

Q2 2021

Webstep ASA

Oslo | 24 August 2021

Save Asmervik, CEO



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Agenda

1. Q2 highlights
2. Business review
3. Financial review
4. Outlook

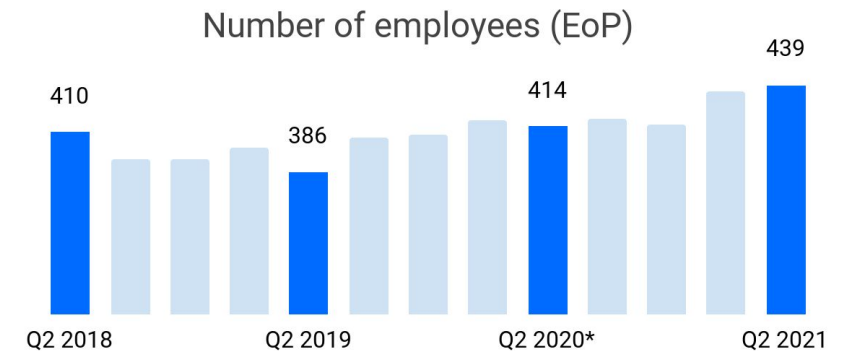
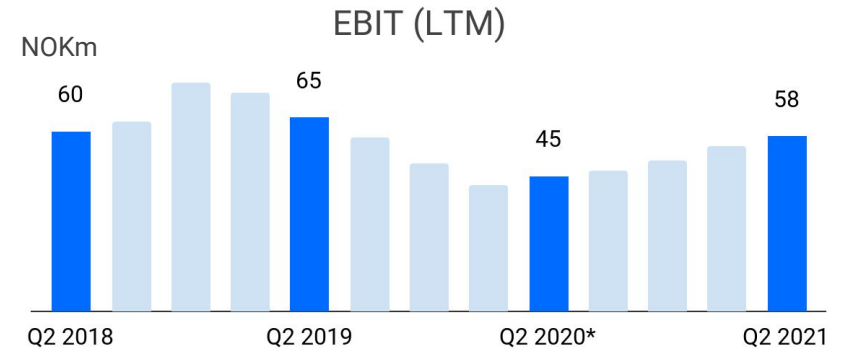
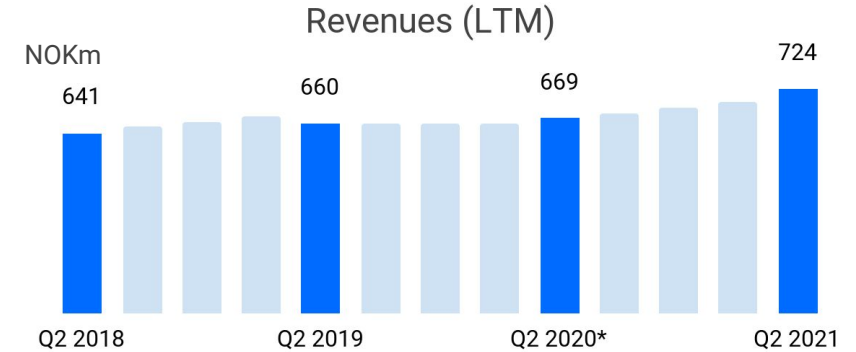


Highlights from the quarter



Q2 highlights

- Revenues increased by 13.4 percent to NOK 195.5 million
- EBIT increased by 19.1 percent to NOK 19.9 million
- 439 employees at the end of the quarter, up by 4 from the previous quarter and up 25 last twelve months
- Continued strong growth in Oslo



