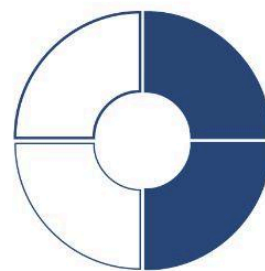


Q2 2024 Results Interim Report



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WEBSTEP

Highlights

April to June 2024²⁾

- Revenues of NOK 258.3 million (249.5), a growth of 3.5 per cent
- EBIT of NOK 18.9 million (17.6), an increase of 7.4 per cent; corresponding to an EBIT margin of 7.3 per cent (7.1)
- Net operating cash flow of positive NOK 32.2 million (positive 7.8)
- Earnings after tax of NOK 13.9 million (12.8), an increase of 8.9 per cent
- Earnings per share of NOK 0.50 (0.46); fully diluted of NOK 0.50 (0.46)
- Number of FTEs end of period 530 (561), a decrease of 5.5 per cent

January to June 2024²⁾

- Revenues of NOK 520.2 million (526.7), a decrease of 1.2 per cent
- EBIT of NOK 41.1 million (42.8), a decrease of 4.1 per cent; corresponding to an EBIT margin of 7.9 per cent (8.1)
- Net operating cash flow of positive NOK 1.4 million (positive 25.7)
- Earnings after tax of NOK 29.9 million (31.5), a decrease of 5.3 per cent
- Earnings per share of NOK 1.08 (1.14); fully diluted of NOK 1.07 (1.13)

Significant events during and after the period

- New CEO Kristine Lund in place from May
- Interim CFO Nina Stemshaug in place from end of July
- Further strengthening group management to drive growth and performance, by appointing Eva Johannesdottir as new general manager for the Stavanger office, starting in October
- Webstep AB sold to B3 Consulting Group, with transaction closed beginning of July. NOK 51 million proceeds from transaction to be allocated to buy-back of own shares and dividends¹⁾

1) Subject to approval by a General Meeting.

Group NOK million	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Revenues	258.3	249.5	520.2	526.7	1,000.0
Change	3.5%	16.0%	(1.2%)	17.5%	12.6%
EBITDA	24.8	23.0	53.1	53.5	65.7
EBITDA margin	9.6%	9.2%	10.2%	10.2%	6.6%
EBIT	18.9	17.6	41.1	42.8	18.5
EBIT margin	7.3%	7.1%	7.9%	8.1%	1.8%
Net profit	13.9	12.8	29.9	31.5	4.4
Net free cash flow	31.3	6.3	(0.4)	22.5	71.0
Cash flow from operations	32.2	7.8	1.4	25.7	76.5
Equity ratio	51.6%	54.9%	51.6%	54.9%	50.7%
Earnings per share (NOK)	0.50	0.46	1.08	1.14	0.16
Earnings per share, fully diluted (NOK)	0.50	0.46	1.07	1.13	0.16
Number of FTEs, average	527	559	531	557	561
Number of FTEs, end of period	530	561	530	561	570
Revenue per FTE (TNOK)	489.8	446.7	979.9	946.0	1,784
EBIT per FTE (TNOK)	35.7	31.4	77.5	76.4	32.9

2) Figures include discontinued business in Webstep AB.

See note 5 for further details about discontinued operations.



Letter from the CEO

Sharpened focus to drive growth in the Norwegian market

Webstep made significant progress in the second quarter. First of all, we continued to grow our revenues, we continued to deliver on our cost reduction program announced last year, and thirdly, we entered into an agreement to sell our Swedish operation. In line with the Board's strategy to focus on the Norwegian market for the time being, Webstep AB was divested in early July, as previously announced.

We firmly believe that streamlining the organisation will support growth and profitability both in the short and medium term. By reducing complexity, we can sharpen our focus on critical components of success, such as attracting and developing top talent, optimising sales processes, improving operational excellence and reinforcing Webstep's performance culture.

Looking at our financial development, we saw positive signs in the second quarter. This is particularly the case when taking into consideration the challenging market we operate in, with prolonged macroeconomic uncertainty. Revenue for the continuing Norwegian business grew by 8.0 per cent to NOK 229.5 million, more than compensating for the decline in the first quarter. With unchanged utilisation and approximately the same number of consultants, the second quarter growth

is driven by increased hourly rates in addition to two more working days compared to the second quarter last year.

Operating profit (EBIT) for the continuing business was NOK 19.0 million, a growth of 14.9 per cent, leading to an EBIT margin of 8.3 per cent. For the first half-year, revenue growth was 1.8 per cent with an EBIT margin of 8.8 per cent. In Webstep we will continue to balance growth and profitability. This means that we constantly will seek to selectively recruit additional consultants in order to further grow our revenue capacity, while keeping a close eye on utilisation and cost.

We continuously evaluate the need for strengthening the group management to ensure that we have the right capacity and competence to drive operational excellence. Earlier this month we announced the appointment of Eva Johannesdottir as the new general manager of our Stavanger Office. She has an impressive growth and performance oriented track record, and will lead our efforts in an important region for Webstep, and undoubtedly one of the most vibrant business environments in Norway. Nina Stemshaug also joined as interim CFO bringing important experience and analytic capacity to the company.

The consideration for the sale of our Swedish business is SEK 51 million, corresponding to an enterprise value of SEK 38 million. Half of the consideration was settled in July, while the second half will be paid in April 2025. With a solid cash flow from our running business, Webstep has sufficient funding for our current growth initiatives, which means that the consideration from the sale of Sweden represents surplus cash. The Board of Directors has decided to propose allocating approximately half of the surplus cash for the repurchase of the company's own shares in the Fall of 2024, with the remaining half to be distributed as an extra dividend to shareholders in the Spring of 2025, subject to approval by a general meeting.

We will continue our efforts to attract the best consultants in the regions we operate. In Bergen we see a net growth in the number of colleagues coming from other consultancy companies in the second quarter. This is mainly a result of our ability to strengthen our position among large customers in the regions which is essential to grow. In June we marked our 20th anniversary for our Oslo operation. We are proud and fortunate to have several colleagues in Oslo who have been with us since day one, contributing significantly to our long-term success.

Being well into the second half of the year, we continue to face a market with prolonged uncertainty and reluctance

among customers. In the strategic process which started pre-summer, important measures were initiated to create more efficiency in our processes to ensure that we reach our future profitable revenue growth. Importantly, we continue to win attractive customers and assignments, and we see no signs of diminished competitiveness.

Wrapping up, let me be clear that Webstep is on a long-term journey, and we will be fully focused on continued growth and profit improvement. Webstep's strong market position, good reputation, large base of returning customers, and, not the least, our experienced and highly competent team, means that we have a solid basis for delivering our long-term goal of more than 10 per cent EBIT margin.

I am looking forward to sharing the progress with you in the quarters to come.

Kristine Lund
Webstep ASA CEO

Financial review

On 23 May 2024, Webstep entered into an agreement to divest the operation in Sweden, Webstep AB. From the second quarter of 2024, the Swedish entity is classified as a discontinued operation and held for sale. The transaction was closed on 9 July 2024. Further information is stated in note 5. The financial review is in the following section commented for the continuing and the discontinued operations combined.

