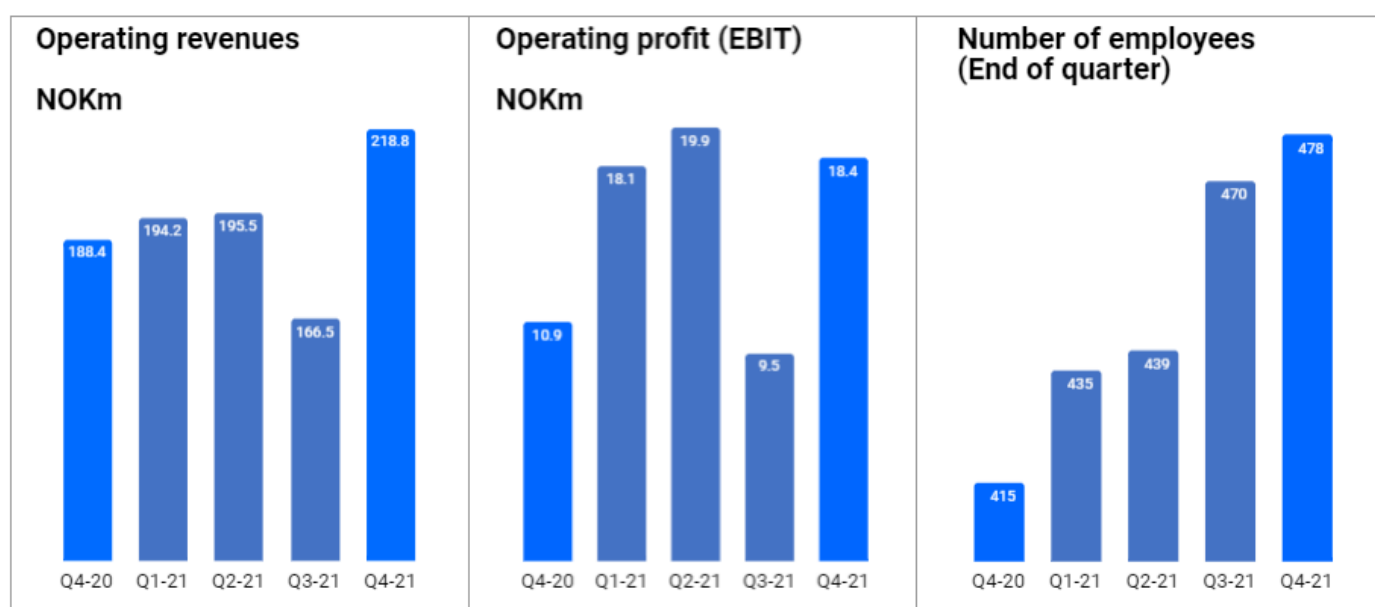


**Interim report
Q4 and
Full Year
2021**

Highlights of the fourth quarter and full year 2021

Strong growth in consolidated revenues, strengthening of EBIT and increase in number of employees.
(All amounts in brackets are comparative figures for 2020 unless otherwise specifically stated.)

- Consolidated revenues
 - o Q4: **NOK 218.8 (188.4) million** (+16.1%)
 - o FY 2021: **NOK 775.0 (690.0) million** (+12.3%)
- Revenues Norway
 - o Q4: **NOK 188.6 (158.5) million** (+19.0%)
 - o FY 2021: **NOK 668.4 (583.9) million** (+14.5%)
- Revenues Sweden
 - o Q4: **NOK 30.2 (29.9) million** (+0.7%)
 - o FY 2021: **NOK 106.7 (106.1) million** (+0.5%)
- Consolidated EBIT
 - o Q4: **NOK 18.4 (10.9) million** (+68.9%)
 - o FY 2021: **NOK 65.9 (50.0) million** (+31.8%)
- EBIT for Norway
 - o Q4: **NOK 17.0 (8.8) million** (+93.7%)
 - o FY 2021: **NOK 61.1 (41.6) million** (+46.8%)
- EBIT for Sweden
 - o Q4: **NOK 1.4 (2.1) million** (-32.6%)
 - o FY 2021: **NOK 4.8 (8.4) million** (-43.1%)
- Headcount
 - o Q4 end of period: **478** employees (415 at 31 December 2020)
- Solid financial position supports dividend proposal of **NOK 1.70** per share