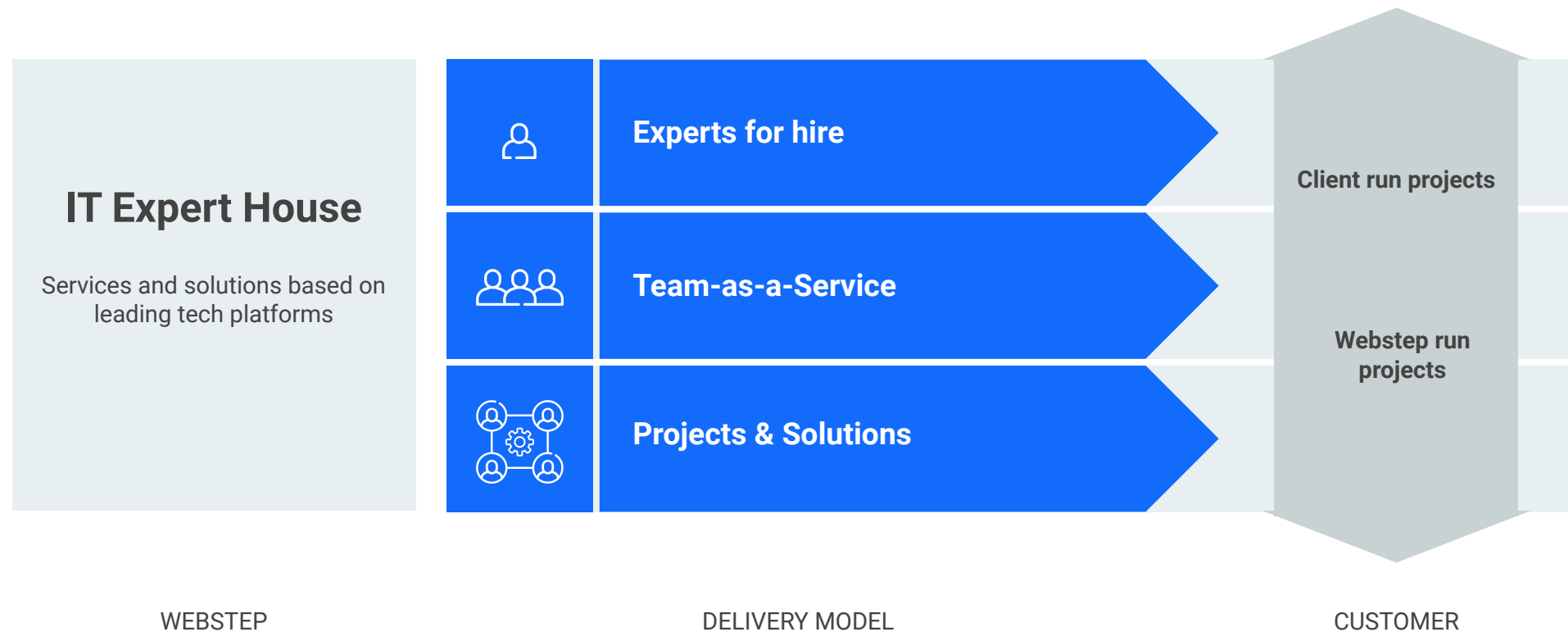
* Change in provision method for fixed salary holiday pay:
Consolidated figures as if Q2 2020 include ordinary salary costs for employees with a base salary. Please see the report - Note 7.

