



Q1 2018

Jens Haviken, CEO
Marius Drefvelin, CFO

TECHSTEP

“Making work mobile”

New CEO Jens Haviken started 1 April 2018

«Our job is to ensure our customers harvest the business benefits mobile technology offers»



Mandate

- Increase adoption of services in the existing customer base
- Win new customers with the full value proposition - MaaS
- Consolidate and industrialise operations
- Ensure cost efficiency across the value chain

Experience

- Experience from consulting, managed services, software and hardware distribution
- Key capabilities is to develop/rebuild and streamline operations of companies in the ICT sector
- Most significant roles: VP Services and Solutions and Country Manager at Dustin Group; Director Microsoft Enterprise Services and Director Server & Tools at Microsoft; Senior Executive/ Director Accenture Technology Solutions at Accenture

Techstep is purpose built to serve public and private enterprises with mobile solutions

– a fast growing market fueled by the demand for a digital workplace

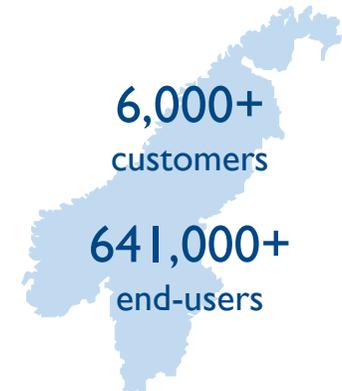
leveraging a large customer base

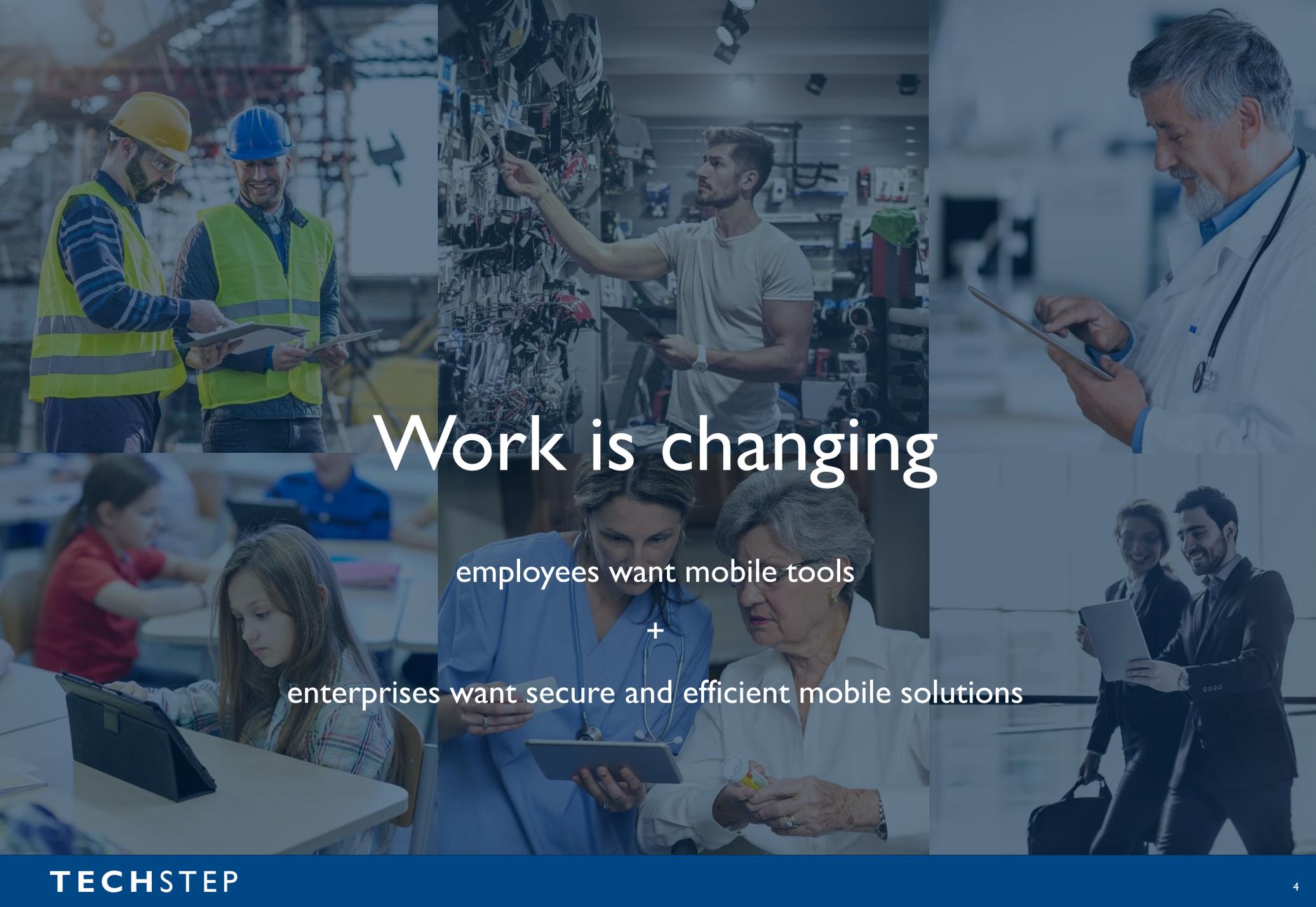
launching Mobile-as-a-Service...