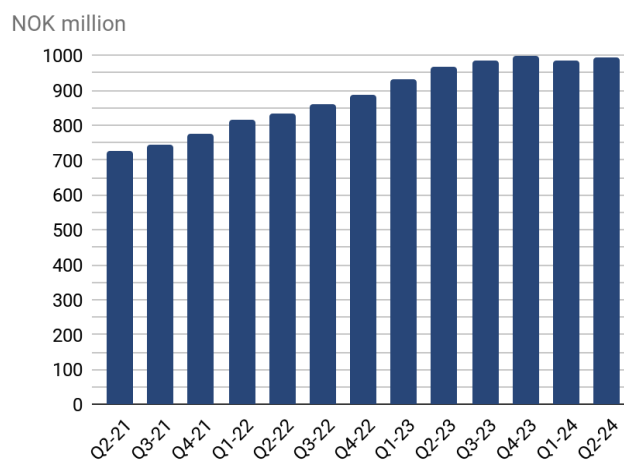
Operating revenues

Second quarter revenues were NOK 258.3 million (249.5), an increase of 3.5 per cent from the same quarter last year. Revenue from own consultants increased by 5.1 per cent compared to the corresponding quarter last year, and amounted to NOK 236.4 million (225.1). 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 increase in revenue is primarily due to increased hourly rates and two additional working days than corresponding quarter 2023. The average number of FTEs in the quarter was 527 (559).

Total revenues for the first half-year were NOK 520.2 million (526.7), down 1.2 per cent compared to 2023. Revenue from own consultants decreased by 0.3 per cent and amounted to NOK 474.0 million (475.2). Revenue growth is mainly driven by higher hourly rates and higher number of consultants, offset by lower utilisation and one less working day compared to the same period last year.

Revenues from subcontractors for the quarter amounted to NOK 19.5 million (20.6). The use of subcontractors is related to services outside Webstep consultants core competencies.

Rolling 12 month operating revenues



Operating costs

Cost of services and goods sold, primarily related to use of subcontractors, amounted to NOK 20.8 million (22.9) for the second quarter, and NOK 43.4 million (47.4) for the first half-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. Salaries and personnel costs for the second quarter amounted to NOK 199.8 million (189.9). The change is partly explained by increased revenues and culture building activities, while positively affected by a reduction in non-billable FTEs compared to the corresponding quarter last year. The second quarter had NOK 1.4 million (0.4) in increased costs related to employer's contributions, as a result of the Norwegian Parliament's decision to impose additional employer's contributions for 2024. In 2023 this cost was accounted for as it occurred, thus primarily affecting the third and fourth quarter. For 2024, the cost is being accrued throughout the year. Salaries and personnel costs year to date amounted to NOK 398.4 million (396.6). For the first half year the additional employer contribution amounted to NOK 2.9 million (0.4)

Other operating expenses amounted to NOK 13.0 million (13.8) for the quarter. For the first half year other operating expenses amounted to NOK 25.3 million (29.2). The decrease is explained by reduced travel expenses, conference and course attendance. Additionally, for the first half-year of 2023 there was a provision for loss on accounts receivable which is not present for the first half-year of 2024. The provision for loss on accounts receivables was reversed in the third quarter of 2023.

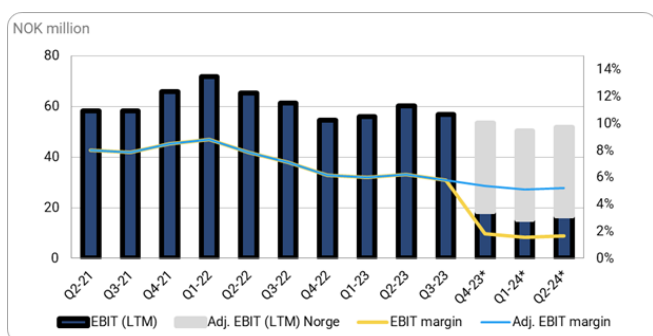
Depreciation and impairment for the quarter amounted to NOK 5.9 million (5.4) and NOK 12.0 million (10.6) for the first half-year. The change is primarily due to increased office rentals compared to last year.

Operating profit

Total consolidated EBITDA for the quarter amounted to NOK 24.8 million (23.0) and NOK 53.1 million (53.5) year to date. Total consolidated EBIT for the quarter amounted to NOK 18.9 million (17.6). Year to date, EBIT amounted to NOK 41.1 million (42.8).

EBIT margin for the quarter was 7.3 per cent (7.1) and 7.9 per cent (8.1) for the first half-year.

Rolling 12-month operating profit (EBIT) and EBIT margin



*One-off costs of NOK 35.0 million in fourth quarter 2023 excluded in adjusted figures.

Net financial costs for the quarter were NOK 1.1 million (1.3) and income tax amounted to NOK 3.9 million (3.6). Net profit for the quarter was NOK 13.9 million (12.7).

For the first half-year, net financial costs were NOK 2.9 million (2.5) and income tax amounted to NOK 8.4 million (8.8). Net profit for the first half-year was NOK 29.8 million (31.5).

Financial position

Total assets at 30 June amounted to NOK 693.6 million (700.0). Non-current assets were NOK 403.7 million (482.8) and consisted mainly of intangible assets. Intangible assets amounted to NOK 313.6 million (382.5). The reduction is primarily explained by acquisition-related goodwill of Webstep Sweden after an impairment in the fourth quarter of 2023 and the divestment of the entity leading to assets classified as held for sale in the second quarter of 2024. Right-of-use assets related to office rentals have been

recognized in the balance sheet at the total amount of NOK 77.5 million (84.2).

Total current assets of NOK 289.9 million (217.1) consisted of trade receivables, cash and short-term deposits, other current receivables and assets held for sale. Trade receivables amounted to NOK 150.4 million (170.8). Other current receivables were NOK 12.5 million (12.9). Cash and short-term deposits amounted to NOK 45.0 million (33.4). In connection with the sale of Webstep AB, a dividend of NOK 9.9 million (0.0) was distributed from the Swedish entity to the parent company. Assets held for sale related to the divestment of Webstep AB amounted to NOK 81.9 million (0.0).

Total equity on 30 June was NOK 365.8 million (384.0). The change is primarily due to the impairment of goodwill for Webstep Sweden which was carried out in the fourth quarter of 2023, which has had a negative impact on the Group's overall earnings generated.

Non-current liabilities amounted to NOK 61.2 million (70.4). Current liabilities of NOK 266.6 million (245.5) consisted of other short-term liabilities, current leasing liabilities, trade payables, social taxes and VAT.

Cash flow from operations was positive by NOK 32.2 million (positive 7.8) for the quarter, and positive by NOK 1.4 million (positive 25.7) for the first half-year. The increase in net cash from operating activities is primarily explained by reduced trade receivables compared to the same period last year.

Cash flow from investing activities amounts to negative NOK 0.8 million in the quarter (negative 1.5), and negative NOK 1.7 million (negative 3.2) for the first half-year. The investments are mainly related to office equipment and inventory.

Cash flow from financing activities is negative NOK 29.0 million (negative 49.7) for the quarter and negative NOK 30.1 million (negative 51.5) for the first half-year of which NOK 27.8 million is dividend payment to shareholders.

Webstep has a facility with SpareBank1 SR-Bank of NOK 110 million and SEK 5 million with SEB, of which NOK 0.0 million was utilised as of 30 June 2024.

Segment information

The Group's activities are organised 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 89 per cent of the consolidated operating revenues in the quarter.