**Q2 2020 EBIT LTM: Adjusted up MNOK 6 to account for fixed salary Q3 2019.

Business review

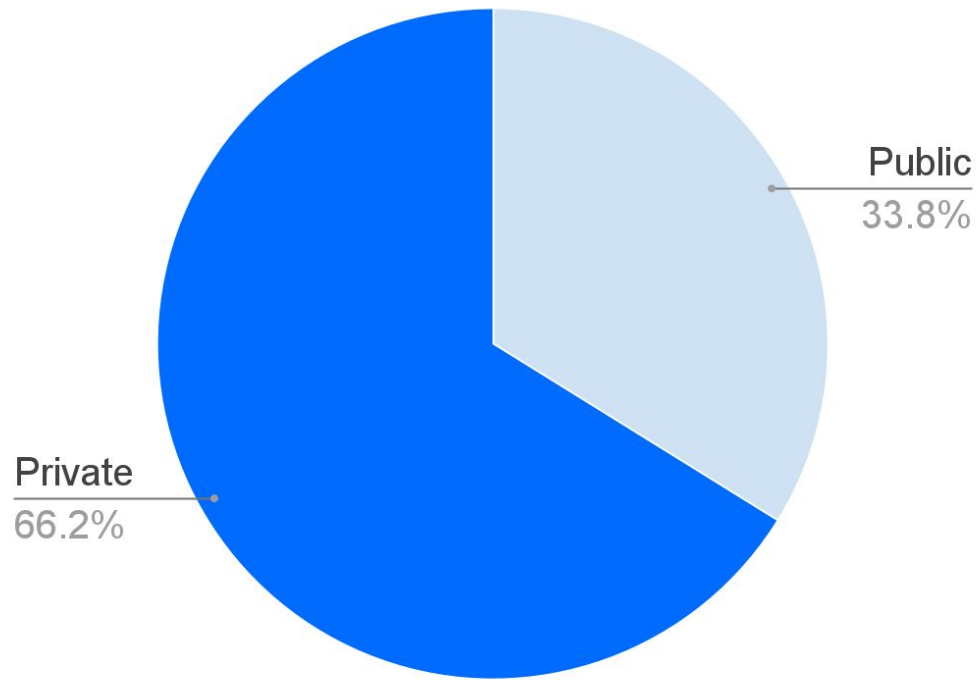


Go-to-market model

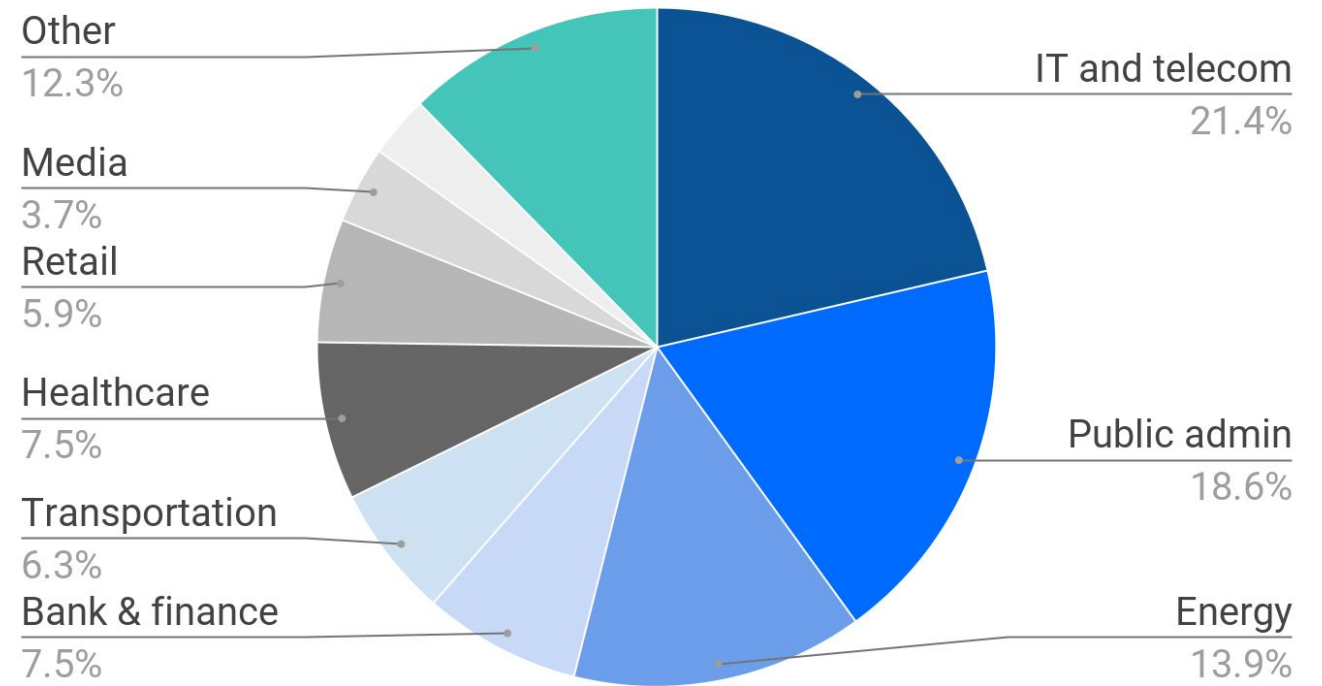


A diversified customer base

Public and Private Sectors Q2 2021



Business Sectors Q2 2021



Top 10 customers represent 37.0% of total revenues – up from 32.1% in Q1 2020

Helping Laerdal Medical save lives

- Long term partnership in technology and digital services
- Supporting Laerdal in developing even more user friendly products
- Project management and agile coaching in a number of projects

Laerdal Medical is dedicated to their mission of *helping save lives* through the advancement of resuscitation, patient care, and global health initiatives.