Key figures

Group

	Q4	Q4		FY	FY	
NOK million	2021	2020	Change	2021	2020	Change
Sales revenues	218.8	188.4	16.1%	775.0	690.0	12.3%
EBITDA	22.9	14.3	59.9%	81.2	63.9	27.0%
EBITDA margin	10.5%	7.6%	2.9 pts	10.5%	9.3%	1.2 pts
EBIT	18.4	10.9	68.9%	65.9	50.0	31.8%
EBIT margin	8.4%	5.8%	2.6 pts	8.5%	7.2%	1.3 pts
Net profit	13.3	7.8	69.8%	48.5	36.7	32.0%
Net free cash flow	37.7	25.6	46.9%	46.9	59.4	(20.9%)
Equity ratio	60.7%	64.3%	-3.6 pts	60.7%	64.3%	-3.6 pts
Earnings per share (NOK)	0.49	0.29	67.5%	1.80	0.29	513.5%
Earnings per share, fully diluted (NOK)	0.48	0.29	65.2%	1.78	0.29	507.0%
Number of employees, average (FTE)	478	411	16.4%	449	410	9.6%
Number of employees, end of period	478	415	15.3%	478	415	15.3%
Operating revenue per employee	458	459	(0.3%)	1,725	1,683	2.5%
EBIT per employee	38.6	26.6	44.8%	146.7	122.0	20.3%

Segments

Norway

	Q4	Q4		FY	FY	
NOK million	2021	2020	Change	2021	2020	Change
Revenues	188.6	158.5	19.0%	668.4	583.9	14.5%
EBIT	17.0	8.8	93.7%	61.1	41.6	46.8%
EBIT margin	9.0%	5.5%	3.5 pts	9.1%	7.1%	2 pts
Number of employees, average (FTE)	401	349	15.1%	379	348	9.1%
Number of employees, end of period	403	352	14.5%	403	352	14.5%
Operating revenue per employee (NOKt)	470	455	3.4%	1,763	1,679	5.0%

Sweden

	Q4	Q4		FY	FY	
NOK million	2021	2020	Change	2021	2020	Change
Revenues	30.2	29.9	0.8%	106.7	106.1	0.5%
EBIT	1.4	2.1	(32.6%)	4.8	8.4	(42.5%)
EBIT margin	4.8%	7.2%	-2.4 pts	4.5%	7.9%	-3.4 pts
Number of employees, average (FTE)	77	62	24.2%	70	63	11.9%
Number of employees, end of period	75	63	19.0%	75	63	19.0%
Operating revenue per employee (NOKt)	392	483	(18.9%)	1,520	1,695	(10.3%)

Financial review

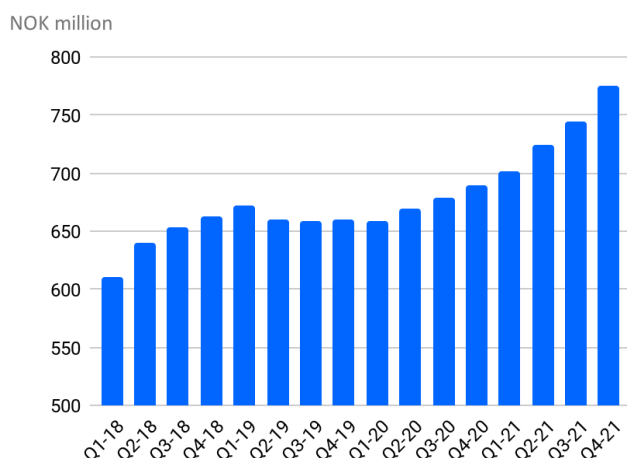
(All amounts in brackets are comparative figures for 2020 unless otherwise specifically stated.)

Operating revenues

Fourth quarter consolidated revenues were NOK 218.8 million (NOK 188.4 million), up 16.1 percent from the same quarter last year. Webstep's revenue model is primarily based on hourly fees, with revenue capacity dependent on the number of consultants, number of workdays and hourly rates. The average number of employees in the quarter was 478 (411) and the quarter had one more workday compared to the same quarter previous year. The revenue growth is mainly driven by an increased number of consultants, in addition to higher utilization and hourly rates.

Total consolidated revenues were NOK 775.0 million (NOK 690.0 million), up 12.3 percent compared to 2020. The revenue growth is driven by an increased number of consultants, higher utilization and hourly rates.

Rolling 12 month operating revenues



Operating costs

Cost of services and goods sold, primarily related to use of subcontractors, amounted to NOK 19.0 million (NOK 23.3 million) for the quarter and NOK 70.2 million (NOK 78.9 million) for the full year.

Salaries and personnel costs include salaries and benefits, pension, tax, vacation pay and other items. A high proportion of salary is variable and correlates with revenues. New consultants receive a guaranteed base salary in the onboarding phase, which may affect personnel expenses in periods with high onboarding activity. Salaries and personnel costs amounted to NOK 164.3 million (NOK 139.5 million) for

the quarter. The increase is explained by a higher number of employees and higher revenues.

Salaries and personnel costs amounted to NOK 583.7 million (NOK 513.2 million) for the full year. The increase is explained by a higher number of employees and culture building activities.

Other operating expenses amounted to NOK 12.5 million (NOK 11.3 million) for the quarter.

Depreciation and impairment for the quarter amounted to NOK 4.5 million (NOK 3.4 million).

Other operating expenses amounted to NOK 40.0 million (NOK 34.0 million) for the full year. External services, software and IT-related events have impacted operating expenses.