Norway	Q2	Q2	YTD	YTD	FY
NOK million	2024	2023	2024	2023	2023
Revenues	229.5	212.5	459.2	451.1	857.7
<i>Change</i>	8.0%	4.7%	1.8%	16.5%	12.2%
EBIT	19.0	16.5	40.4	38.9	17.0
<i>EBIT margin</i>	8.3%	7.8%	8.8%	8.6%	2.0%
Number of FTEs, average	448	457	448	455	459
Number of FTEs, end of period	451	459	451	459	471
Number of workdays	60	58	122	123	251
Revenue per FTE, TNOK	513	465	1025	991	1,867
EBIT per FTE, TNOK	42	36	90	85	37.1

Sweden	Q2	Q2	YTD	YTD	FY
NOK million	2024	2023	2024	2023	2023
Revenues*	29.7	37.9	62.9	77.4	142.3
<i>Change</i>	(21.7%)	19.9%	(18.8%)	24.1%	12.1%
EBIT	(0.0)	1.1	0.7	3.9	1.4
<i>EBIT margin</i>	(0.1%)	3.0%	1.1%	5.1%	1.0%
Number of FTEs, average	80	102	83	102	101
Number of FTEs, end of period	80	102	80	102	99
Number of workdays	60	59	123	123	251
Revenue per FTE, TNOK	371.2	371.7	760	759.3	1,405
EBIT per FTE, TNOK	(0.4)	11.0	9	38.7	14.0

*Figures include internal revenues

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 public and private clients across the country.

Total revenues for the quarter amounted to NOK 229.5 million (212.5), up by 8.0 per cent from the corresponding period in 2023. Revenue from own consultants amounted to NOK 211.4 million (195.3), up by 8.8 per cent. The increase in revenues is primarily attributable to increased hourly rates and two additional working days than the corresponding quarter 2023.

Total revenues for the first half-year were NOK 459.2 million (451.1), an increase of 1.8 per cent. Revenue from own consultants increased by 2.6 per cent and amounted to NOK 424.3 million (413.7). The growth is mainly driven by higher hourly rates and higher number of consultants, offset by lower utilisation and one less working day compared to the same period last year.

Revenues from subcontractors for the quarter amounted to NOK 14.2 million (12.7) and NOK 29.3 million (29.6) for the first half year. The use of subcontractors is related to services outside Webstep consultants core competencies.

Revenue breakdown NOK million	Q2 2024	Q2 2023	Y/Y change	YTD 2024	YTD 2023	Y/Y change	FY 2023
Oslo	104.4	90.7	15.1%	212.3	190.9	11.2%	372.7
Regional offices	108.0	104.6	3.2%	212.0	222.7	(4.8%)	414.6
Subcontractors	14.2	12.7	11.8%	29.3	29.6	(0.9%)	57.6
Resale of licenses	2.9	4.5	(36.7%)	5.2	7.7	(32.1%)	16.4
Other	0.1	0.0	170.5%	0.3	0.1	170.9%	(3.6)
Total	229.5	212.5	8.0%	459.2	451.1	1.8%	857.7

EBIT for the quarter amounted to NOK 19.0 million (16.5), and EBIT margin for the quarter amounted to 8.3 per cent (7.8).

Webstep Norway had 451 FTEs 30 June 2024 (459). The average number of FTEs in the second quarter was 448 (457). The change is due to the downsizing of non-billable FTEs executed in the fourth quarter of 2023.

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 digitalization offering..

Total revenues for the quarter amounted to NOK 29.7 million (37.9) and NOK 62.9 million (77.4) for the first half year. EBIT for the quarter was negative by NOK 0.1 million (positive 1.1) while positive year to date at NOK 0.7 million (3.9).

Revenue breakdown NOK million	Q2 2024	Q2 2023	Y/Y change	YTD 2024	YTD 2023	Y/Y change	FY 2023
Regional offices	24.0	29.8	(19.4%)	49.7	61.5	(19.2%)	112.0
Subcontractors	5.3	7.9	(32.9%)	12.6	15.4	(18.2%)	30.0
Other	0.4	0.2	132.6%	0.6	0.5	25.3%	0.3
Total	29.7	37.9	(21.8%)	62.9	77.4	(18.8%)	142.3

Webstep Sweden had 80.0 FTEs 30 June 2024 (102). The average number of FTEs in the quarter was 80.0 (102). The change is due to downsizing in the second half of 2023.

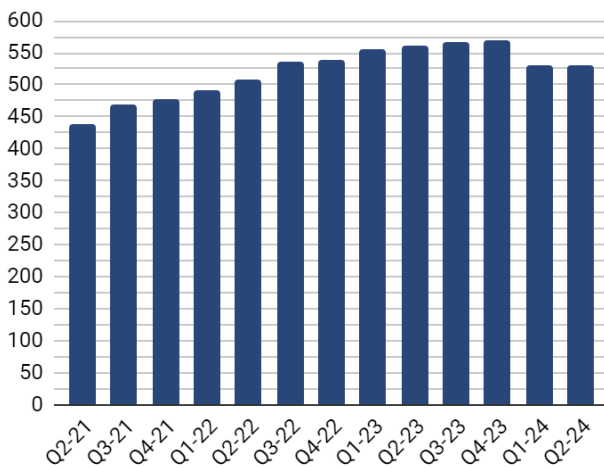
Employees

Webstep had 530 FTEs at the end of the quarter, a decrease of 1 FTE since the last quarter and a decrease of 31 FTEs in the last twelve months. The FTEs are distributed across the regional offices in major cities in Norway and Sweden. Webstep believes in the power of local business and the decentralised model is based on strong local presence. The regional offices provide expertise and capacity to local clients, while leveraging the full organisational capacity.

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 endeavours 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 its inception in 2000.

Number of FTEs (end of quarter)



Sustainability

As a result of the sale of Webstep AB the company is not obliged to report according to the Corporate Sustainability reporting Directive (CSRD) for the FY 2024. The company has therefore decided to postpone the reporting according to CSRD to FY 2025, but will continue the process of preparing for the reporting. A double materiality analysis has been conducted to identify which sustainability matters that are most material to Webstep and the Group’s stakeholders. The materiality is determined by evaluating Webstep’s impact on people and society, while also considering the financial impact ESG-matters have on Webstep. This creates the scope for Webstep’s CSRD reporting, and also forms the basis for Webstep’s sustainability strategy and day-to-day operations going forward. Throughout the process, the Company will develop and share information regarding KPIs to measure progress towards the Company’s defined sustainability objectives.

In the 2023 Annual Report the Company’s statement of EU-taxonomy for sustainable activities can be found, in addition to the double materiality analysis according to CSRD. The 2023 Annual Report and the Transparency Act Report can be found on the Company’s webpage www.webstep.no

Market update



The enduring, long-term trends of digitalisation remain stable, even though the prolonged macro uncertainty continues to curb the demand, extend sales cycles and postpone project starts. Therefore the markets continue to be challenging.

Recent market signals, though, still show that smaller companies and startups have faced more challenges given the current market conditions. This still aligns with our analysis: Experienced system developers face less unemployment risk during weaker markets.

We continue to see that an increased share of the revenue is coming from our top ten clients. Together with an increasing amount of framework agreements, Webstep has built substantial power in the marketplaces for major private sector customers and public institutions.