Laerdal
helping save lives



Ensuring high speed connectivity and excellent customer service

- Webstep contributes to secure connectivity for 1.2 million Norwegians
- Developing new solutions to further improve customer service
- Making sure that large amounts of data flow seamlessly between systems and end users

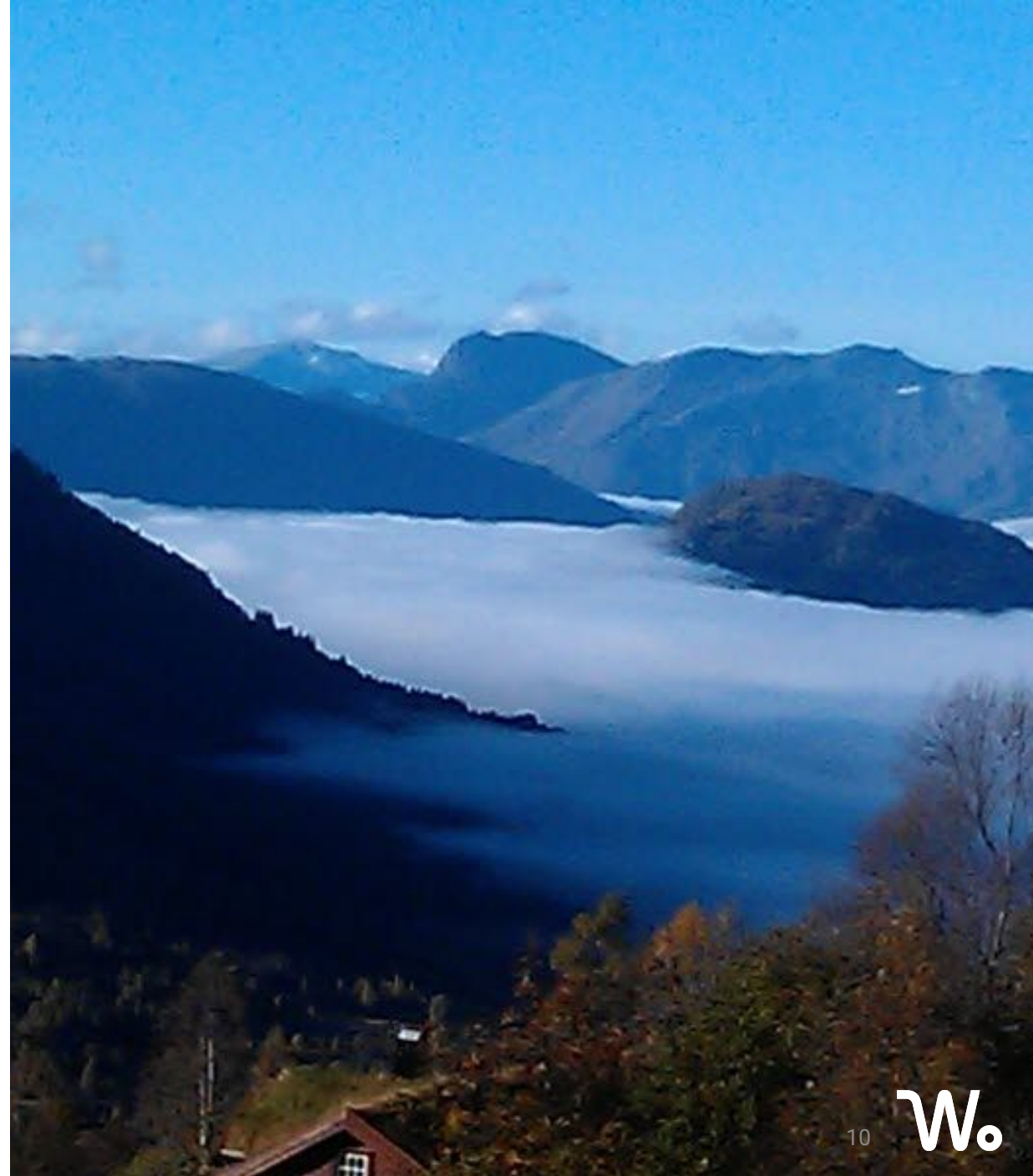
Altibox is delivering broadband services in Norway. Through the use of fiber Altibox is developing the communications highway of tomorrow.



