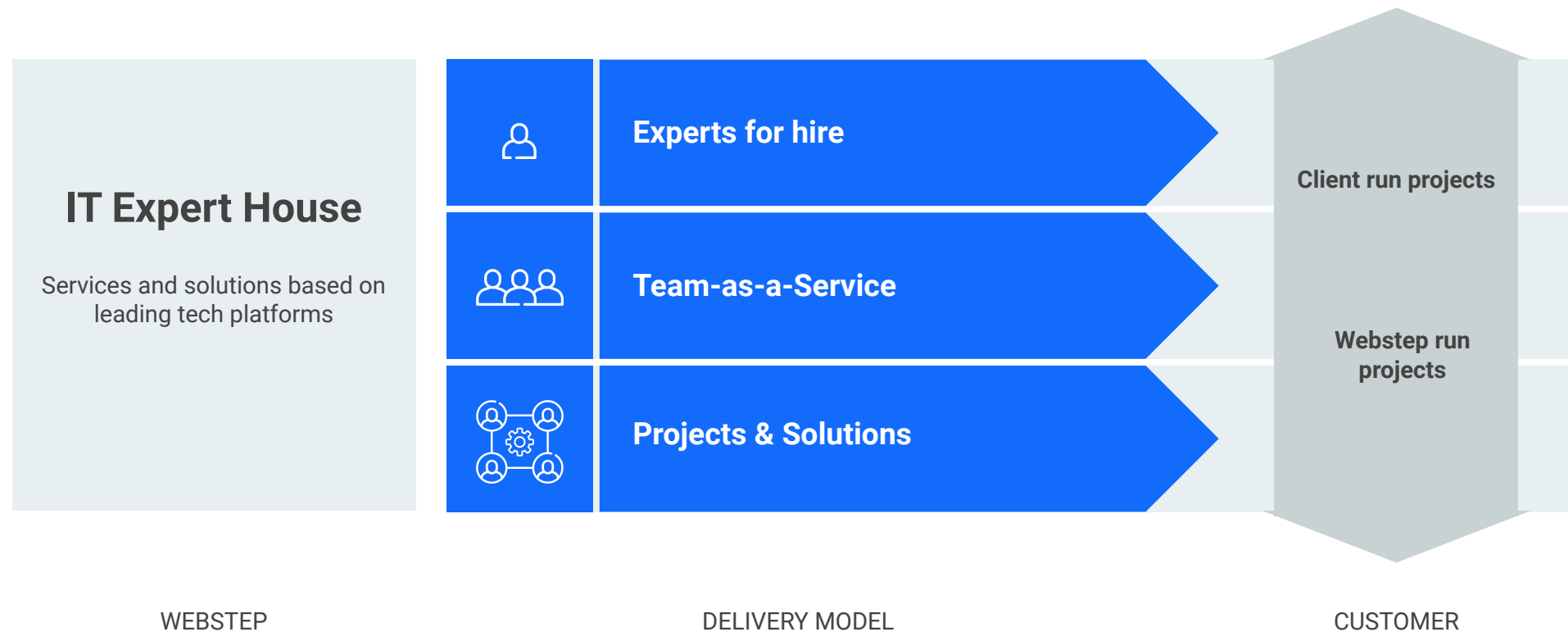
- Revenues increased by 6.1 percent to NOK 194.2 million
- EBIT increased by 38.5 percent to NOK 18.1 million
- 435 employees at the end of the quarter, up by 20 from the previous quarter and up 18 last twelve months
- Signed a three year framework agreement with Equinor of approximately NOK 85 million
- Save Asmervik new CEO in February