A year on from third quarter 2023, Webstep has secured several public framework agreements, demonstrating our ability to ensure future revenues in challenging markets. In the latter half of 2023, Webstep, in partnership with close collaborators, secured agreements with the Police IT Service and the Directorate of Immigration (UDI). By year-end, we finalised a Webstep-led agreement with the Norwegian Health Network (Norsk Helsennett), followed by the Norwegian Housing Bank (Husbanken) agreement in Q1. In Q2 2024, as part of a consortium, Webstep secured an agreement with the National Archives of Norway. Further public framework agreements are now in their final stages.

In the first half of 2024, Webstep significantly strengthened its presence within Equinor, by expanding into new areas and doubling the number of delivery agreements. These contracts cover entire teams as well as dedicated specialists. The delivery volume has steadily increased month by month. While senior systems developers remain central to Webstep's Equinor deliveries, there has been a notable increase in contributions from Webstep architects, agile coaches, business analysts, team- and delivery managers.

Our ongoing efforts to strengthen our sales-force and advisors goes hand in hand with our focus on large customers. Over the last three-plus years, we have shifted Webstep's delivery model from exclusively offering individual expert consultants to delivering sole experts, complete teams and projects. Our key feature has been the ability to deliver individual experts followed by additional sales, driven by the confirmed capabilities of their successful colleagues. The same seems now to apply to the fields of projects and teams.

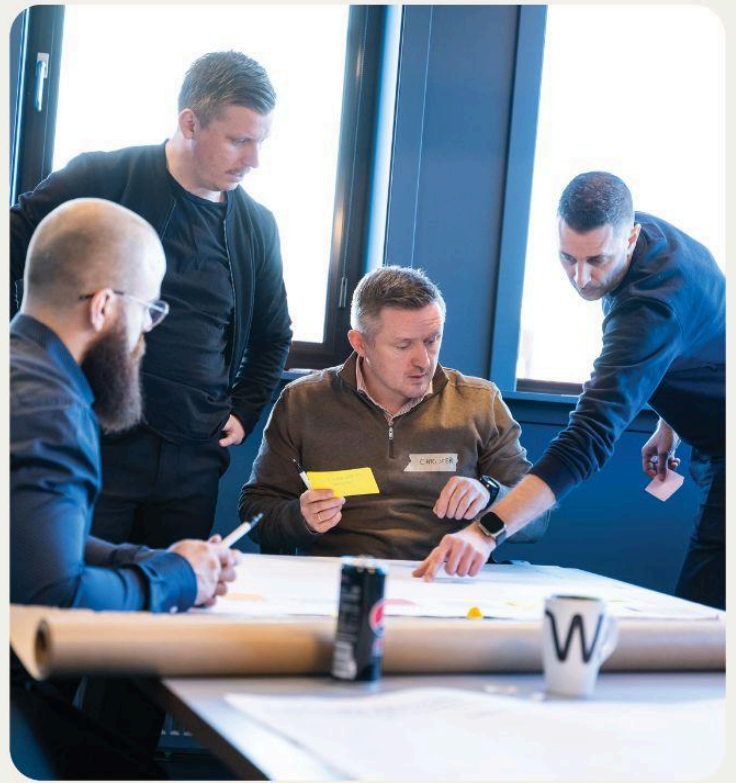
The strategic decision to concentrate on the Norwegian market and the divestment of Sweden will sharpen focus on sales and customer value creation.

Outlook

Digitalisation continues to trend upwards, and Webstep's ability to deliver on market-demanded technologies and services is a major advantage. However, the market is still characterised by lower demand, which leads to increased competition for assignments and projects.

The third quarter of 2024 will mark Webstep CEO Kristine Lund's first full quarter at the helm. Going forward, the Webstep focus will be on bridging technology and business, both as a workplace and as a provider of premium technology services.

Webstep maintains a broad portfolio of recurring customers across various business sectors and public institutions. Further work on the Webstep strategy is underway, with a focus on the next steps for the Norwegian market.



The market remains characterised by lower demand, resulting in increased competition for assignments and projects. However, Webstep's strong market presence and ability to deliver top-notch expertise and extensive experience in market-demanded technologies and services, provide a significant advantage. Further development of Webstep as a provider of project teams is expected to strengthen the company in the future, alongside the ability to deliver services across Webstep's various departments.

With a strong local presence, Webstep continues to focus on expanding its enterprise customer base. While many services are still delivered locally, collaboration across Webstep locations has become more streamlined, enhancing the Group's ability to deliver project teams and tailored services to enterprise clients. This approach allows Webstep to utilise resources more effectively, benefiting both the Group and society.

The Webstep cost reduction programme is progressing according to plan, with an expected full-year effect of at least NOK 21 million in 2024. Additionally, the divestment of the Swedish operation is anticipated to yield positive results by

sharpening focus and reducing complexity, thereby improving Webstep's ability to continue to attract top talent, optimise sales processes, enhance operational efficiency and reinforce its performance culture.

Webstep's expertise, experience, service range, delivery models, and customer base, provide multiple competitive advantages and fuel recruitment efforts. Prioritising the fulfilment of these capabilities is essential going forward. Webstep recruits strategically and in a balanced manner, targeting strong market positions and areas where service demand is increasing.

A strategic process was initiated before the end of the second quarter, supported by an employee survey and involving Webstep management and site general managers. It proved to be a crucial forum, keen to pave the way for a Webstep 2025 strategy going forward. The strategy process will continue in the coming months, in which Webstep consultants will have the opportunity to participate in shaping how Webstep will navigate the years ahead – as a preferred employer and supplier.

The Group will continue to balance costs against opportunities to ensure increased profitability. The divestment of the Swedish operation, focus on performance culture and profitability, a scalable variable cost base, and efficient investments in Webstep as a workplace, are keys. Altogether, this positions Webstep well to achieve its long-term goal of exceeding a 10 per cent EBIT margin.

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 30 June 2024 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, 26 August 2024

Sign.

Kjell Magne Leirgulen

Chair of the board

Sign.

Siw Ødegaard

Board member

Sign.

Bendik Nicolai Blindheim

Board member

Sign.

Anna Söderblom

Board member

Sign.

David Bjerkeli

Board member

Sign.

Kristine Lund

Chief Executive Officer

Financial statements

Consolidated statement of comprehensive income

NOK'000	Unaudited Q2 2024	Unaudited Q2 2023	Unaudited YTD 2024	Unaudited YTD 2023	Audited* FY 2023
Continuing operations					
Revenues	229,502	212,494	459,164	451,093	857,705
Total revenues	229,502	212,494	459,164	451,093	857,705
Cost of services and goods	16,419	16,346	33,191	35,088	65,785
Salaries and personnel cost	178,185	163,860	354,505	344,157	686,690
Depreciation and impairment	4,744	4,387	9,507	8,656	42,758
Other operating expenses	11,199	11,408	21,570	24,295	45,424
Total operating expenses	210,547	196,001	418,773	412,196	840,656
Operating profit(loss)	18,954	16,493	40,391	38,897	17,048
Net financial items	888	1,064	2,289	2,174	4,273
Profit before tax from continuing operations	18,066	15,429	38,102	36,723	12,775
Income tax expenses	3,975	3,394	8,382	8,079	8,335
Profit for the period from continuing operations	14,091	12,035	29,719	28,644	4,440
Discontinued operations					
Profit after tax for the period from discontinued operations	(208)	717	123	2,876	4
Profit for the period	13,883	12,751	29,842	31,521	4,444
Earnings per share (NOK)	0.50	0.46	1.08	1.14	0.16
Earnings per share, fully diluted (NOK)	0.50	0.46	1.07	1.13	0.16
Other comprehensive income					
Currency translation differences	(986)	(1,848)	(905)	4,233	6,280
Amount reclassified from other comprehensive income to income	12,952		12,952		
Other comprehensive income for the period, net of tax	11,966	(1,848)	12,047	4,233	6,280
Total comprehensive income for the period, net of tax	25,849	10,903	41,889	35,754	10,724
Attributable to:					
Shareholders in parent company	26,057	10,187	41,766	33,090	10,720