An ICT solutions provider....



TECHSTEP





Work is changing

employees want mobile tools

+

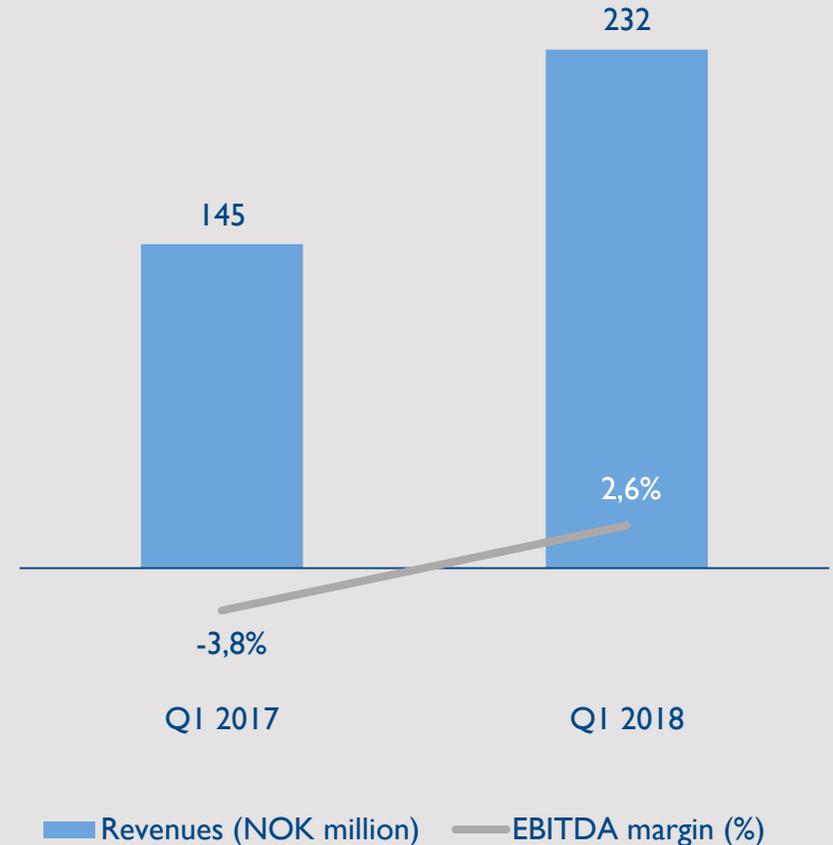
enterprises want secure and efficient mobile solutions

Q1 2018 highlights

- Revenue growth of 60% y-o-y
- EBITDA margin improvement driven by acquired companies and reduction in one-off-costs
- Awarded 209 new contracts with a potential total value of NOK 332 million
- End-user base increased with ~22,000 to ~641,000

Quarterly development

Revenue and EBITDA-margin



Awarded 209 new contracts with a potential total value of NOK 332 million

Nordea

- Framework agreement for delivery of mobile phones, tablets and related equipment
- Potential of 3 year-duration, annual renewal
- Estimated value of NOK 90 million

NSB nettbuss

- MaaS agreement for delivery and management of tablets for Nettbuss' employees
- 3 years-duration + options of 2 years extension w/ annual renewal
- Estimated value of NOK 30 million (excl. options)

