

# Q3 2021

Webstep ASA

Oslo | 28 October 2021

Save Asmervik, CEO



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# Agenda

1. Q3 highlights
2. Business review
3. Financial review
4. Outlook

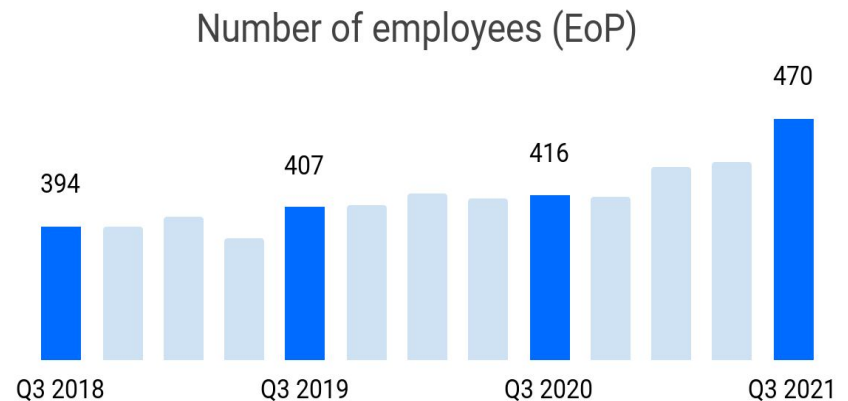
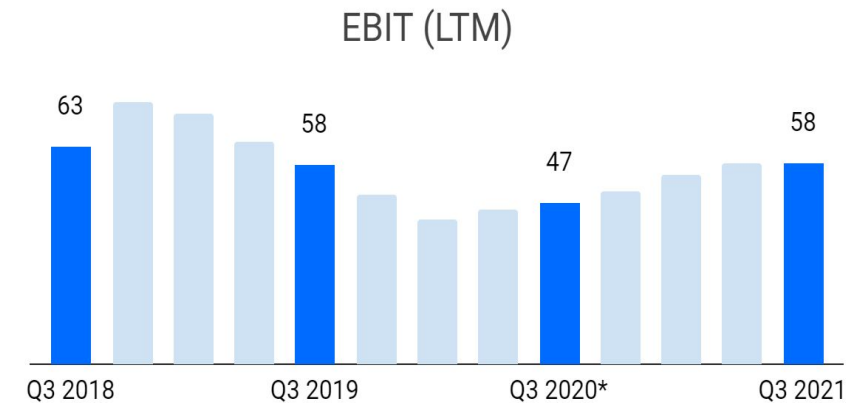


# Highlights from the quarter



# Q3 highlights

- Revenues increased by 13.9 percent to NOK 166.5 million
- EBIT increased by 1.9 percent to NOK 9.5 million influenced by non-recurring cost of NOK 2 million
- 470 employees at the end of the quarter, up by 31 from the previous quarter and up 54 last twelve months