*The figures are based on the audited 2023 figures, but have been adjusted to reflect continuing/discontinuing business. The adjusted figures have not been audited

Consolidated statement of financial position

	Unaudited 30-Jun 2024	Unaudited 30-Jun 2023	Audited* 31-Dec 2023
NOK'000			
ASSETS			
Intangible assets	313,575	382,465	358,192
Fixed assets	9,793	13,985	12,309
Right-of-use assets	77,471	84,174	97,910
Non-current financial assets	2	2	2
Deferred tax assets	2,888	2,193	2,888
Total non-current assets	403,729	482,819	471,299
Trade receivables	150,370	170,810	156,015
Other receivables	12,530	12,871	5,977
Assets held for sale	81,944	-	-
Cash and short-term deposits	45,048	33,378	75,509
Total current assets	289,892	217,059	237,500
Total assets	693,621	699,878	708,801
EQUITY			
Share capital	27,969	27,671	27,671
Treasury shares	(30)	(30)	(30)
Share premium	184,686	179,938	179,938
Retained earnings	153,191	176,375	151,599
Total equity	365,816	383,954	359,178
LIABILITIES			
Deferred tax	-	1,480	1,271
Non-current leasing liabilities	61,184	68,955	80,951
Total non-current liabilities	61,184	70,434	82,222
Debt to credit institutions	-	-	-
Current leasing liabilities	16,487	15,619	17,693
Trade and other payables	12,111	16,734	19,813
Tax payable	6,402	6,475	8,854
Dividend payable	-	-	-
Social taxes and VAT	75,134	75,327	91,873
Liabilities directly associated with assets held for sale	35,560	-	-
Other short-term debt	120,927	131,335	129,167
Total current liabilities	266,620	245,490	267,402
Total liabilities	327,805	315,924	349,624
Total liabilities and equity	693,621	699,878	708,801

*The figures are based on the audited 2023 figures, but have been adjusted to reflect continuing/discontinuing business. The adjusted figures have not been audited

Consolidated statement of change in equity

Unaudited

NOK'000	Issued capital	Treasury shares	Share premium	Foreign currency translation reserve	Retained earnings	Total earned equity	Non-controlling interest	Total equity
1 January 2023	27,628	-30	179,192	7,695	178,914	393,400	-	393,400
Profit for the period					4,444	4,444		4,444
Sales of treasury shares				6,280		6,280		6,280
Other comprehensive income/(loss)								
Share incentive program					1,234	1,234		1,234
Dividends	42		746			789		789
Share issue					(46,968)	(46,968)		(46,968)
31 December 2023	27,671	(30)	179,938	13,975	137,624	359,178		359,178
Profit for the period					29,842	29,842		29,842
Sales of treasury shares								
Other comprehensive income/(loss)				(905)		(905)		(905)
Share incentive program					445	445		445
Dividends					(27,789)	(27,789)		(27,789)
Share issue	298		4,747			5,045		5,045
30 June 2024	27,969	(30)	184,686	13,070	140,122	365,816		365,816

Consolidated statement of cash flows

NOK'000	Unaudited Q2 2024	Unaudited Q2 2023	Unaudited YTD 2024	Unaudited YTD 2023	Audited* FY 2023
Operating activities					
Profit/(loss) before tax from continuing operations	18,066	15,429	38,102	36,723	13,029
Profit/(loss) before taxes from discontinuing operations	(262)	910	155	3,603	
Profit/(loss) before taxes from total operations	17,804	16,339	38,257	40,327	13,029
Adjustments for:					
Depreciation of property, plant and equipment	5,909	5,416	12,028	10,634	47,184
Net change in trade and other receivables	61,126	17,333	(908)	(28,810)	(7,121)
Net change in other liabilities	(51,716)	(30,497)	(35,352)	16,731	34,186
Net foreign exchange differences	(490)	(520)	(482)	1,036	1,755
Income tax expenses	(469)	(271)	(12,184)	(14,179)	(12,549)
Net cash flow from operating activities	32,163	7,800	1,359	25,739	76,485
Investing activities					
Payments for R&D initiative					
Purchase of property and equipment	(822)	(1,525)	(1,746)	(3,228)	(5,482)
Net cash flow from investing activities	(822)	(1,525)	(1,746)	(3,228)	(5,482)
Financing activities					
Payment of principal portion of lease liabilities	(3,949)	(3,301)	(7,775)	(6,272)	(12,887)
Sale of treasury shares	304	555	445	980	1,234
Change in bank overdraft	0		0	0	
Net proceeds from equity	2,447	-	5,045	789	789
Payment of dividends	(27,789)	(46,968)	(27,789)	(46,968)	(46,968)
Net cash flows from financing activities	(28,987)	(49,714)	(30,074)	(51,472)	(57,832)
Net increase/(decrease) in cash and cash equivalents	2,354	(43,439)	(30,461)	(28,961)	13,171
Cash and cash equivalents at the beginning of the period	42,694	76,818	75,509	62,340	62,340
Cash and cash equivalents at the end of the period	45,048	33,378	45,048	33,378	75,509
Of which cash and cash equivalents in discontinued operations	12,249	24,118	12,249	24,118	12,443
Cash and cash equivalents excluding discontinuing operations	32,798	9,261	32,799	9,260	63,066

*The figures are based on the audited 2023 figures, but have been adjusted to reflect continuing/discontinuing business. The adjusted figures have not been audited

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 second quarter 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 2023. The accounting policies applied are consistent with those applied and described in the consolidated annual financial statements for 2023, 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 second quarter 2024 were approved by the Board of Directors and the CEO 26 August 2024.

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 2023 and as described in note 3 to the 2023 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. The second quarter of 2024 had two more work days than the same period of 2023, while the first half year of 2024 had one less work day than the same period in 2023.

Note 4 Earnings per share

	Q2	Q2	YTD	YTD	FY
NOK'000 (except number of shares in thousand)	2024	2023	2024	2023	2023
Profit for the period incl. discontinued operations	13,883	12,751	29,842	31,521	4,444
Average number of shares (excl. treasury shares)	27,806	27,641	27,748	27,627	27,634
Average number of shares, fully diluted (excl. treasury shares)	27,905	27,933	27,845	27,872	27,862
Earnings per share (NOK)	0.50	0.46	1.08	1.14	0.16
Earnings per share, fully diluted (NOK)	0.50	0.46	1.07	1.13	0.16

Based on the number of share options outstanding, the strike price of the options, the average share price during the second quarter, and the remaining vesting period of the options, the dilution effect of the long-term incentive program accounts for 99,478 shares for the quarter and 96,734 shares for the first half year..

Note 5 Discontinued operations

On 23 May 2024, Webstep ASA publicly announced that the Company had entered into an agreement to sell the subsidiary Webstep AB. As a consequence Webstep AB was, with effect from the second quarter of 2024, classified as a disposal group held for sale and as a discontinued operation. The sale of Webstep AB was completed on 9 July 2024, and the financials related to the sale will therefore be recorded in the third quarter.