BANE NOR

- Framework agreement, together with Telenor, for delivery of a mobile solution
- 5 years duration + options of 3 years extension w/ annual renewal
- Estimated value of NOK 50 million (excl. options)

ØSTFOLD
FYLKESKOMMUNE

- Framework agreement for delivery of mobile phones and related equipment
- 2 years duration + options of 2 years extension w/ annual renewal
- Estimated value of NOK 12 million (excl. options)

BTV Innkjøp
Innkjøpsmyndigheten Busstovner, Trosser og Vestfold

- Framework agreement for delivery of mobile phones and related equipment
- 2 years duration + options of 2 years extension w/ annual renewal
- Estimated value of NOK 24 million (excl. options)

Priorities in 2018

TECHSTEP

- **Increase profitability**
- **Integrate acquired companies**
- **Align everyone behind one brand**
- **Build a shared, strong company culture**



Users and financials

Big end-user base provides solid platform for upselling

Total unique end-users base



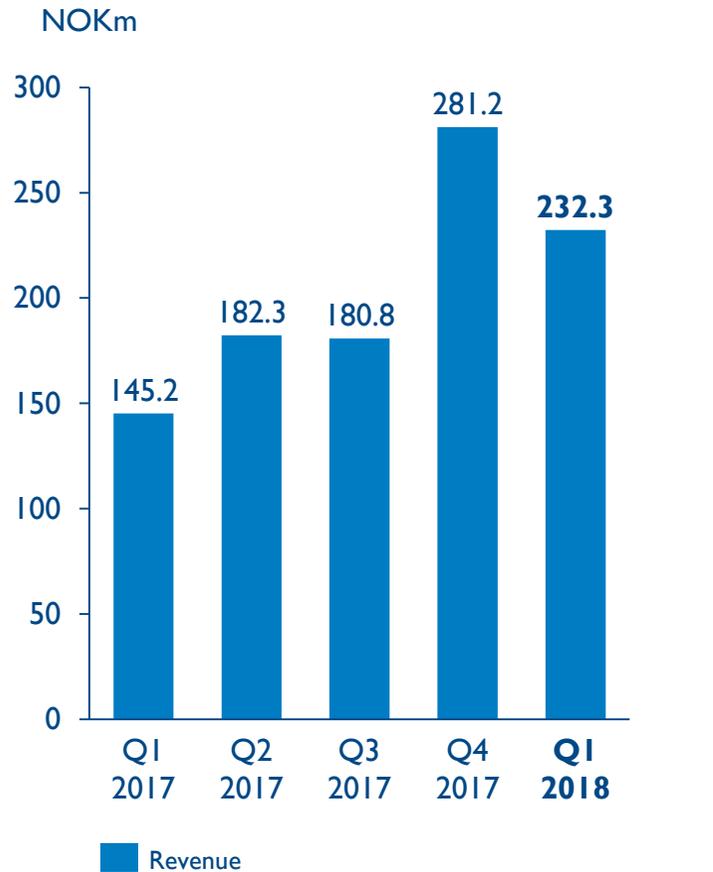
- Organic end-user growth of ~12% in the last twelve months primarily driven by growth in solutions users, including new customers
- A customer base of more than 200 thousand hardware users that potentially could become solutions users also
- Just beginning to see effects from cross sales

Key figures Q1 2018

NOK I 000	Q1 2018	Q1 2017	FY 2017
Revenues	232 278	145 219	789 473
EBITDA	6 050	(5 332)	(735)
EBITA	5 621	(5 776)	(2 125)
EBIT	898	(9 485)	(23 147)
EBITDA margin (%)	2.6%	(3.7%)	(0.1%)
EBITA margin (%)	2.4%	(4.0%)	(0.3%)
Hardware, commission & bonuses, share of revenue	80%	79%	78%
Solutions, share of revenue	20%	21%	22%
Total Assets	697 554	637 190	765 477
Cash	29 477	74 184	35 278
Equity	443 760	445 044	450 110
Employees	217	132	219