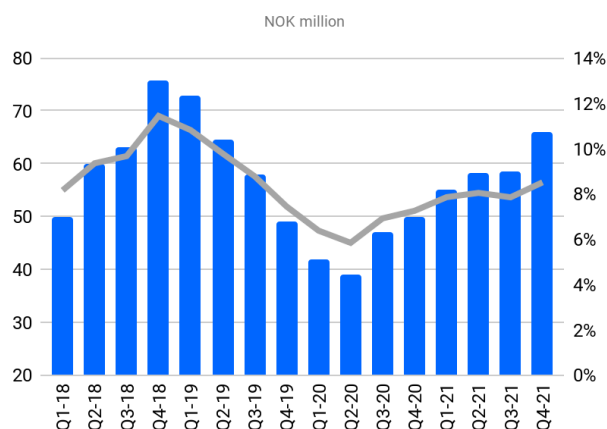
Depreciation and impairment for the full year amounted to NOK 15.3 million (NOK 13.9 million).

Operating profit

Total consolidated EBITDA for the quarter amounted to NOK 22.9 million (NOK 14.3 million) and NOK 81.2 million (NOK 63.9 million) for the full year.

Total consolidated EBIT for the quarter amounted to NOK 18.4 million (NOK 10.9 million). EBIT for 2021 amounted to NOK 65.9 million (NOK 50.0 million). EBIT for 2021 impacted by one-off costs NOK 2 million, as reported in Q3 2021. EBIT margin for the quarter is 8.4 % (5.8 %) and 8.5 % (7.2 %) for the full year.

Rolling 12 month operating profit (EBIT) and EBIT margin



Net financial costs were NOK 1.1 million (NOK 0.8 million) and income tax amounted to NOK 4.0 million (NOK 2.2 million) for the quarter. Net profit for the quarter was NOK 13.3 million (NOK 7.8 million).

Net financial costs were NOK 3.5 million (NOK 2.9 million) and income tax amounted to NOK 13.9 million (NOK 10.3 million) for the full year. Net profit for 2021 was NOK 48.5 million (NOK 36.7 million).

Financial position

Total assets on 31 December amounted to NOK 649.0 million (NOK 591.7 million). Non-current assets were NOK 458.1 million (NOK 432.1 million) and consisted mainly of intangible assets. Intangible assets amounted to NOK 383.6 million (NOK 389.8 million), and comprise primarily of acquisition-related goodwill of NOK 380.5 million. Currently, there are no indications that impairment is required for any of the reporting units. Right-of-use assets related to office rentals and car leases have been recognized in the balance sheet at the total amount of NOK 62.5 million (NOK 34.8 million).

Total current assets of NOK 190.9 million (NOK 159.5 million) consisted of trade receivables, other current receivables and cash and short-term deposits. Trade receivables amounted to NOK 132.8 million (NOK 108.0 million). Other current receivables were NOK 11.4 million (NOK 11.8 million). Cash and short-term deposits amounted to NOK 46.7 million (NOK 39.7 million).

Total equity on 31 December was NOK 393.7 million (NOK 380.2 million). The change is mainly related to earnings generated, offset by dividends paid. Non-current liabilities amounted to NOK 51.0 million (NOK 25.8 million) and consisted mainly of non-current leasing liabilities of NOK 49.5 million (NOK 24.1 million). Current liabilities of NOK 204.3 million (NOK 185.6 million) consisted of debt to credit institutions (change in bank overdraft), current leasing liabilities, trade payables, tax payables, social taxes and VAT and other short-term liabilities.

Cash flow from operations amounted to NOK 41.9 million (NOK 26.3 million) for the quarter, and NOK 54.7 million (NOK 63.3 million) for the full year. The increased cash flow from operations is primarily explained by profit and change in trade receivables and other liabilities.

The dividend policy remains unchanged, and the board of directors propose a dividend of NOK 1.70 per share, representing 96 per cent of the annual net profit of the Group for 2021.

The Webstep Group has a credit facility with SpareBank1 SR-Bank of NOK 110 million and SEK 5 million with SEB. The Group has not been in breach with the covenants during the quarter.

Segment information

The Group's activities are organized in two geographical segments, Norway and Sweden. Revenues and results are recorded in the entity where they occur and hence reported in the segment, in which the legal entity belongs. Segment performance is evaluated on the basis of revenue and EBIT performance. Assets and liabilities are not allocated between the segments.

Norway is the largest segment, accounting for 86 percent of the consolidated operating revenues in the quarter.

Norway

Webstep Norway is headquartered in Oslo and has offices in Bergen, Stavanger, Trondheim, Kristiansand and Haugesund. The Group provides high-end IT consultancy services to around 250 public and private clients across the country.

Total operating revenues for the quarter came to NOK 188.6 million (NOK 158.5 million), up 19.0 percent from the same period in 2020. The revenue growth is mainly driven by an increased number of consultants.