The enterprise value for the shares in Webstep AB amounts to SEK 38.0 million. SEK 51.0 million, including the dividend of SEK 10.0 million. The dividend was exercised from Webstep AB to Webstep ASA in the second quarter 2024.

Statement of comprehensive income, discontinuing operations	Q2	Q2	YTD	YTD
NOK'000	2024	2023	2024	2023
Revenues	29,673	37,886	62,887	77,421
Total revenues	29,673	37,886	62,887	77,421
Cost of services and goods	5,191	7,353	12,081	14,103
Salaries and personnel cost	21,593	26,028	43,878	52,480
Depreciation and impairment	1,165	1,029	2,521	1,979
Other operating expenses	1,754	2,353	3,684	4,918
Operating profit(loss)	-30	1,123	723	3,941
Net financial items	-232	-213	-568	-338
Profit before tax	-262	910	155	3,603
Income tax expenses	-54	193	32	727
Profit for the period	-208	717	123	2,876

Cash flow from discontinuing operations	Q2	Q2	YTD	YTD
NOK'000	2024	2023	2024	2023
Net cash flow from operating activities	2 592	3 346	5 074	5 645
Net cash flow from investing activities	-32	-620	-48	-52
Net cash flow from financing activities	-7 533	-1 048	-9 887	-1 920
Total cash flow from discontinuing operations	-4 973	1 678	-4 861	3 673

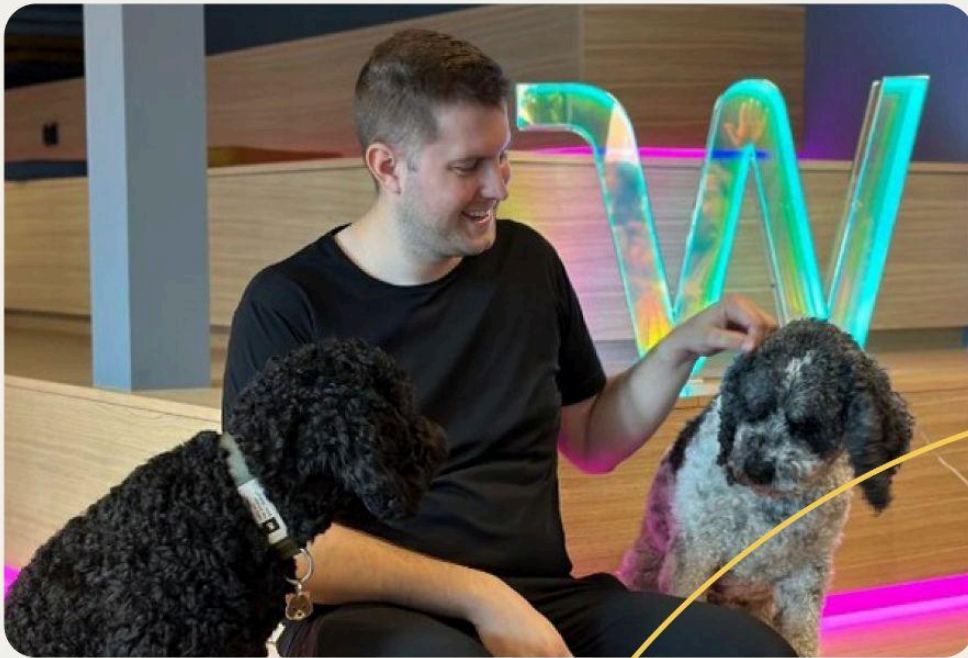
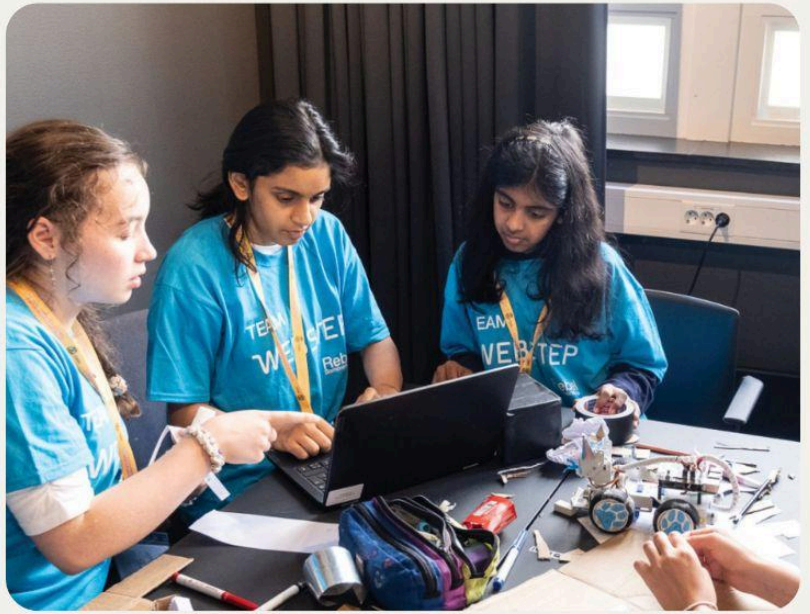
The major classes of assets and liabilities of Webstep AB as held for sale are as follows

	Q2
Assets	2024
Goodwill	43 868
Non-current tangible assets	361
Right-of-use assets	11 914
Total non-current assets	56 143
Trade receivables	23 238
Other receivables	2 561
Cash and cash equivalents	12 249
Total current assets	38 048
TOTAL ASSETS	94 191
Liabilities	
Deferred tax liability	1 196
Non-current leasing liabilities	6 422
Total non-current liabilities	7 618
Current leasing liabilities	5 203
Other current liabilities	22 739
Total current liabilities	27 942
TOTAL LIABILITIES	35 560

Note 6 Events after the balance sheet date

The sale of Webstep AB as announced 23 May 2024 was closed on 9 July 2024.

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



Appendix

Profit measures - EBITDA

NOK'000	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
EBITDA (Earnings Before Interest Tax Depreciation and Amortisation)					
Operating profit	18,954	16,493	40,391	38,897	18,467
Depreciation	4,744	4,387	9,507	8,656	47,184
EBITDA	23,698	20,880	49,898	47,553	65,651

Net Interest Bearing Debt (NIBD)

NOK'000	30 Jun 2024	30 Jun 2023	31 Dec 2023
NIBD (Net Interest Bearing Debt)			
Cash and cash equivalents (minus indicates positive amount)	(45,048)	(33,378)	(75,509)
Restricted cash	28,368	1,533	1,922
Debt to credit institutions	0	0	0
Leasing liabilities (non-current and current)	16,487	17,098	98,644
NIBD	(194)	(14,746)	25,057

Group equity ratio

NOK'000	30 Jun 2024	30 Jun 2023	31 Dec 2023
Total equity	365,816	383,954	359,178
Total assets	693,621	699,878	708,172
Group equity ratio	0.53	0.55	0.51

NIBD/EBITDA

NOK'000	30 Jun 2024	30 Jun 2023	31 Dec 2023
EBITDA rolling 12 months	65,287	82,643	65,651
NIBD	(194)	(14,746)	25,057
NIBD/EBITDA (rolling 12 months)	(0.00)	(0.18)	0.38
NIBD/EBITDA (rolling 12 months)*	(0.26)	(0.39)	(1.12)

*Effects related to IFRS 16 (leasing) are excluded.