# Business review

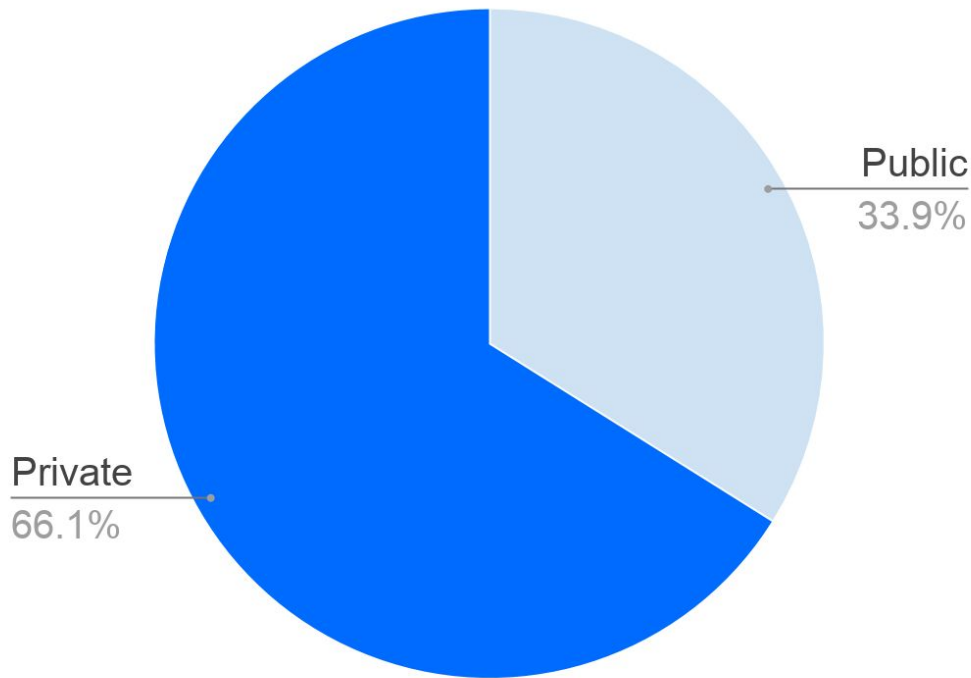


# Go-to-market model

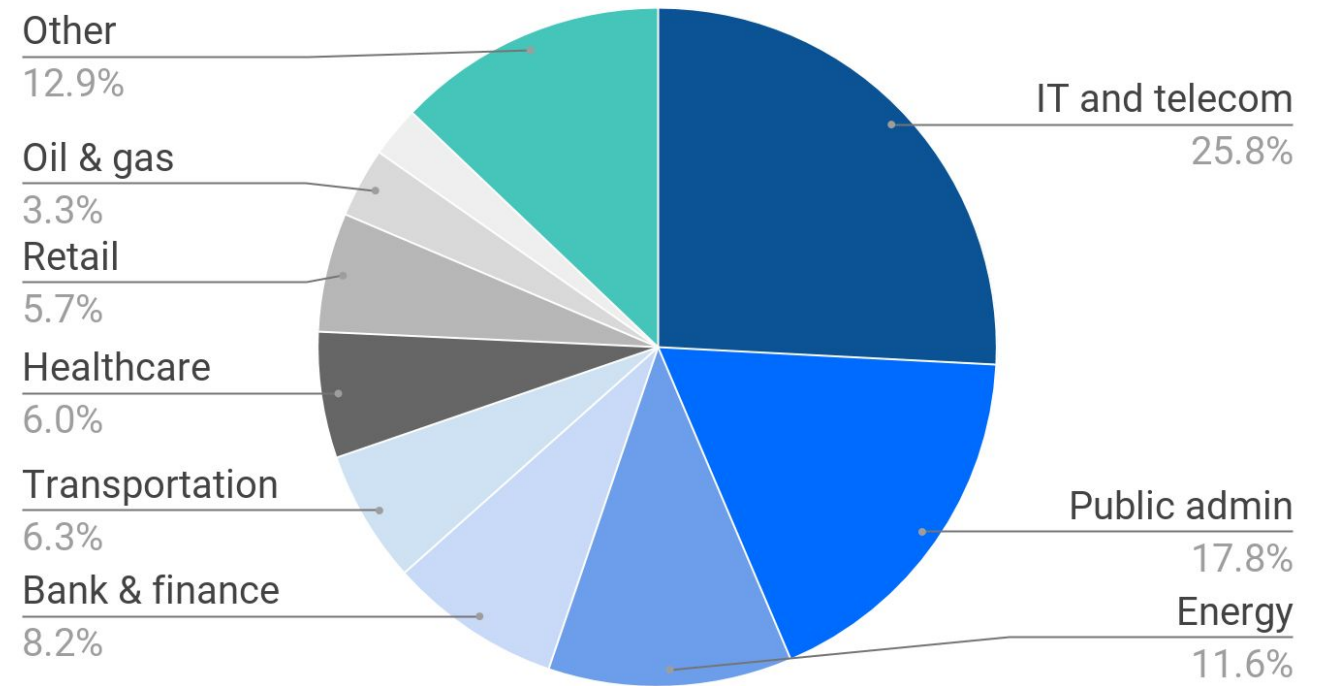


# A diversified customer base

Public and Private Sectors Q1 2021



Business Sectors Q1 2021



Top 10 customers represent 34.9% of total revenues – up from 30.3% in Q1 2020



## BUSINESS REVIEW

# Improving user experiences for a leading EV charging company

- Webstep delivering user design services improving awareness for Mer and their sustainable solutions
- Innovative user interface and recognizable design bridging the gap between the old brand and the new company
- Focusing on user friendliness boosting the adoption process for users

**Mer** is an EV charging company owned by Statkraft. Through combining their experience within renewable energy and electric mobility, they power the shift towards a purer way of transportation.