EBIT for the quarter came to NOK 17.0 million (NOK 8.8 million). EBIT is impacted by higher revenues due to a higher number of employees.

Total operating revenues for 2021 came to NOK 668.4 million (NOK 583.9 million), up 14.5 percent from 2020. Revenue growth is mainly driven by a higher number of employees and utilization. EBIT for the full year came to NOK 61.1 million (NOK 41.6 million).

Webstep Norway had 403 employees on 31 December 2021 (352 employees). The average number of employees in the quarter was 401 (349) and 379 (348) for the full year.

Sweden

Webstep Sweden has offices in Stockholm, Malmö, and Uppsala. Webstep Sweden serves clients in different industries, mainly in the private sector, and delivers the same high-end IT consultancy services as Webstep Norway, primarily within the Group's core digitalization offering.

Operating revenues for the quarter came to NOK 30.2 million (NOK 29.9 million), an increase of 0.7 percent. Adjusted for fluctuation in exchange rates, revenue increased by 6.8 percent compared to the same quarter last year. EBIT came to NOK 1.4 million (NOK 2.1 million) for the quarter. EBIT is mainly impacted by a decrease in billable hours per employee due to absence and longer onboarding phase than expected for new employees. The use of subcontractors has also been lower in the quarter.

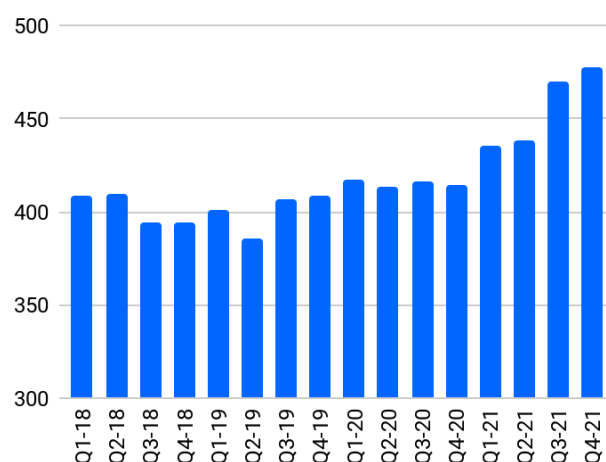
Operating revenues for the full year came to NOK 106.7 million (NOK 106.1 million), an increase of 0.5 percent. Adjusted for fluctuation in exchange rates, revenue grew by 3.3 percent compared to 2020. EBIT came to NOK 4.8 million (NOK 8.4 million) for 2021. Adjusted for fluctuation in exchange rates, EBIT decreased with 36.6% compared to 2020. EBIT is impacted by onboarding, decrease in billable hours per employees, reduced revenues from subcontractors and increased number of sales personnel.

Webstep Sweden had 75 employees on 31 December 2021 (63 employees). The average number of employees in the quarter was 77 (62) and 70 (63) for the full year.

Employees

Webstep had 478 employees at the end of the fourth quarter, an increase of 8 employees the last quarter and an increase of 63 employees the last twelve months. The employees are distributed across nine regional offices in major cities in Norway and Sweden. Webstep believes in the power of local business and the decentralized model is based on strong local presence. The regional offices provide expertise and capacity to local clients, while leveraging the full organizational capacity.

Number of employees (end of quarter)



Webstep's consultants have on average more than 10 years of relevant experience. This creates a solid foundation for a strong professional environment and high-quality deliveries. The Webstep work culture is driven by the values of being skilled, innovative, generous and uncomplicated.

Webstep endeavors to assign its consultants interesting and challenging projects that ensure personal development and contentment. By constantly developing the consultants' skill sets, Webstep services as such are also improved. The incentive model for consultants is designed to attract and motivate highly experienced experts. The salary model for consultants has been a pillar in Webstep ever since inception in 2000.

Market update

There is a continued strong demand for IT consultancy services in both Norway and Sweden. With the limited number of experienced IT people available, there is fierce competition in the recruitment market.

Webstep however continues to attract talent, and new delivery concepts have been important in differentiating Webstep in the recruiting market. The most important growth enabler going forward, is the ability to hire more IT consultants while in parallel counteract churn.

To provide large and digitally mature clients with hand-picked technology experts who in an efficient and effective manner help to solve the client's challenges, is the traditional Webstep go-to-market model. The projects are normally run and managed by the clients. The experts employed by Webstep handle a broad range of technology platforms and disciplines - from the traditional programming languages such as .Net and Java, to highly sought-after services such as project management, cloud migration, advanced data analytics and machine learning.

Clients increasingly request full scale developer teams ("teams-as-a-service") or projects and end-to-end solutions that are managed and executed by their IT service vendors. Webstep has therefore invested in expertise and methodologies required to provide these services. What distinguishes this delivery from the traditional Webstep delivery model, is that Webstep will provide the client with full scale development teams as opposed to single consultants in expert roles.