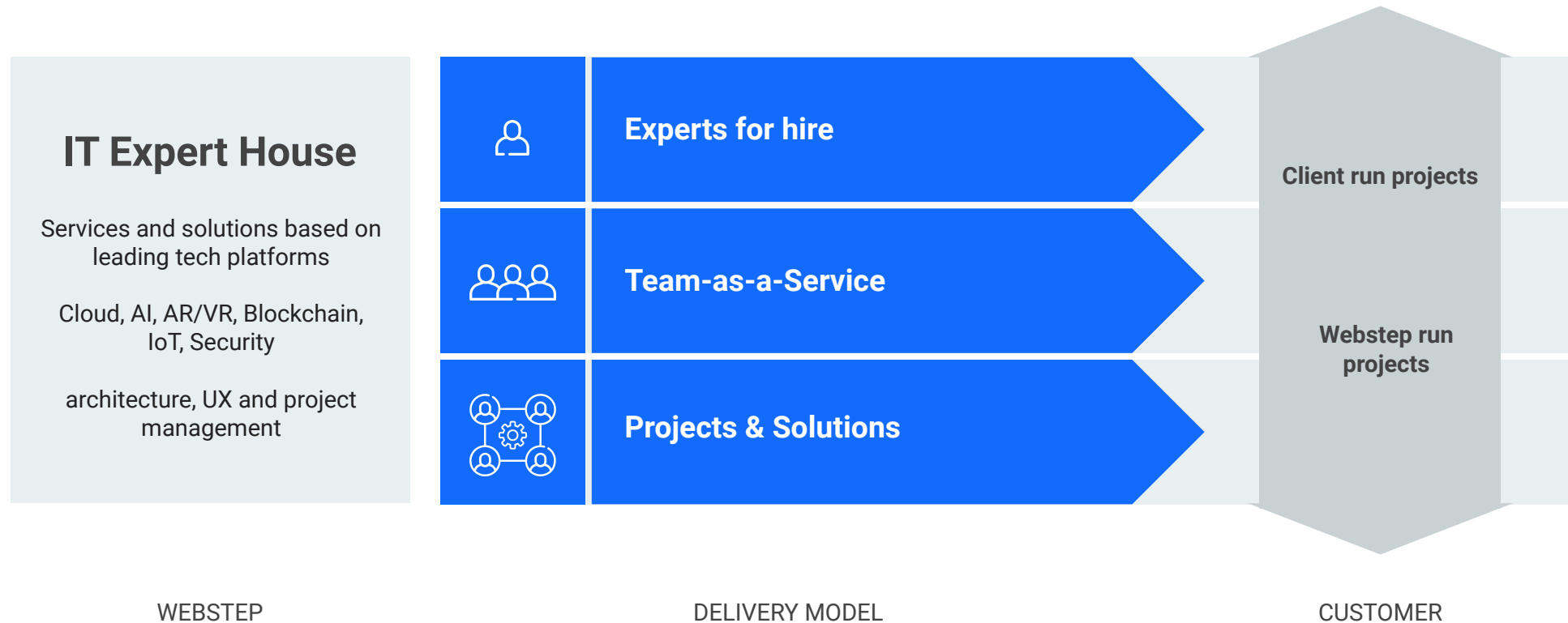


\*Change in provision method for fixed salary holiday pay:  
Consolidated figures as if Q2 2020 include ordinary salary costs for  
employees with a base salary and complete reversal in Q3 2020.  
Please see the report - Note 7.