# Supporting digital transformation in Equinor

- Framework agreement providing Equinor with increased capacity for DevOps teams
- Team-as-a-service delivered by Webstep
- IT experts working on software development in Equinor

**Equinor** is a broad energy company committed to developing oil, gas, wind and solar energy in more than 30 countries worldwide.



# Making efficient digital advertising products easily accessible

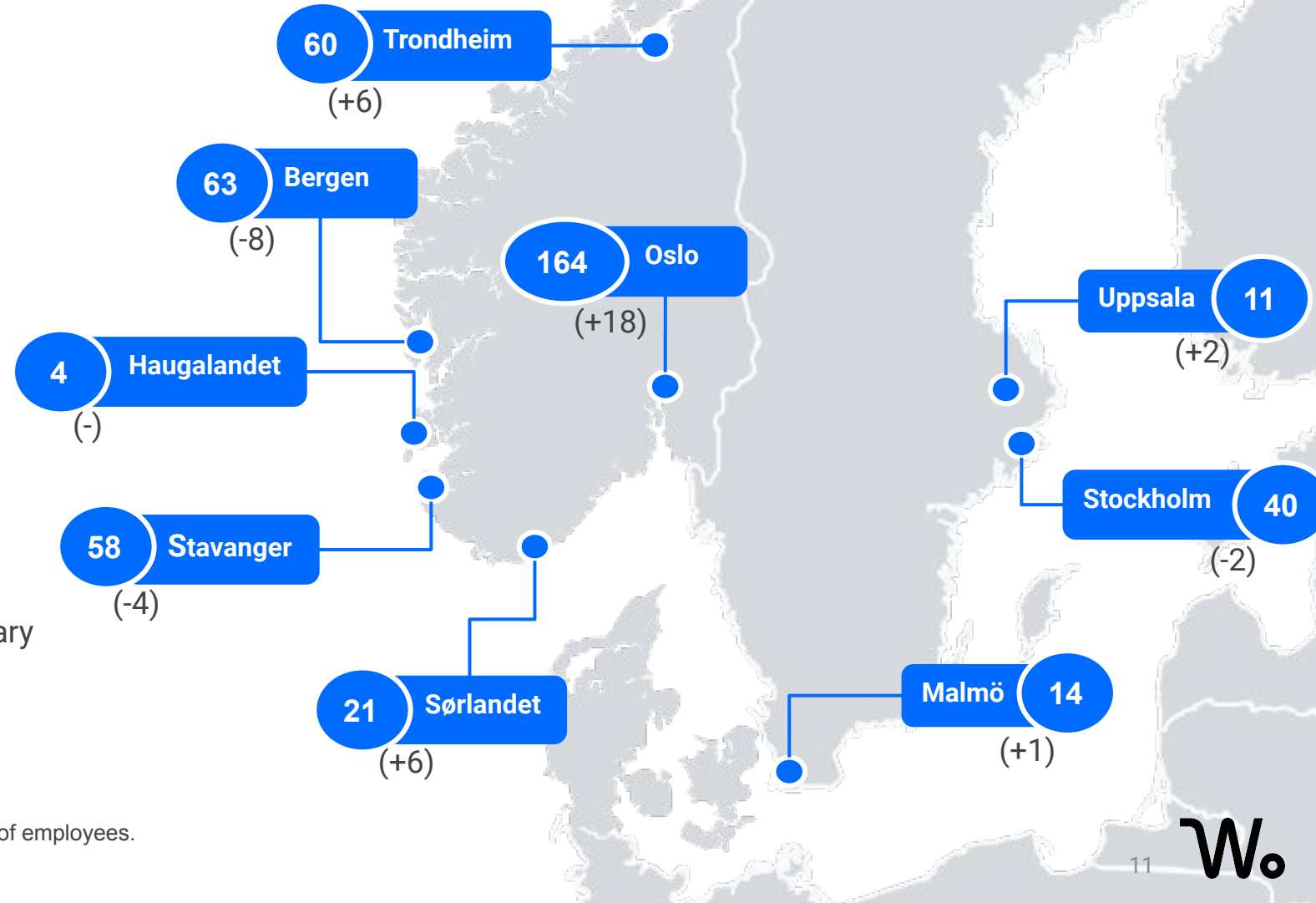
- Webstep selected as technology partner for the Markedsplassen project providing expertise on UX and tech, both strategic and operational
- Turnkey project developing a cloud-based solution with state-of-the-art usability + operation/maintenance and support post-delivery
- Integrations towards advertising platforms and other systems to automate processes