The two delivery models *Team-as-a-services* and *Project and solutions* provide the consultants with security and predictability, and are making Webstep more attractive as an employer. These two delivery concepts also give ambitious IT experts the opportunity to work closely with other colleagues on technically challenging and interesting projects.

Outlook

Webstep is well positioned to take advantage of the strong IT market. The Company has proven its capacity and expertise to deliver comprehensive projects and solutions in line with the Webstep's growth strategy.

The acceleration in the digital shift following the pandemic creates opportunities for IT expert companies such as Webstep. The ongoing projects and renewed trust from existing clients represent a solid foundation for the coming quarters.

Overall 2021 was a good recruiting year and the strong recruiting efforts continue. The number of employees is expected to increase to around 485 by the end of Q1 2022.

Further, the general capacity utilization is expected to remain high going forward, although affected in the near-term by onboarding of new employees.

Market focus will be on organic growth in existing locations, but M&A may be utilized as a strategic tool to access new customer relations or new expertise.

Statement by the Board of directors and the CEO

We confirm to the best of our knowledge that: the consolidated financial statements for the period ended 31 December have been prepared in accordance with IAS as adopted by the EU, as well as additional information requirements in accordance with the Norwegian Accounting Act and generally accepted accounting practice in Norway, and that the information presented in the financial statements gives a true and fair view of the Group's assets, liabilities, financial position and results for the period viewed in their entirety, and that the board of directors' report gives a true and fair view of the development, performance and financial position of the Group, and includes a description of the material risks that the board of directors, at the time of this report, deem might have a significant impact on the financial performance of the Group.

The Board of directors and CEO
WEBSTEP ASA

OSLO, 16 February 2022

Sign.	Sign.	Sign.
Trond Klethagen Johannessen	Kjetil Bakke Eriksen	Toril Nag
Chair of the board	Board member	Board member
Sign.	Sign.	Sign.
Siw Ødegaard	Trygve Christian Moe	Save Asmervik
Board member	Board member	Chief Executive Officer

Financial statements

Consolidated statement of comprehensive income

NOK'000	Q4 2021	Q4 2020	FY 2021	FY 2020
Sales revenues	218,784	188,400	775,023	689,987
Total revenues	218,784	188,400	775,023	689,987
Cost of services and goods	19,016	23,283	70,200	78,918
Salaries and personnel cost	164,342	139,532	583,665	513,151
Depreciation and impairment	4,481	3,419	15,273	13,916
Other operating expenses	12,517	11,254	39,961	33,998
Total operating expenses	200,357	177,488	709,100	639,983
Operating profit(loss)	18,428	10,912	65,923	50,004
Net financial items	(1,090)	(842)	(3,512)	(2,908)
Profit before tax	17,338	10,070	62,411	47,097
Income tax expenses	4,042	2,239	13,916	10,348
Profit for the period	13,296	7,832	48,495	36,749
Earnings per share (NOK)	0.49	0.29	1.80	1.38
Earnings per share, fully diluted (NOK)	0.48	0.29	1.78	1.38
Other comprehensive income:				
Currency translation differences	(2,207)	(563)	(5,929)	7,892
Other comprehensive income for the period, net of tax	(2,207)	(563)	(5,929)	7,892
Total comprehensive income for the period, net of tax	11,089	7,268	42,566	44,641
Attributable to:				
Shareholders in parent company	11,089	7,268	42,566	44,641

Consolidated statement of financial position

NOK'000	31-Dec 2021	31-Dec 2020
ASSETS		
Intangible assets	383,575	389,832
Fixed assets	10,355	6,490
Right-of-use assets	62,548	34,807
Non-current financial assets	-	10
Deferred tax assets	1,619	998
Total non-current assets	458,097	432,137
Trade receivables	132,761	107,972
Other current receivables	11,439	11,827
Cash and short-term deposits	46,690	39,724
Total current assets	190,889	159,524
Total assets	648,986	591,660
EQUITY		
Share capital	27,322	26,967
Treasury shares	(54)	(60)
Share premium	172,779	162,024
Retained earnings	193,645	191,253
Total equity	393,692	380,184
LIABILITIES		
Non-current leasing liabilities	49,507	24,082
Deferred tax	1,486	1,755
Total non-current liabilities	50,993	25,838
Debt to credit institutions		
Current leasing liabilities	12,029	10,724
Trade and other payables	15,745	20,862
Tax payable	14,599	9,923
Social taxes and VAT	72,114	60,525
Other short-term debt	89,814	83,604
Total current liabilities	204,301	185,639
Total liabilities	255,294	211,476
Total liabilities and equity	648,986	591,660