Key figures by quarter

Group	Q2	Q1	Q4	Q3	Q2
NOK million	2024	2024	2023	2023	2023
Revenues	258.3	261.9	262.1	211.2	249.5
EBITDA	24.8	28.3	4.1	8.0	23.0
EBITDA margin	9.6%	10.8%	1.6%	3.8%	9.2%
EBIT	18.9	22.2	(26.7)	2.3	17.6
EBIT margin	7.3%	8.5%	(10.2%)	1.1%	7.1%
Net profit	13.9	16.0	(27.3)	0.3	12.8
Net free cash flow	31.3	(31.7)	81.8	(33.3)	6.3
Equity ratio	51.6%	51.6%	50.7%	54.0%	54.9%
Earnings per share (NOK)	0.50	0.50	(1.02)	0.01	0.46
Earnings per share, fully diluted (NOK)	0.50	0.50	(1.01)	0.01	0.46
Number of FTEs, average	527	534	572	557	559
Number of FTEs end of period	530	531	570	566	561
Revenue per FTE (TNOK)	490	490	459	379	447
EBIT per FTE (TNOK)	36	42	(47)	4	32

Segments

Norway	Q2	Q1	Q4	Q3	Q2
NOK million	2024	2024	2023	2023	2023
Revenues	229.5	229.7	225.6	184.9	212.5
EBIT	19.0	21.4	(26.8)	5.0	16.5
EBIT margin	8.3%	9.3%	(11.9%)	2.7%	7.8%
Number of FTEs, average	448	449	471	457	457
Number of FTEs, end of period	451	448	471	463	459
Number of workdays, Norway	60	62	63	65	58
Revenue per FTE (TNOK)	513	512	479	405	465
EBIT per FTE (TNOK)	42.4	47.8	(57.0)	11	36

Sweden	Q2	Q1	Q4	Q3	Q2
NOK million	2024	2024	2023	2023	2023
Revenues	29.7	33.2	37.7	27.1	37.9
EBIT	(0.0)	0.8	0.1	(2.6)	1.1
EBIT margin	(0.1%)	2.3%	0.3%	(9.8%)	3.0%
Number of FTEs, average (FTE)	80	86	101	100	102
Number of FTEs, end of period	80	83	99	103	102
Number of workdays, Sweden	60	63	63	65	59
Revenue per FTE (TNOK)	371	388	374	271	372
EBIT per FTE (TNOK)	0	9	1	(26)	11

CONSOLIDATED INCOME STATEMENT

NOK'000	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Revenues	229,501	229,662	225,599	184,919	212,494
Total revenues	229,501	229,662	225,599	184,919	212,494
Cost of services and goods	(16,419)	(16,772)	(19,487)	(15,117)	(16,346)
Salaries and personnel cost	(178,185)	(176,320)	(190,037)	(152,495)	(163,860)
Depreciation and impairment	(4,744)	(4,763)	(29,590)	(4,513)	(4,387)
Other operating expenses	(11,199)	(10,371)	(13,328)	(7,801)	(11,408)
Total operating expenses	(210,547)	(208,226)	(252,442)	(179,926)	(196,001)
Operating profit(loss)	18,954	21,436	(26,843)	4,993	16,493
Net financial items	(888)	(1,401)	(563)	(1,536)	(1,064)
Profit before tax from continuing operations	18,066	20,035	(27,406)	3,457	15,429
Income tax expenses	(3,975)	(4,408)	505	(760)	(3,394)
Profit for the period from continuing operations	14,091	15,627	-26,901	2,697	12,035
Profit for the period from discontinuing operations	(208)	331	(447)	(2,425)	717
Profit for the period	13,883	15,958	(27,348)	272	12,751

Consolidated statement of financial position

Continuing operations NOK'000	30-Jun 2024	31-Mar 2024	31-Dec 2023	30-Sep 2023	30-Jun 2023
Assets					
Intangible assets	313,575	357,968	358,192	381,014	382,465
Fixed assets	9,793	11,234	12,309	13,445	13,985
Right-of-use assets	77,471	93,562	97,910	83,923	84,174
Non-current financial assets	2	2	2	2	2
Deferred tax assets	2,888	2,888	2,888	2193	2193
Total non-current assets	403,729	465,654	471,301	480,577	482,819
Trade receivables	150,370	212,462	156,015	204,186	170,810
Other current receivables	12,530	11,563	5,977	8,535	12,871
Assets held for sale	81,944				
Cash and short-term deposits	45,048	42,694	75,509	16,899	33,378
Total current assets	289,892	266,719	237,501	229,620	217,059
Total assets	693,621	732,372	708,801	710,196	699,878
Equity					
Shareholders' equity	365,816	377,957	359,178	383,359	383,954
Liabilities					
Non-current leasing liabilities	61,184	77,208	80,951	68,079	68,955
Deferred tax	0	1,245	1,271	1,435	1,480
Total non-current liabilities	61,184	78,453	82,222	69,513	70,434
Debt to credit institutions	0	0	0	19,522	0
Current leasing liabilities	16,487	16,487	17,693	16,091	15,619
Trade and other payables	12,111	32,445	19,813	21,039	16,734
Tax payable	6,402	1,633	8,854	8,616	6,475
Social taxes and VAT	75,134	89,834	91,873	76,916	75,327
Liabilities directly associated with assets held for sale	35,560				
Other short-term liabilities	120,927	135,563	129,167	115,140	131,335
Total current liabilities	266,621	275,962	267,400	257,324	245,490
Total liabilities	327,805	354,415	349,622	326,837	315,924
Total equity and liabilities	693,621	732,372	708,801	710,196	699,878