**Diar** is a joint-venture between Aller Media and Amedia, with a reach of 3 million weekly readers and 1.8 million profiles across 130 websites in Norway.



# Organization and employees

- Strong local presence
  - *Close to the Customer*
  - *Strategic Partner*
- Building Competence
  - *High quality competence events*
  - *Investing in the experts*
- 435 employees at the end of quarter
  - *Up 20 last quarter*
  - *Up 18 last from same quarter last year*
  - *Strong recruitment quarter in Q1*
  - *Continued home office for most employees*
- Save Asmervik was appointed new CEO in February



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

# Financial review



# Key figures - Group

NOK million	Q1 2021	Q1 2020	Y/Y change	FY 2020
Revenues	194.2	183.0	6.1%	690.0
EBITDA	21.7	16.5	31.3%	63.9
EBITDA margin	11.2%	9.0%	2.2 pts	9.3%
EBIT	18.1	13.1	38.5%	50.0
EBIT margin	9.3%	7.1%	2.2 pts	7.2%
Net profit	13.6	9.6	42.2%	36.7
Net free cash flow	7.4	15.5	52.4%	14.3
Earnings per share (NOK)	0.51	0.36	40.6%	1.38
Earnings per share, fully diluted (NOK)	0.50	0.36	39.8%	1.38
Equity ratio	63.0%	64.8%	(1.4 pts)	64.3%
Cash and cash equivalents	45.5	39.1	16.4%	39.7
Number of employees, average (FTE)	426	410	3.8%	410
Number of employees, end of period	435	417	4.3%	415
Revenues per FTE (NOKt)	457	446	2.3%	1,683
EBIT per FTE (NOKt)	43	32	33.5%	122

## Q1 highlights

- Revenue growth from own consultants driven by headcount, utilization and hourly rates
  - Q1 NOK 175.3m (+8.0%)
- Less use of subcontractors
  - Q1 NOK 18.9m (-8.4%)
- EBIT impacted by
  - *Higher revenues from consultants*
  - *Cost savings from reduced travel, conference and social activities*