Consolidated statement of change in equity

NOK'000	Issued capital	Treasury shares	Share premium	Foreign currency translation reserve	Retained earnings	Total earned equity	Non-controlling interest	Total equity
1 January 2020	26,967	(293)	156,910	8,321	179,740	371,645	-	371,645
Profit for the period	-	-	-	-	36,749	36,749		36,749
Sales of treasury shares	-	-	-	-	-			0
Other comprehensive income/(loss)	-	-	-	7,892	-	7,892		7,892
Share incentive program	-	234	5,110	-	1,232	6,576		6,576
Dividends	-	-	-	-	(42,677)	(42,677)		(42,677)
31 December 2020	26,967	(59)	162,020	16,213	175,043	380,185	-	380,185
Profit for the period	-	-	-	-	48,495	48,495		48,495
Sales of treasury shares	-	6	111	-		117		117
Other comprehensive income/(loss)	-	-	-	(5,930)		(5,930)		(5,930)
Share incentive program	-	-	-	-	2,878	2,878		2,878
Dividends	-	-	-	-	(43,052)	(43,052)		(43,052)
Share issue	355	-	10,644	-	-	10,999		10,999
31 December 2021	27,323	(54)	172,775	10,284	183,365	393,692	-	393,692

Consolidated statement of cash flows

NOK'000	Q4 2021	Q4 2020	FY 2021	FY 2020
Operating activities				
Profit/(loss) before tax	17,338	10,070	62,411	47,097
Adjustments for:				
Depreciation of property, plant and equipment	4,481	3,419	15,273	13,916
Net change in trade and other receivables	3,834	(1,927)	(24,390)	(7,891)
Net change in other liabilities	16,777	13,153	12,682	18,497
Net foreign exchange differences	(514)	(84)	(1,323)	1,111
Income tax expenses	(65)	1,696	(9,959)	(9,395)
Net cash flow from operating activities	41,851	26,327	54,695	63,335
Investing activities				
Purchase of property and equipment	(4,187)	(692)	(7,750)	(3,974)
Net cash flow from investing activities	(4,187)	(692)	(7,750)	(3,974)
Financing activities				
Repayments of lease liabilities	(3,878)	(2,182)	(10,920)	(8,989)
Sale of treasury shares	1,024	5,612	2,995	6,575
Change in bank overdraft	(13,064)	-	-	-
Net proceeds from equity	8,240		10,999	-
Payment of dividends		(42,677)	(43,052)	(42,677)
Net cash flows from financing activities	(7,677)	(39,248)	(39,978)	(45,092)
Net increase/(decrease) in cash and cash equivalents	29,987	(13,613)	6,966	14,270
Cash and cash equivalents at the beginning of the period	16,703	53,337	39,724	25,454
Cash and cash equivalents at the end of the period	46,690	39,724	46,690	39,724

Notes to the consolidated financial statements

Note 1 Significant accounting principles

Basis for preparation

The financial statements are presented in NOK, rounded to the nearest thousand, unless otherwise stated. As a result of rounding adjustments, the figures in one or more rows or columns included in the financial statements and notes may not add up to the total of that row or column.

Statements

These condensed consolidated interim financial statements for the fourth quarter and full year 2021 have been prepared in accordance with IAS 34 as approved by the EU (IAS 34). They have not been audited or subject to a review by the auditor. They do not include all the information required for full annual financial statements of the Group and should consequently be read in conjunction with the consolidated financial statements for 2020. The accounting policies applied are consistent with those applied and described in the consolidated annual financial statements for 2020, which are available on www.webstep.com and upon request from the Company's registered office at Universitetsgata 2, 0164 Oslo, Norway.

These condensed consolidated interim financial statements for the fourth quarter 2022 were approved by the Board of Directors and the CEO 16 February 2022.

Accounting policies

The Group prepares its consolidated annual financial statements in accordance with IFRS as adopted by the EU (International Financial Reporting Standards - IFRS) and the Norwegian Accounting Act. References to IFRS in these accounts refer to IFRS as approved by the EU. The date of transition was 1 January 2016. The accounting policies adopted are consistent with those of the previous financial year. Changes to IFRSs which have been effective from 1 January 2021 have had no material impact on the Group's financial statements.

Note 2 Estimates, judgments and assumptions

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual consolidated financial statements for 2020 and as described in note 3 to the 2020 statements.

Note 3 Seasonality or cyclicity of interim operations

The Group's net operating revenues are affected by the number of workdays within each reporting period while employee expenses are recognized for full calendar days. The number of workdays in a month is affected by public holidays and vacations. The timing of public holidays' during quarters and whether they fall on weekdays or not impact revenues. In Norway, the fourth quarter of 2021 had one more workday than the fourth quarter 2020, while for the full year 2021 had the same number of workdays as last year. In Sweden, the fourth quarter had one more workday compared to the fourth quarter 2020, and for the full year 2021 had one more workday.

Note 4 Earnings per share

NOK'000 (except number of shares in thousand)	Q4 2021	Q4 2020	FY 2021	FY 2020
Profit for the period	13,296	7,832	48,495	36,749
Average number of shares (excl. treasury shares)	27,112	26,751	27,000	26,691
Average number of shares, fully diluted (excl. treasury shares)	27,499	26,767	27,305	26,696
Earnings per share (NOK)	0.49	0.29	1.80	1.38
Earnings per share, fully diluted (NOK)	0.48	0.29	1.78	1.38

Based on the number of share option outstanding, the strike price of the options, the average share price during the fourth quarter and full year 2021, and the remaining vesting period of the options, the dilution effect of the long-term incentive program accounts for 386,970 shares and 304,944 shares, respectively.