Supporting development of efficient public services

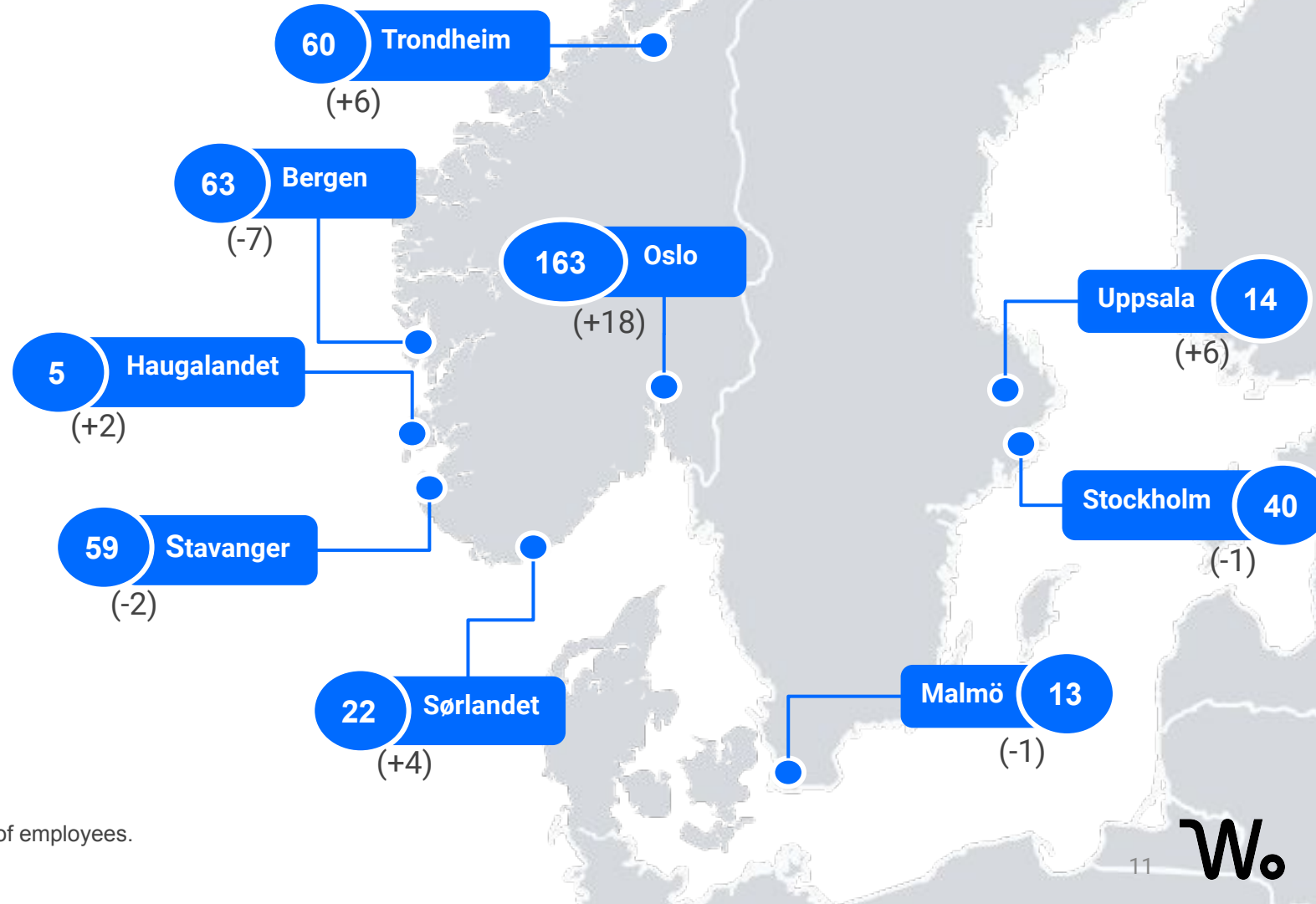
- KS coordinate development of digital solutions supporting citizen services and public welfare
- Webstep has for years been a preferred partner, and has recently renewed the agreement with KS
- The agreement allows Webstep to actively participate in developing solutions and services needed to manage and govern Local and Regional Authorities