# Key figures - Norway

NOK million	Q1 2021	Q1 2020	Y/Y change	FY 2020
Revenues	165.7	155.4	6.6%	583.9
EBIT	15.8	10.6	49.3%	41.6
EBIT margin	9.6%	6.8%	2.8 pts	7.1%
Number of employees, average (FTE)	361	346	4.4%	348
Number of employees, end of period	370	354	4.5%	352
Number of workdays	63	64		252

## Revenue breakdown

NOK million	Q1 2021	Q1 2020	Y/Y change	FY 2020
Oslo	67.7	57.1	18.7%	219.8
Regional offices	85.5	84.8	0.9%	312.5
Subcontractors	13.1	14.2	(7.6%)	54.0
Other / eliminations	(0.6)	(0.7)	(14.3%)	(2.4)
<b>Total</b>	<b>165.7</b>	<b>155.4</b>	<b>6.6%</b>	<b>583.9</b>

## Q1 highlights

- Revenue growth driven by headcount, utilization and hourly rates
  - *Strong growth in Oslo*
  - *Less use of subcontractors*
- EBIT impacted by
  - *Higher revenues from consultants*
  - *Cost savings from reduced travel, conference and social activities*

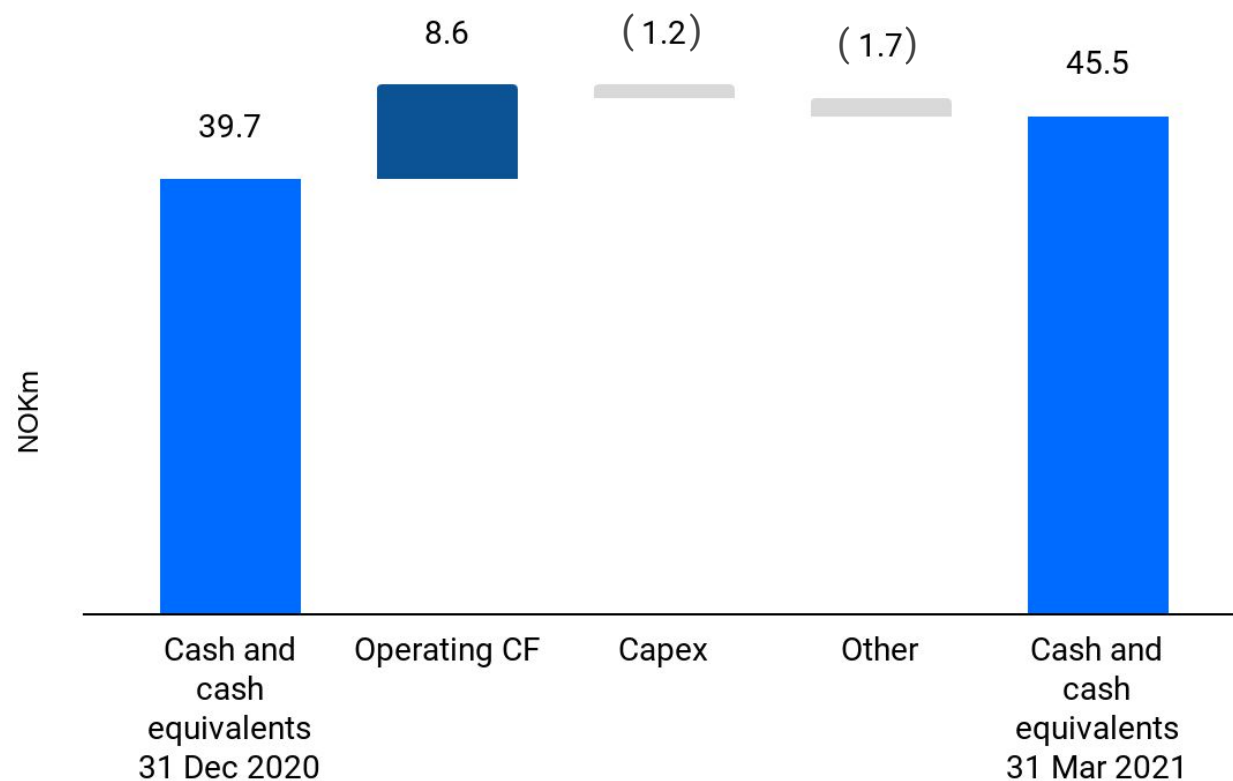
# Key figures - Sweden

NOK million	Q1 2021	Q1 2020	Y/Y change	FY 2020
Revenues	<b>28.6</b>	27.6	3.3%	106.1
EBIT	<b>2.3</b>	2.5	(8.4%)	8.4
EBIT margin	<b>8.0%</b>	8.9%	(0.9 pts)	7.9%
Number of employees, average (FTE)	<b>64</b>	64	0.5%	63
Number of employees, end of period	<b>65</b>	64	1.6%	63
Number of workdays	<b>62</b>	63		252

## Q1 highlights

- Revenue growth of 1.4% (constant currency)
  - *Growth from own consultants (+5.4%)*
  - *Less use of subcontractors (-10.4%)*
- EBIT impacted by
  - *Lower margin from subcontractors*
  - *Increased lease costs*
  - *Temporary reduction of social security contributions last year*

# Cash flow and net debt



## Q1 highlights

- Q1 free cash flow of NOK 7.4
- Operating cash flow decreased from NOK 17.2m in Q1-20 to NOK 8.6m in Q1-21
- Capex relates to office equipment
- Unutilized credit facility of NOK 110m in Norway and SEK 5m in Sweden per end of quarter

NOK million	31 Mar 2021
Cash and cash equivalents*	(45.5)
Restricted cash	2.1
Debt to credit institutions	0.0