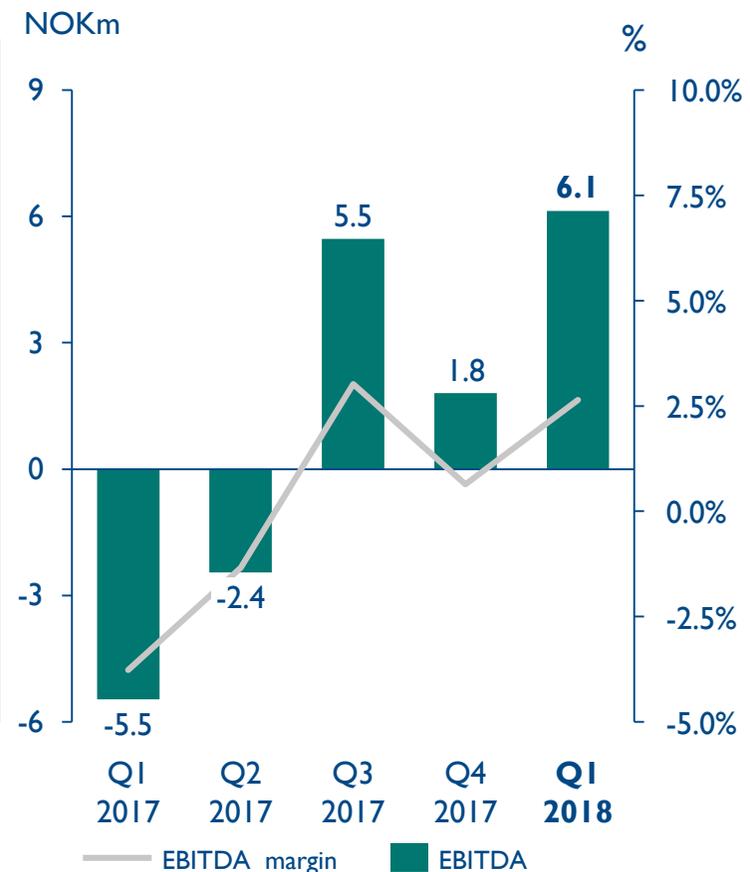
Revenue and EBITDA development Q1 2017 – Q1 2018