KS is the organisation for all local governments in Norway. KS is Norway's largest public employer organisation.



Organization and employees

- Strong local presence
 - *Close to the Customer*
 - *Strategic Partner*
- Building Competence
 - *High quality competence events*
 - *Investing in the experts*
- 439 employees at the end of quarter
 - *Up 4 last quarter*
 - *Up 25 from same quarter last year*
 - *Strong recruitment quarter in Q2*



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

Community involvement



Foto: iStock / courtneyk
SYNSPUNKT | Verdien av gode råd
Senterparti-leder Trygve Slagsvold Vedum forstår ikke konsulentbransjen. Det er synd. Vi har kompetanse et samfunn i omstilling neppe greier seg uten, skriver Sævi Sævi. Han gir fire grunner til hvorfor.



Vil ha flere IT-jenter

Tech-Netverket for Kvinner lover smelt og spennende foredrag når de inviterer til sommercamp for jenter i alderen 13 til 18 år.

DEBATT: MANGFOLD

Mer mangfold, takk!

Juni preges av feiring, fest og farger. Store teknologiselskaper pryder seg med regnbueflagg og store ord. Det er Pride-måned. Men hva betyr egentlig markeringen for samfunnet, og hvordan er det på innsiden av «skapet»? Her er min beretning om en IT-ansatts frigjøring – og følgene av et mer mangfoldig samfunn.



dig.no

Uy Tran er IT-ansatt i Webstep. (Foto: Privat)



Adresseavisen

Ferie for fremtiden?

- Webstep recognized as thought leader in the industry

- TENK Tech Camp



- + Jenter og teknologi



- Invited to Arendalsuka by Abelia debating how data can create jobs



ARENDA SUKA

Financial review



Key figures - Group

NOK million	Q2 2021	Q2 2020*	Y/Y change	YTD 2021	YTD 2020*	Y/Y change	FY 2020
Revenues	195.5	172.4	13.4%	389.8	355.4	9.7%	690.0
EBITDA	23.4	20.1	16.2%	45.1	36.7	23.0%	63.9
EBITDA margin	12.0%	11.7%	0.3 pts	11.6%	10.3%	1.3 pts	9.3%
EBIT	19.9	16.7	19.1%	38.0	29.7	27.7%	50.0
EBIT margin	10.2%	9.7%	0.5 pts	9.7%	8.4%	1.3 pts	7.2%
Net profit	14.9	12.5	18.6%	28.5	22.1	28.8%	36.7
Net free cash flow	(5.6)	13.5	(141.8%)	1.8	29.1	(93.9%)	59.4
Earnings per share (NOK)	0.55	0.47	17.4%	1.06	0.83	27.6%	1.38
Earnings per share, fully diluted (NOK)	0.55	0.47	15.9%	1.05	0.83	26.4%	1.38
Equity ratio	61.0%	67.8%	(6.8 pts)	61.0%	67.8%	(6.8 pts)	64.3%
Cash and cash equivalents	20.5	50.8	(59.6%)	20.5	50.8	(59.6%)	39.7
Number of employees, average (FTE)	435	414	5.2%	430	412	4.5%	410
Number of employees, end of period	439	414	6.0%	439	414	6.0%	415
Revenues per FTE (NOKt)	449	417	7.8%	906	863	5.0%	1,683
EBIT per FTE (NOKt)	46	40	13.3%	88	72	22.2%	122

Q2 highlights

- Revenue growth from own consultants driven by headcount, utilization and hourly rates
 - Q2 NOK 175.7m (+16.4%)
- Less use of subcontractors
 - Q2 NOK 19.8m (-6.8%)
- EBIT impacted by
 - Higher revenues from consultants
 - Less use of subcontractors
 - Increased sales activities

* Change in provision method for fixed salary holiday pay:
Consolidated figures as if Q2 2020 include ordinary salary costs for employees with a base salary. Please see the report - Note 7.