Note 5 Events after the balance sheet date

There have been no events after the balance sheet date significantly effecting the Group's financial position.

Note 6 Alternative performance measures

Webstep discloses alternative performance measures as a supplement to the financial statements prepared in accordance with IFRS. Webstep believes that the alternative performance measures provide useful supplemental information to management, investors, equity analysts and other stakeholders. These measures are commonly used and are meant to provide an enhanced insight into the financial development of Webstep's business operations and to improve comparability between periods.

- **EBITDA** is short for Earnings before Interest and other financial items, Taxes, Depreciation and Amortization and is a term commonly used by equity analysts and investors.
- **EBIT** is short for Earnings before Interest and other financial items and Taxes and is a term commonly used by equity analysts and investors.
- **Net free cash flow** is calculated as net cash flow from operating activities plus net cash flow from investing activities.
- **NIBD** is short for Net Interest Bearing Debt and is defined as interest bearing debt minus unrestricted cash and cash equivalents.
- **NIBD/EBITDA** is calculated as Net Interest Bearing Debt divided by Earnings before Interest and other financial items, Taxes, Depreciation and Amortization (EBITDA). The ratio is one of the debt covenants of the Company and it is based on the rolling twelve months EBITDA. If the Company has more cash than debt, the ratio can be negative. The covenant requires a Group NIBD/EBITDA ratio of maximum 3.
- **Equity ratio** is defined as the total consolidated equity of the Group divided by total assets. The covenant requires a Group equity ratio of minimum 0.3.

Profit measures - EBITDA

NOK'000	Q4 2021	Q4 2020	FY 2021	FY 2020
EBITDA (Earnings Before Interest Tax Depreciation and Amortization)				
Operating profit	18,428	10,912	65,923	50,004
Depreciation	4,481	3,419	15,273	13,916
EBITDA	22,909	14,331	81,196	63,920

Net interest bearing debt (NIBD)

NOK'000	31 Dec 2021	31 Dec 2020
NIBD (Net Interest Bearing Debt)		
Cash and cash equivalents (minus indicates positive amount)	(46,690)	(39,724)
Restricted cash	1,893	1,871
Debt to credit institutions		
Leasing liabilities (non-current and current)	61,536	34,807
NIBD	16,739	(3,046)

Group equity ratio

NOK'000	31 Dec 2021	31 Dec 2020
Total equity	393,692	380,184
Total assets	648,986	591,660
Group equity ratio	0.61	0.64

NIBD/EBITDA

NOK'000	31 Dec 2021	31 Dec 2020
EBITDA rolling 12 months	81,196	63,920
NIBD	16,739	(3,046)
NIBD/EBITDA (rolling 12 months)	0.21	(0.05)

Appendix

Key figures by quarter

Group NOK million	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Sales revenues	218.8	166.5	195.5	194.2	188.4
EBITDA	22.9	13.2	23.4	21.7	14.3
EBITDA margin	10.5%	7.9%	12.0%	11.2%	7.6%
EBIT	18.4	9.5	19.9	18.1	10.9
EBIT margin	8.4%	5.7%	10.2%	9.3%	5.8%
Net profit	13.3	6.7	14.9	13.6	7.8
Net free cash flow	37.7	7.5	(5.6)	7.4	25.6
Equity ratio	60.7%	61.9%	61.0%	63.0%	64.3%
Earnings per share (NOK)	0.49	0.25	0.55	0.51	0.29
Earnings per share, fully diluted (NOK)	0.48	0.24	0.55	0.50	0.29
Number of employees, average (FTE)	478	459	435	426	411
Number of employees, end of period	478	470	439	435	415
Operating revenue employee (NOK thousand)	458	363	449	457	459
EBIT per employee (NOK thousand)	39	21	46	43	27

Segments

Norway NOK million	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Sales revenues	188.6	145.5	168.6	165.7	158.5
EBIT	17.0	9.8	18.5	15.8	8.8
EBIT margin	9.0 %	6.7%	11.0%	9.6%	5.5%
Number of employees, average (FTE)	401	385	369	361	349
Number of employees, end of period	403	394	372	370	352
Number of workdays, Norway (excl. vacation)	64	66	59	63	63

Sweden NOK million	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Sales revenues	30.2	21.0	27.0	28.6	29.9
EBIT	1.4	(0.3)	1.3	2.3	2.1
EBIT margin	4.8%	-1.3%	5.0%	8.0%	7.2%
Number of employees, average (FTE)	77	73	66	64	62
Number of employees, end of period	75	76	67	65	63
Number of workdays, Sweden (excl. vacation)	64	66	61	62	63