# Business review

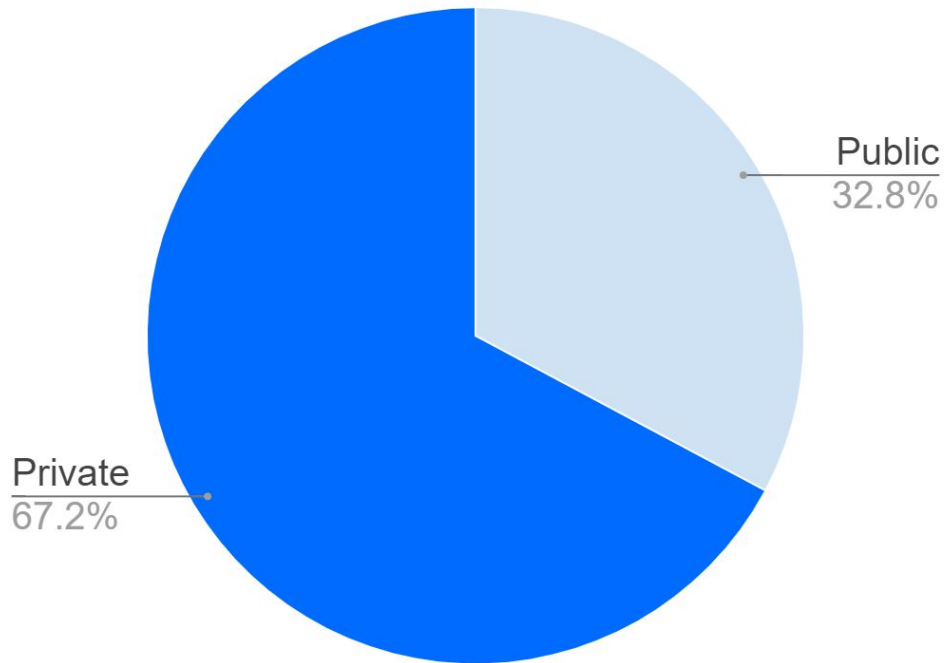


# Go-to-market model

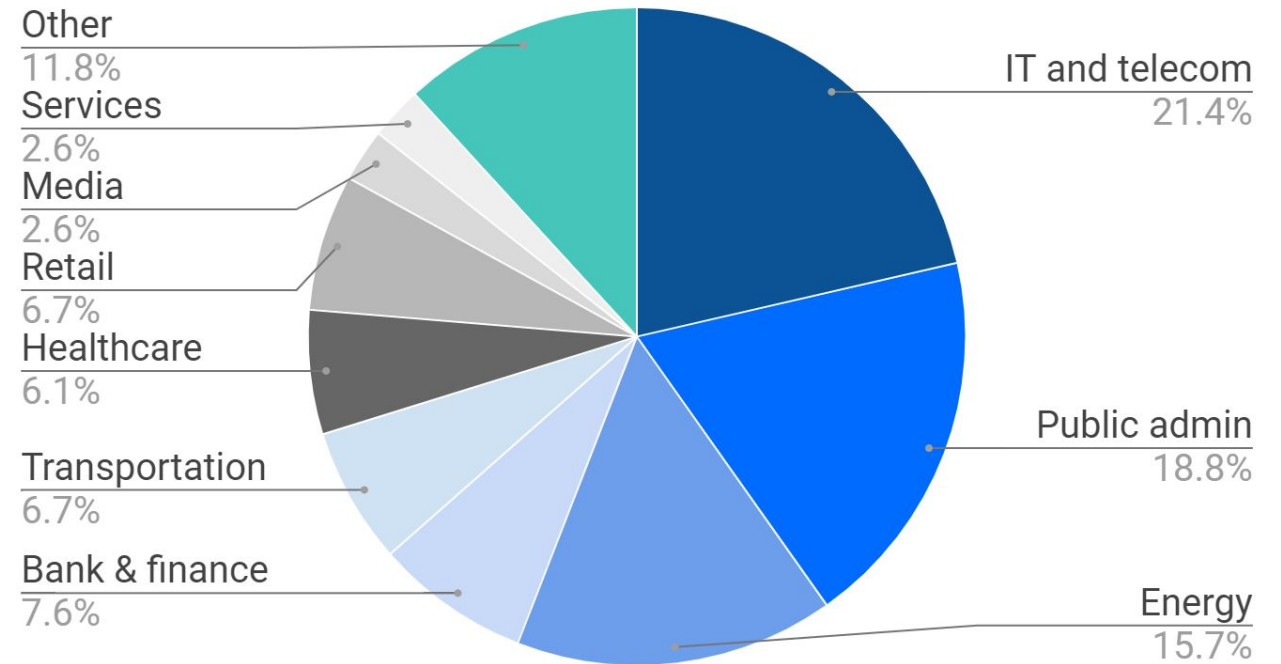


# A diversified customer base

Public and Private Sectors Q3 2021



Business Sectors Q3 2021



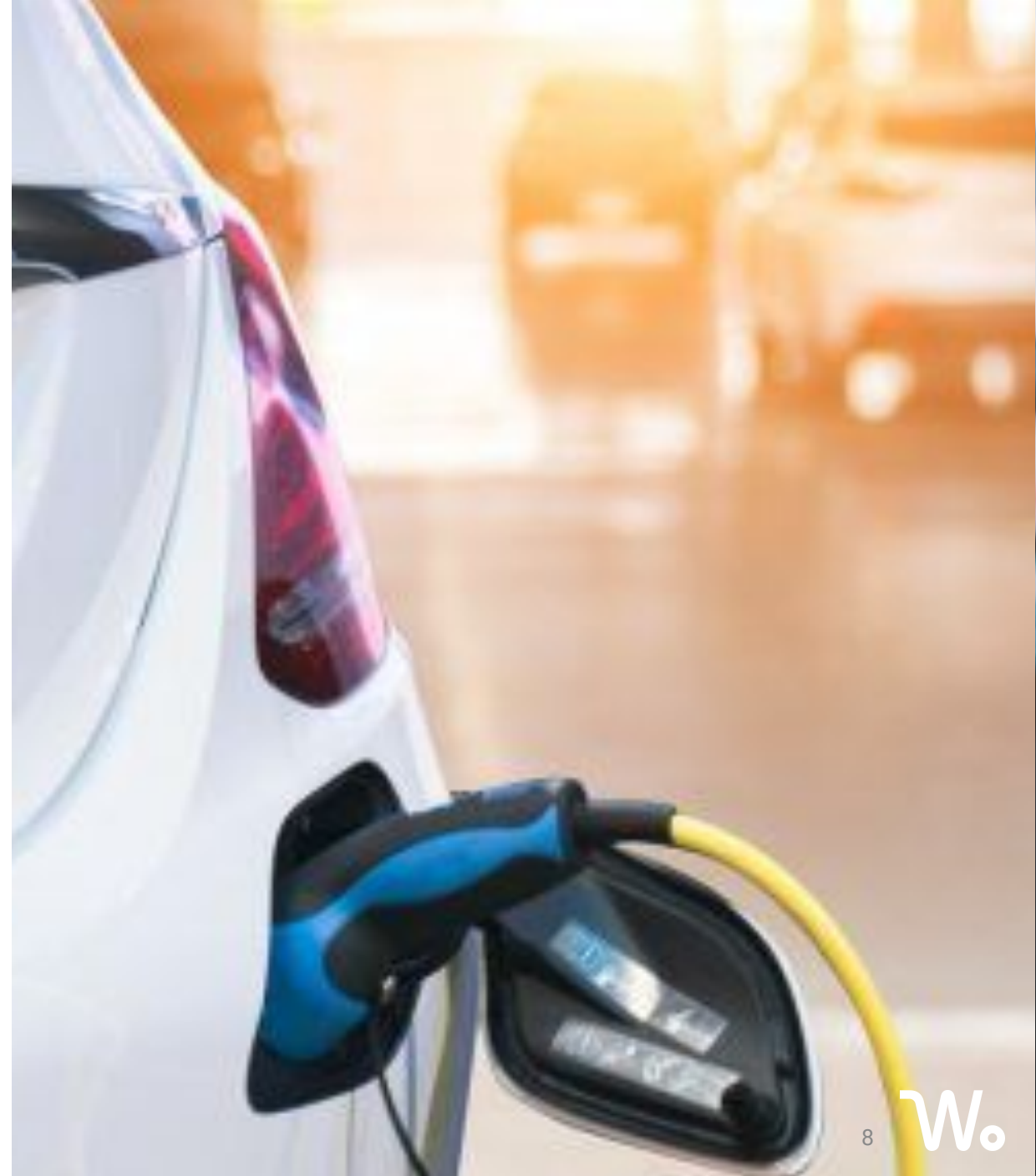


# Making car charging easy and accessible

- Constructing a scalable platform to handle business processes and management tools needed to run a powerful chain of charging facilities
- Developers from Webstep working on booking system, integration with CRM and ERP systems as well as designing new webpages.

**Ladeklar** builds car charging facilities through the use of software solutions. The company is owned by BKK (Eviny) and Hafslund Eco, both working in the renewable industry.

# Ladeklar





# Making data pipelines accessible and easy to use

- Webstep developing an advanced API solution based on Kafka Connect and new technology
- Solution delivered through a team-as-a-service delivery, covering both project management, solution architecture and development
- Simplified IT integration and a more effective way of handling everyday tasks for the end-users

**Björn Lundén** is a knowledge and software company that has been simplifying everyday life for small and medium-sized companies for more than 30 years.