Leasing liabilities	35.4
<b>Net interest bearing debt (NIBD)</b>	<b>(8.0)</b>
NIBD/EBITDA (rolling 12 months)	(0.37)

Note: \*Negative indicates positive amount.

# Outlook



# Outlook

- Positive market outlook
  - *New, significant contracts signed*
  - *High demand for Webstep consultants*
- Strong recruiting drive across the organization
  - *Q1 was a very strong recruiting quarter*
  - *Number of employees at the end of Q2 will be slightly up as most of the signings will be onboarded in Q3*
  - *Reduced employee turnover*
- Organic growth in existing locations is the main focus in the coming quarters
  - *Strong momentum and promising opportunities within Teams and Project deliveries*
  - *M&A may be utilized as a strategic tool to access new customer relations or new expertise*





# Questions?

Please contact us at  
**[ir@webstep.com](mailto:ir@webstep.com)**



# Appendix



# Top 20 shareholders at 12 May 2021

Shareholder name	Shares	%	
EMBRO EIENDOM AS	7,758,391	28.6%	
Virtus KAR International Small-Cap	3,119,279	11.6%	
VERDIPAPIRFONDET ALFRED BERG GAMBA	1,556,645	5.8%	
NORDEA NORWEGIAN STARS FUND	1,041,345	3.7%	
JAKOB HATTELAND HOLDING AS	1,000,000	3.5%	
SALT VALUE AS	976,247	3.4%	
VERDIPAPIRFONDET NORDEA NORGE VERD	664,317	2.6%	
HOLMEN SPESIALFOND	568,566	2.2%	
Danske Invest Norge Vekst	542,000	2.1%	
Goldman Sachs International	417,543	2.0%	
INTERTRADE SHIPPING AS	400,000	1.7%	
PARK LANE FAMILY OFFICE AS	343,758	1.6%	
Citibank	320,000	1.5%	
KRB CAPITAL AS	315,000	1.2%	Nominee
VINTERSTUAAS	303,261	1.0%	
VIRTUS TACTICAL ALLOCATION FUND	282,917	1.0%	
Nordnet Bank AB	256,036	0.8%	
ESPEDAL & CO AS	255,560	0.8%	
EMPLOYEES RETIR SYSTEM OF TEXAS	225,741	0.8%	
VERDIPAPIRFONDET NORDEA AVKASTNING	225,383	0.8%	Nominee
<b>Top 20 shareholders</b>	<b>20,571,989</b>	<b>76.3%</b>	
Other	6,395,028	23.7%	
<b>Total share outstanding</b>	<b>26,967,017</b>	<b>100.0%</b>	

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