Key figures - Norway

NOK million	Q2 2021	Q2 2020*	Y/Y change	YTD 2021	YTD 2020*	Y/Y change	FY 2020
Revenues	168.6	145.7	15.7%	334.2	301.1	11.0%	583.9
EBIT	18.5	13.9	33.4%	34.3	24.5	40.3%	41.6
EBIT margin	11.0%	9.5%	1.5 pts	10.3%	8.1%	2.2 pts	7.1%
Number of employees, average (FTE)	369	351	5.2%	365	349	4.8%	348
Number of employees, end of period	372	351	5.8%	372	351	5.8%	352
Number of workdays	59	59		122	123		252

Revenue breakdown

NOK million	Q2 2021	Q2 2020	Y/Y change	YTD 2021	YTD 2020	Y/Y change	FY 2020
Oslo	70.4	53.0	32.8%	138.2	110.1	25.5%	219.8
Regional offices	85.5	77.8	10.0%	171.1	162.6	5.2%	312.5
Subcontractors	13.3	15.6	(15.0%)	26.4	29.8	(11.5%)	54.0
Other / eliminations	(0.6)	(0.7)	(6.8%)	(1.4)	(1.4)	(0.6%)	(2.4)
Total	168.6	145.7	15.7%	334.2	301.1	11.0%	583.9

Q2 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*
 - *Less use of subcontractors*
 - *Increased sales activities*

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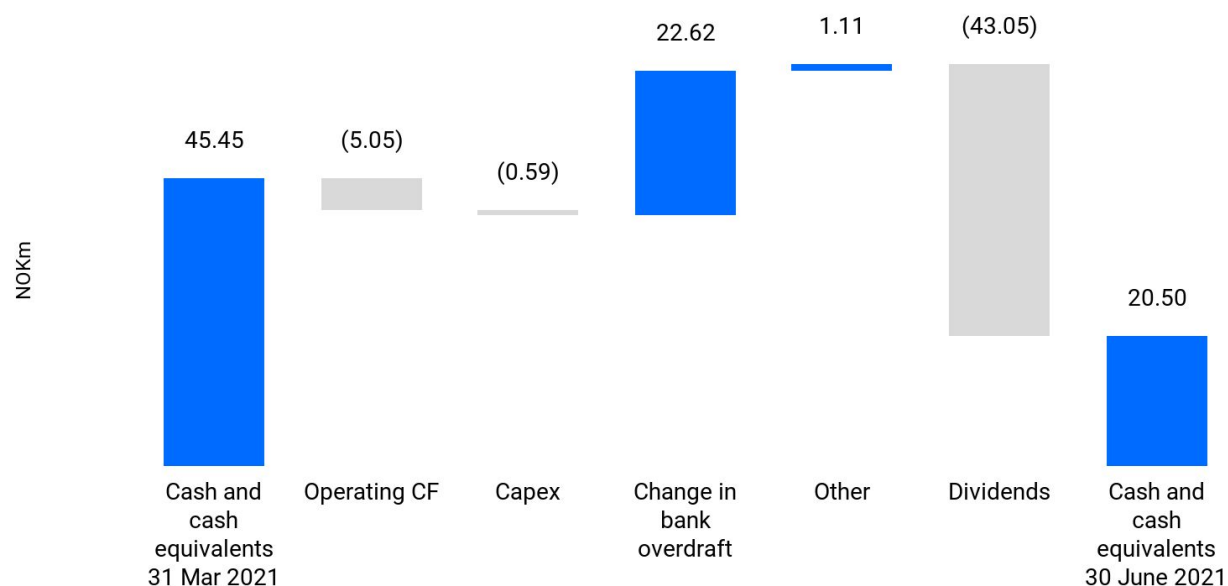
Key figures - Sweden