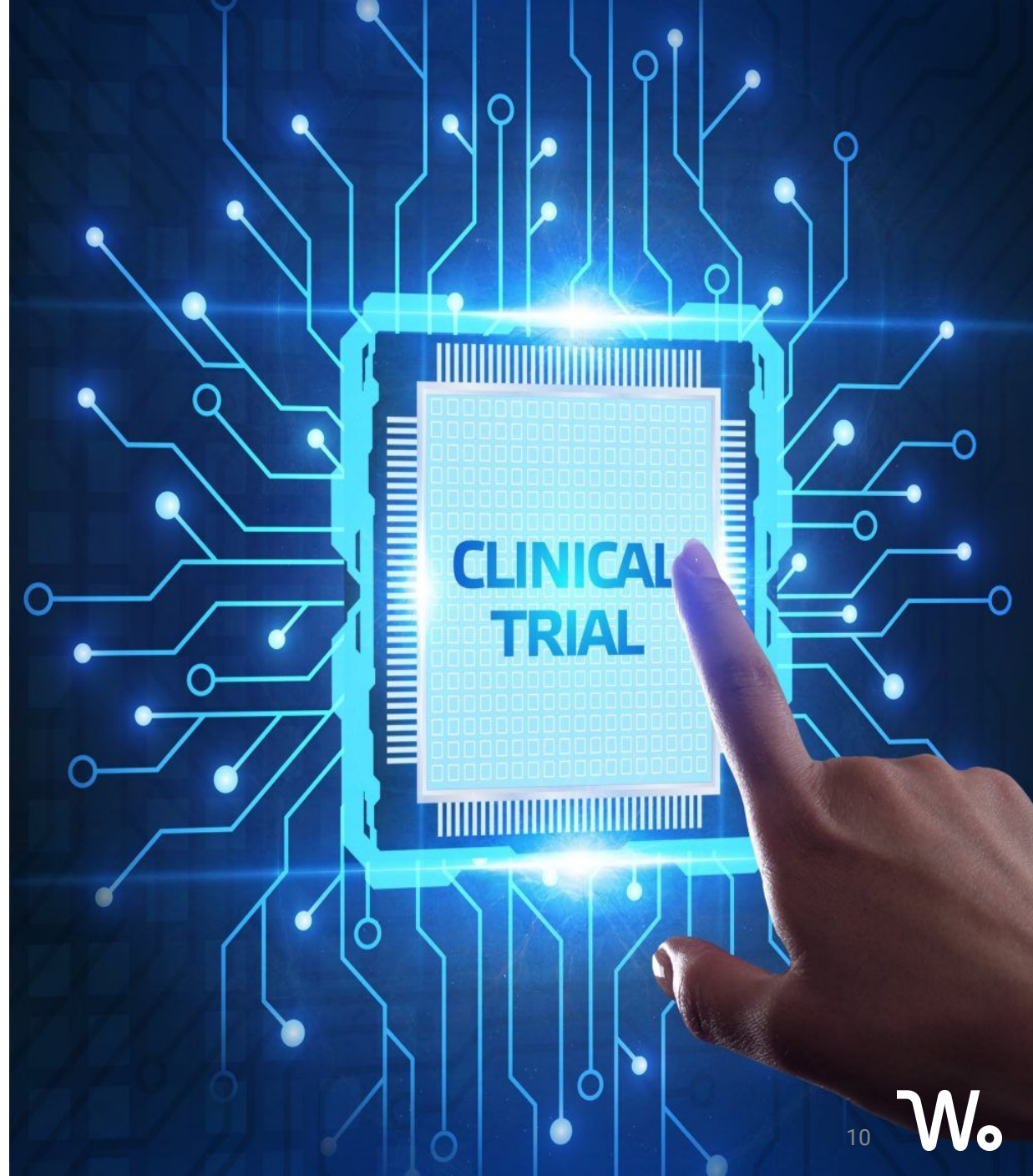
**BJÖRN LUNDÉN.**



# Empowering people to live longer and better lives

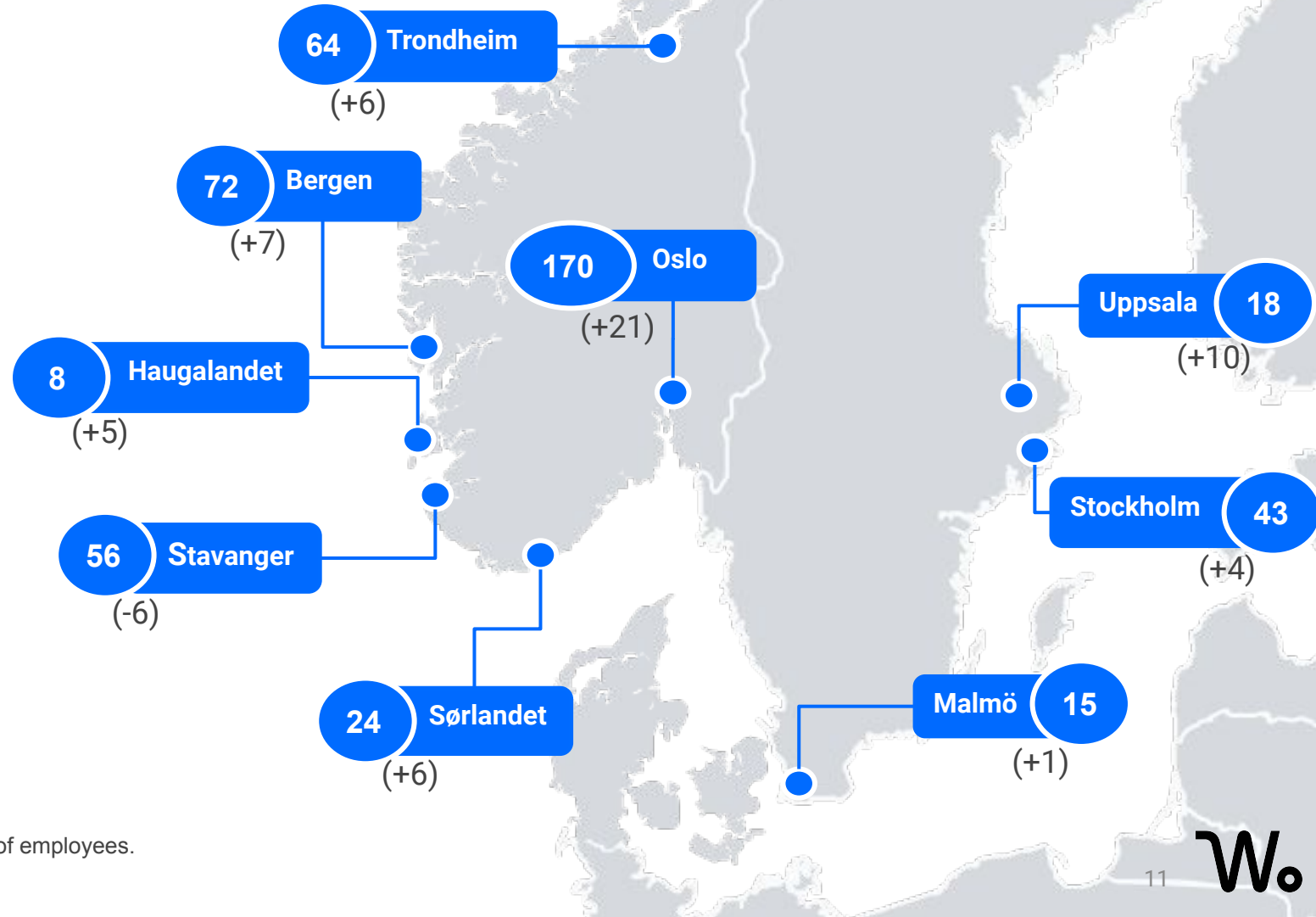
- Webstep is playing a key role in designing, building and maintaining AI-assisted applications
- Enhancing the user experience and making sure their IT solutions scale fast
- Developing tools to structure and harmonize information in text files to generate new insights