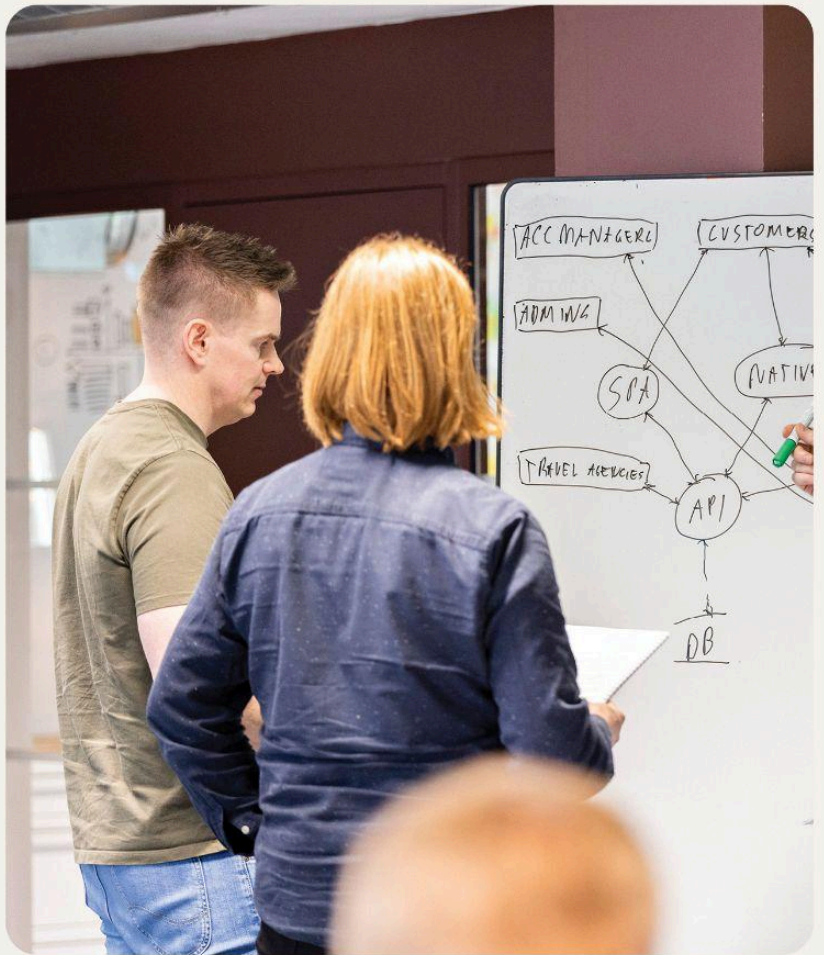
Consolidated statement of cash flows

<i>Continuing operations</i>	Q2	Q1	Q4	Q3	Q2
NOK'000	2024	2024	2023	2023	2023
Operating activities					
Profit/(loss) before tax from continued operations	18,066	20,036	(27,405)	3,456	15,429
Depreciation of property, plant and equipment	4,744	4,763	29,590	4,513	4,387
Net losses/gains from disposals, impairment etc	-				
Net change in trade and other receivables	58,033	(63,024)	50,850	(29,423)	13,418
Net change in other liabilities	(49,447)	16,909	33,056	(6,143)	(28,245)
Net foreign exchange differences	(51)	(49)	174	(11)	34
Income tax	-	(11,010)	-	2,254	-
Net cash flow from operating activities	31,345	(32,375)	86,265	(25,355)	5,024
Investing activities					
Purchase of equipment	(790)	(908)	(953)	(1,388)	(1,473)
Proceeds from disposals of PPE, intangible assets etc	-				
Net cash flow from investing activities	(790)	(908)	(953)	(1,388)	(1,473)
Financing activities					
Repayments of principal portion of lease liabilities	(2,858)	(2,383)	(2,979)	(2,204)	(2,255)
Change in bank overdraft	-	-	(19,522)	19,522	-
Net proceeds from equity	2,447	2,598	-	-	-
Sale of treasury shares and incentive program	304	141	(304)	557	555
Payment of dividends	(27,789)	-	-	-	(46,968)
Net cash flows from financing activities	(27,897)	356	(22,805)	17,876	(48,668)
Net increase/(decrease) in cash and cash equivalents	2,658	(32,927)	62,508	(8,867)	(45,117)
Cash and cash equivalents at the beginning of the period	30,139	63,066	558	9,425	54,542
Cash and cash equivalents at the end of the period	32,799	30,139	63,066	558	9,425

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 Amortisation 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 Amortisation (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.



Group departments

Webstep has 6 regional offices in major cities in Norway. Webstep believes in the power of local business and the decentralised model is based on strong local presence. The regional offices provide expertise and capacity to local clients, while leveraging the full organisational capacity.

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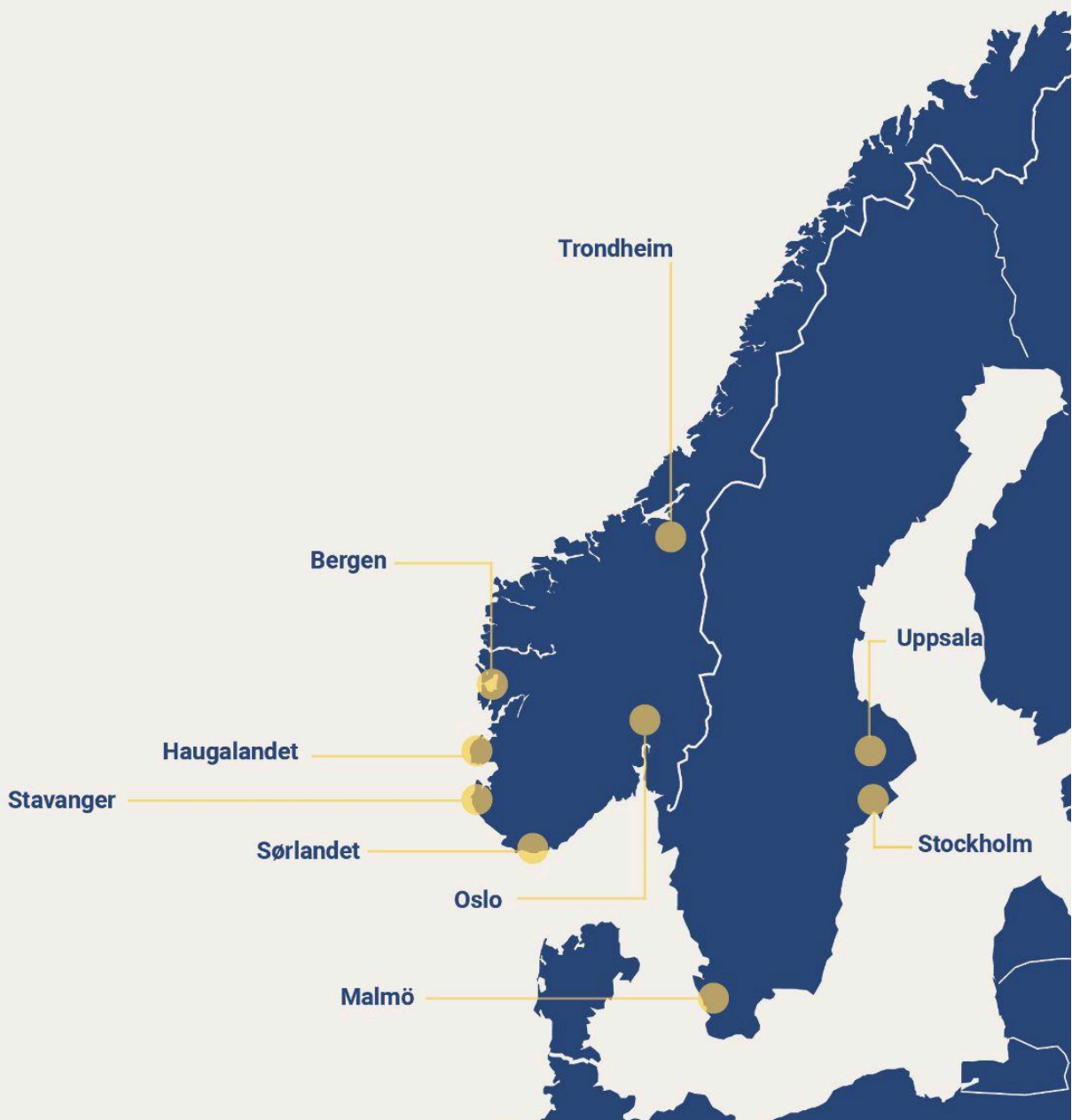
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Skippergata 19
NO-4611 Kristiansand S

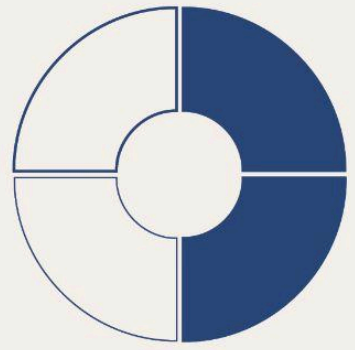
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