NOK million	Q2 2021	Q2 2020	Y/Y change	YTD 2021	YTD 2020	Y/Y change	FY 2020
Revenues	27.0	26.7	1.0%	55.5	54.3	2.2%	106.1
EBIT	1.3	2.8	(52.0%)	3.6	5.3	(31.4%)	8.4
EBIT margin	5.0%	10.4%	(5.4pts)	6.5%	9.7%	(3.2pts)	7.9%
Number of employees, average (FTE)	66	63	4.8%	65	64	2.6%	63
Number of employees, end of period	67	63	6.3%	67	63	6.3%	63
Number of workdays	61	60		123	123		252

Q2 highlights

- Revenue growth of 5.4% (constant currency)
 - *Growth from own consultants (+2.1%)*
 - *Increased use of subcontractors (17.4%)*
- EBIT impacted by
 - *Lower margin from subcontractors*
 - *Increased lease costs*
 - *Temporary reduction of social security contributions last year*
 - *Increased number of sales personnel*

Cash flow and net debt



Q2 highlights

- Q2 free cash flow of NOK -5.6
- Operating cash flow mainly impacted by temporarily increased trade receivables in Q2
- Capex relates to office equipment
- Credit facility of NOK 110m in Norway and SEK 5m in Sweden per end of quarter

NOK million	30 June 2021
Cash and cash equivalents*	(20.5)
Restricted cash	2.6
Debt to credit institutions	22.6
Leasing liabilities	35.8
Net interest bearing debt (NIBD)	40.5
NIBD/EBITDA (rolling 12 months)	0.56

Note: *Negative indicates positive amount.

Outlook



Outlook

- Positive market outlook
 - *High demand for Webstep services and consultants*
- Strong recruiting drive across the organization
 - *Q2 was a strong recruiting quarter*
 - *Reduced employee turnover*
 - *Number of employees is expected to increase to around 465 by the end of Q3*
- 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



Appendix



Top 20 shareholders at 17 August 2021

Shareholder name	Shares	%	
EMBRO EIENDOM AS	7,759,382	28.6%	
The Bank of New York Mellon	3,119,279	11.5%	Nominee
VERDIPAPIRFONDET ALFRED BERG GAMBA	1,556,645	5.7%	
J.P. Morgan Bank Luxembourg S.A.	1,041,345	3.8%	Nominee
JAKOB HATTELAND HOLDING AS	1,000,000	3.7%	
SALT VALUE AS	976,247	3.6%	
HOLMEN SPESIALFOND	699,576	2.6%	
VERDIPAPIRFONDET NORDEA NORGE VERD	664,317	2.5%	
Danske Invest Norge Vekst	542,000	2.0%	
Goldman Sachs International	416,571	1.5%	Nominee
INTERTRADE SHIPPING AS	400,000	1.5%	
PARK LANE FAMILY OFFICE AS	343,758	1.3%	
KRB CAPITAL AS	336,964	1.2%	
Citibank, N.A.	320,000	1.2%	Nominee
ESPEDAL & CO AS	255,560	0.9%	
The Bank of New York Mellon	246,371	0.9%	Nominee
VERDIPAPIRFONDET NORDEA AVKASTNING	225,383	0.8%	
MP PENSJON PK	224,000	0.8%	
Pictet & Cie (Europe) S.A.	222,603	0.8%	Nominee
VERDIPAPIRFONDET NORDEA KAPITAL	210,401	0.8%	
Top 20 shareholders	20,560,402	75.9%	
Other	6,529,703	24.1%	
Total share outstanding	27,090,105	100.0%	

Disclaimer

This Presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. These statements and this Presentation are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Webstep ASA and Webstep ASA's (including subsidiaries and affiliates) lines of business. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for Webstep ASA. Although Webstep ASA believes that its expectations and the Presentation are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the Presentation. Webstep ASA is making no representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the Presentation, and neither Webstep ASA nor any of its directors, officers or employees will have any liability to you or any other persons resulting from your use.