**PubGene** was founded in response to a clear demand for products that organize information for life sciences. The company is enabling personalised medicine through developing bioinformatics solutions.



# Organization and employees

- Strong local presence
  - *Close to the Customer*
  - *Strategic Partner*
- Building Competence
  - *High quality competence events*
  - *Investing in the experts*
- 470 employees at the end of third quarter

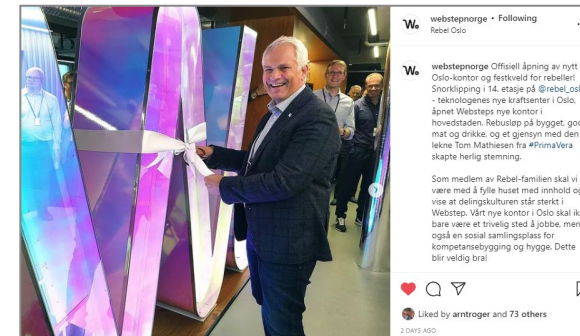


Note: Numbers in parentheses refer to year-over-year growth in number of employees.



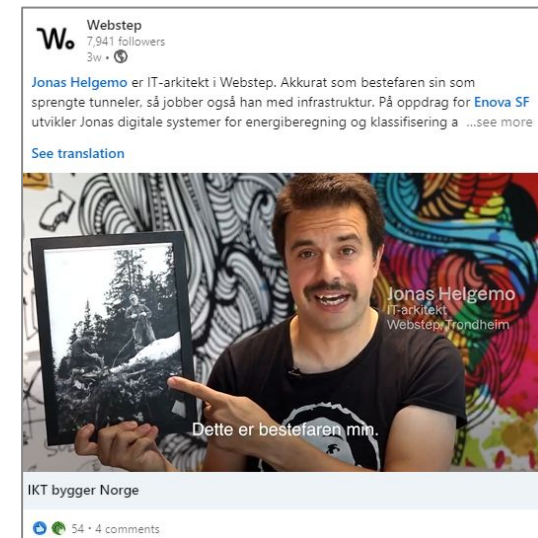
# Community involvement

- Participating at Arendalsuka
- Editorials focusing on key societal challenges
- Awareness campaign promoting the role of IT consultants
- Promoting the tech industry to college girls
- Press coverage involving a security expert from Webstep



## Klar melding: IT-sikkerheten må tas på alvor

Markus Andersen blir vår aller første Cyber Security-lærer i Norge. Han påpeker at den største risikoen virksomheter står overfor er den digitale risikoen. Det er stor mangel på kompetansen, og dette må tas på alvor.



# Financial review



# Key figures - Group

NOK million	Q3 2021	Q3 2020	Y/Y change	YTD 2021	YTD 2020	Y/Y change	FY 2020
Revenues	<b>166.5</b>	146.2	13.9%	<b>556.2</b>	501.6	10.9%	690.0
EBITDA	<b>13.2</b>	12.9	2.1%	<b>58.3</b>	49.6	17.5%	63.9
EBITDA margin	<b>7.9%</b>	8.8%	-0.9 pts	<b>10.5%</b>	9.9%	0.6 pts	9.3%
EBIT	<b>9.5</b>	9.3	1.9%	<b>47.5</b>	39.1	21.5%	50.0
EBIT margin	<b>5.7%</b>	6.4%	-0.7 pts	<b>8.5%</b>	7.8%	0.7 pts	7.2%
Net profit	<b>6.7</b>	6.8	-1.4%	<b>35.2</b>	31.5	11.8%	36.7
Net free cash flow	<b>7.5</b>	4.7	60.9%	<b>9.3</b>	33.7	(72.5%)	59.4
Earnings per share (NOK)	<b>0.25</b>	0.25	(2.7%)	<b>1.31</b>	1.08	20.4%	1.38
Earnings per share, fully diluted (NOK)	<b>0.24</b>	0.25	(3.9%)	<b>1.29</b>	1.08	19.2%	1.38
Equity ratio	<b>61.9%</b>	68.3%	-6.5 pts	<b>61.9%</b>	68.3%	-6.5 pts	64.3%
Cash and cash equivalents	<b>16.7</b>	53.3	(68.7%)	<b>16.7</b>	53.3	(68.7%)	39.7
Number of employees, average (FTE)	<b>459</b>	415	10.6%	<b>440</b>	412	6.7%	410
Number of employees, end of period	<b>470</b>	416	12.9%	<b>470</b>	416	12.9%	415
Revenues per FTE (NOKt)	<b>363</b>	353	3.0%	<b>1,265</b>	1,217	3.9%	1,683
EBIT per FTE (NOKt)	<b>20.8</b>	22.7	(8.4%)	<b>108.0</b>	94.9	13.8%	122