Consolidated income statement

	Q4	Q3	Q2	Q1	Q4
NOK'000	2021	2021	2021	2021	2020
Sales revenues	218,784	166,478	195,516	194,245	188,400
Total revenues	218,784	166,478	195,516	194,245	188,400
Cost of services and goods	(19,016)	(12,858)	(19,518)	(18,809)	(23,283)
Salaries and personnel cost	(164,342)	(131,118)	(143,232)	(144,972)	(139,532)
Depreciation and impairment	(4,481)	(3,682)	(3,556)	(3,554)	(3,419)
Other operating expenses	(12,517)	(9,291)	(9,357)	(8,796)	(11,254)
Total operating expenses	(200,357)	(156,950)	(175,663)	(176,131)	(177,488)
Operating profit(loss)	18,428	9,528	19,853	18,114	10,912
Net financial items	(1,090)	(935)	(796)	(691)	(842)
Profit before tax	17,338	8,594	19,057	17,422	10,070
Income tax expenses	4,042	(1,896)	(4,175)	(3,803)	(2,239)
Profit for the period	13,296	6,698	14,882	13,620	7,832

Consolidated statement of financial position

NOK'000	31-Dec 2021	30-Sep 2021	30-Jun 2021	31-Mar 2021	31-Dec 2020
Assets					
Intangible assets	383,575	385,686	386,497	384,835	389,832
Fixed assets	10,355	7,432	6,499	6,752	6,490
Right-of-use assets	62,548	44,514	35,781	35,390	34,807
Non-current financial assets	0	0	10	10	10
Deferred tax assets	1,619	998	998	998	998
Total non-current assets	458,097	438,630	429,785	427,984	432,137
Trade receivables	132,761	139,763	138,322	133,359	107,972
Other current receivables	11,439	8,271	11,988	9,929	11,827
Cash and short-term deposits	46,690	16,703	20,496	45,465	39,724
Total current assets	190,889	164,737	170,806	188,753	159,524
Total assets	648,986	603,367	600,591	616,737	591,660
Equity					
Total equity	393,692	373,339	366,531	388,686	380,184
Liabilities					
Non-current leasing liabilities	49,507	32,962	25,651	24,731	24,082
Deferred tax	1,486	1,624	1,635	1,586	1,755
Total non-current liabilities	50,993	34,587	27,286	26,318	25,838
Debt to credit institutions		13,064	22,623		
Current leasing liabilities	12,029	11,552	10,131	10,658	10,724
Trade and other payables	15,745	11,212	14,537	16,175	20,862
Tax payable	14,599	9,930	7,548	8,518	9,923
Dividend payable	0	-	-	-	-
Social taxes and VAT	72,114	59,799	68,436	63,643	60,525
Other short-term debt	89,814	89,885	83,502	102,740	83,604
Total current liabilities	204,301	195,442	206,777	201,734	185,639
Total liabilities	255,294	230,028	234,063	228,051	211,476
Total equity and liabilities	648,986	603,367	600,594	616,737	591,660

Consolidated statement of cash flows

NOK'000	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Operating activities					
Profit/(loss) before tax	17,338	8,594	19,057	17,422	10,070
Adjustments for:					
Depreciation of property, plant and equipment	4,481	3,682	3,556	3,554	3,419
Net change in trade and other receivables	3,834	2,286	(7,023)	(23,487)	(1,927)
Net change in other liabilities	16,777	(5,578)	(16,083)	17,566	13,153
Net foreign exchange differences	(514)	(137)	620	(1,291)	(84)
Income tax expenses	(65)	491	(5,173)	(5,211)	1,696
Net cash flow from operating activities	41,851	9,337	(5,046)	8,553	26,327
Investing activities					
Payments for R&D initiative	-				
Purchase of property and equipment	(4,187)	(1,818)	(595)	(1,150)	(692)
Net cash flow from investing activities	(4,187)	(1,818)	(595)	(1,150)	(692)
Financing activities					
Repayments of lease liabilities	(3,878)	(2,420)	(2,325)	(2,298)	(2,182)
Change in bank overdraft	(13,064)	(9,559)	22,623		-
Net proceeds from equity	8,240		2,758		
Sale of treasury shares	1,024	666	681	624	5,612
Payment of dividends			(43,052)		(42,677)
Net cash flows from financing activities	(7,677)	(11,313)	(19,315)	(1,662)	(39,248)
Net increase/(decrease) in cash and cash equivalents	29,987	(3,793)	(24,956)	5,741	(13,613)
Cash and cash equivalents at the beginning of the period	16,703	20,496	45,453	39,724	53,337
Cash and cash equivalents at the end of the period	46,690	16,703	20,496	45,465	39,725

Group departments

Webstep has 9 regional offices in major cities in Norway and Sweden. Webstep believes in the power of local business and the decentralized model is based on strong local presence. The regional offices provide expertise and capacity to local clients, while leveraging the full organizational capacity.

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