## Q3 highlights

- Revenue growth from own consultants and less use of subcontractors
- Other factors influencing EBIT
  - Non-recurring cost NOK 2 million
  - Culture building activities
  - Onboarding of new consultants
- Strong foundation for growth

\*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 and complete reversal in Q3 2020.  
Please see the report - Note 7.

# Key figures - Norway

NOK million	Q3 2021	Q3 2020	Y/Y change	YTD 2021	YTD 2020	Y/Y change	FY 2020
Revenues	145.5	124.3	17.0%	479.8	425.4	12.8%	583.9
EBIT	9.8	8.3	18.4%	44.1	32.8	34.7%	41.6
EBIT margin	6.7%	6.7%	0.1 pts	9.2%	7.7%	1.5 pts	7.1%
Number of employees, average (FTE)	385.2	350.8	9.8%	372	350	6.3%	348
Number of employees, end of period	393.5	355.0	10.8%	394	357	10.2%	352
Number of workdays	66	66		188	189		252

## Revenue breakdown

NOK million	Q3 2021	Q3 2020*	Y/Y change	YTD 2021	YTD 2020	Y/Y change	FY 2020
Oslo	62.0	46.7	32.7%	200.3	156.8	27.7%	219.8
Regional offices	75.5	67.5	11.8%	246.4	230.1	7.1%	312.5
Subcontractors	8.3	11.6	(28.9%)	34.6	41.4	(16.4%)	54.0
Other / eliminations	(0.2)	(1.5)	(84.3%)	(1.6)	(3.0)	(47.6%)	(2.4)
<b>Total</b>	<b>145.5</b>	<b>124.3</b>	<b>17.0%</b>	<b>479.8</b>	<b>425.4</b>	<b>12.8%</b>	<b>583.9</b>

## Q3 highlights

- Norwegian segment represents 87% of consolidated revenue
- Continued strong revenue growth
- EBIT impacted by
  - Onboarding of consultants
  - Culture building activities
  - Non-recurring items NOK 2 million
    - Write off fixed price projects
    - External services related to organizational development
- New office locations

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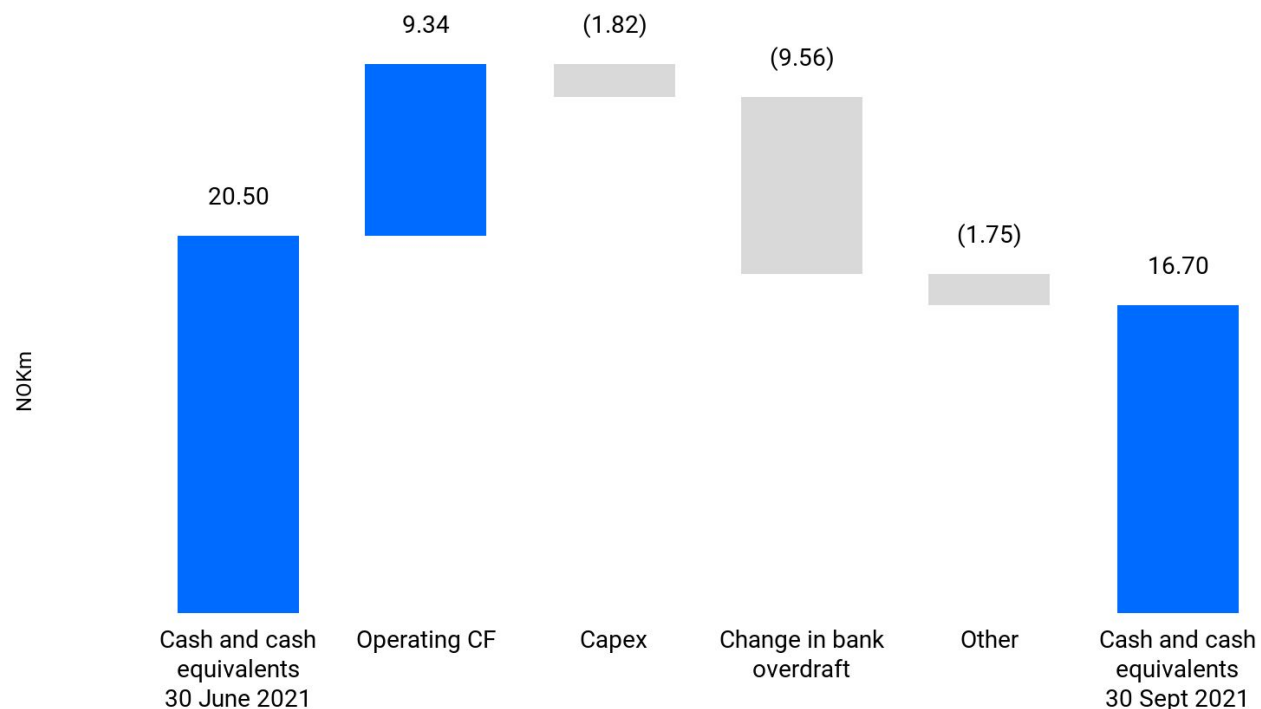
# Key figures - Sweden

NOK million	Q3 2021	Q3 2020	Y/Y change	YTD 2021	YTD 2020	Y/Y change	FY 2020
Revenues	21.0	21.8	(3.8%)	76.5	76.2	0.4%	106.1
EBIT	(0.3)	1.0	(126.3%)	3.4	6.3	(46.7%)	8.4
EBIT margin	(1.9%)	4.7%	-6.6 pts	4.0%	8.2%	-4.2 pts	7.9%
Number of employees, average (FTE)	73	62	18.2%	68	63	7.6%	63
Number of employees, end of period	76	61	24.6%	76	61	24.6%	63
Number of workdays	66	66		189	189		252

## Q3 highlights

- Swedish segment represents 13% of consolidated revenue in Q3
- EBIT impacted by:
  - Significant growth in employees - related onboarding processes
- Strengthened position for revenue growth and profitability

# Cash flow and net debt



## Q3 highlights

- Q3 free cash flow of NOK 7.5m
- Operating cash flow increased from NOK 5.7m in Q3-20 to NOK 9.3m in Q3-21
- Capex relates to office equipment
- Credit facility of NOK 110m in Norway and SEK 5m in Sweden per end of quarter

NOK million	30 Sept 2021
Cash and cash equivalents*	(16.7)
Restricted cash	1.7
Debt to credit institutions	13.1
Leasing liabilities	44.5
<b>Net interest bearing debt (NIBD)</b>	<b>42.6</b>
NIBD/EBITDA (rolling 12 months)	0.59

Note: \*Negative indicates positive amount.

# Outlook



# Outlook

- Positive market outlook
  - *High demand for Webstep services and consultants securing assignments for employees onboarded in Q3.*
- Continued growth
  - *Expect to be 475 employees by the end of Q4*
- Main focus
  - *Organic growth in existing locations*
  - *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 21 October 2021

Shareholder name	Shares	%	
EMBRO EIENDOM AS	8,159,382	30.1%	
VERDIPAPIRFONDET ALFRED BERG GAMBA	1,556,645	5.7%	
SALT VALUE AS	1,157,687	4.3%	
J.P. Morgan Bank Luxembourg S.A.	1,041,345	3.8%	Nominee
JAKOB HATTELAND HOLDING AS	1,000,000	3.7%	
VERDIPAPIRFONDET DNB SMB	936,086	3.5%	
J.P. Morgan Bank Luxembourg S.A.	900,000	3.3%	Nominee
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	339,964	1.3%	
Citibank, N.A.	320,000	1.2%	Nominee
BLUEBERRY CAPITAL AS	317,007	1.2%	
HAUSTA INVESTOR AS	300,000	1.1%	
ESPEDAL & CO AS	255,560	0.9%	
IVAR LØGE AS	250,000	0.9%	
VERDIPAPIRFONDET NORDEA AVKASTNING	225,383	0.8%	
<b>Top 20 shareholders</b>	<b>19,825,281</b>	<b>73.2%</b>	
Other	7,264,824	26.8%	
<b>Total share outstanding</b>	<b>27,090,105</b>	<b>100.0%</b>	



# Disclaimer

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