Revenue



- Seasonality, impacting Q4 in particular
- Norway ~75% of revenue, Sweden ~25%

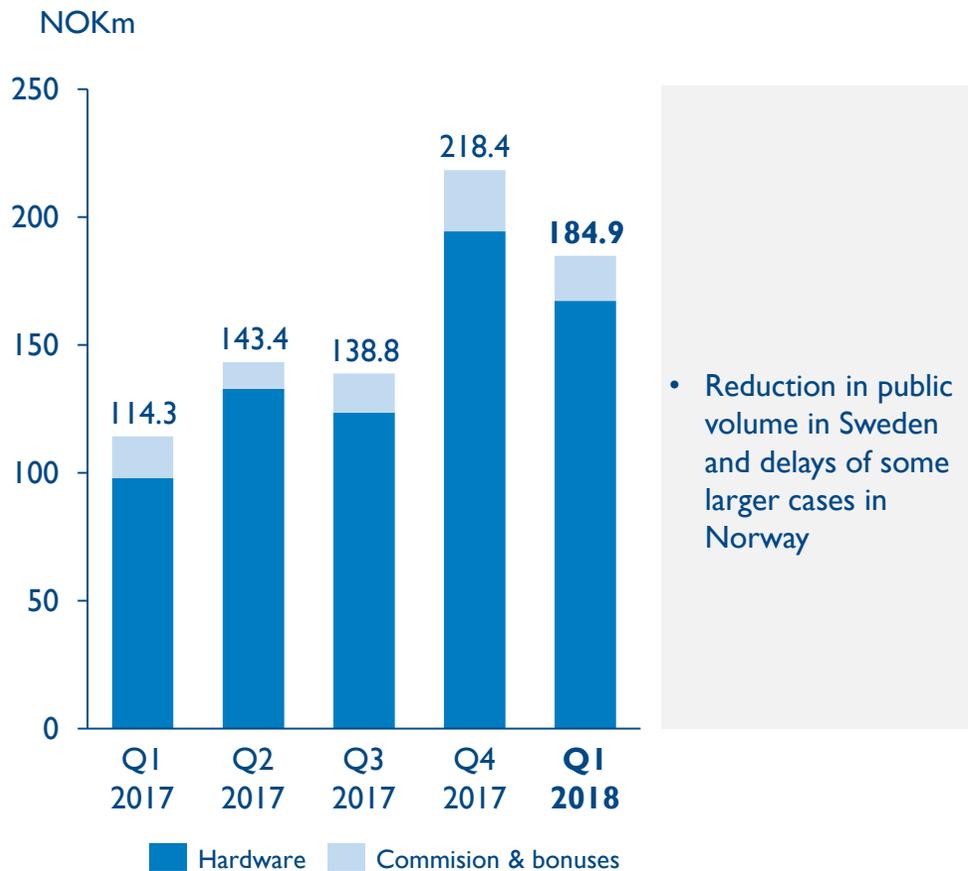
EBITDA



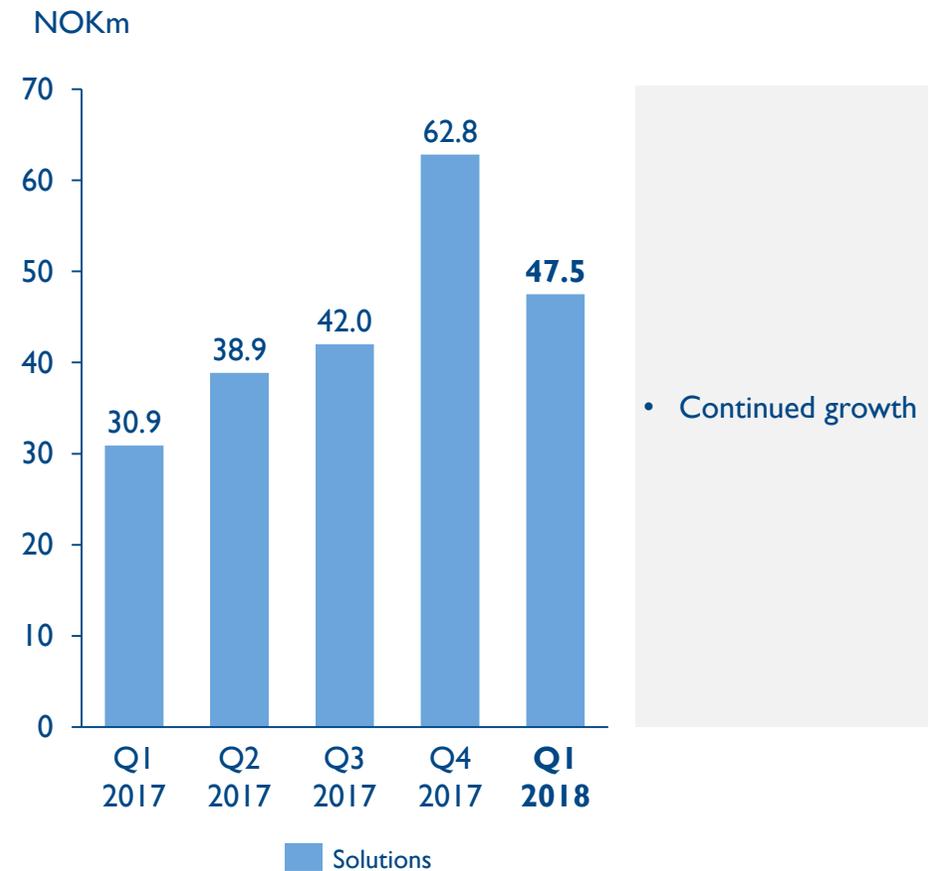
- Increased profitability

Revenue development in Hardware and Solutions Q1 2017 – Q1 2018

Hardware revenue



Solutions revenue



Consolidated income statement

NOK 1 000	Q1 2018	Q1 2017	FY 2017
Revenue	231 827	144 963	786 242
Other revenue	451	256	3 231
Total revenue	232 278	145 219	789 473
Cost of goods sold	(164 107)	(98 275)	(559 656)
Salaries and personnel costs	(47 426)	(27 995)	(144 943)
Other operational costs	(14 658)	(13 837)	(59 451)
Share of profit (loss) in joint ventures	(37)	107	223
Depreciation	(428)	(444)	(1 390)
Amortization	(4 723)	(3 709)	(21 022)
Other income and expenses	-	(10 551)	(26 381)
Operating profit (loss)	898	(9 485)	(23 147)
Remeasurement on equity interests	-	(5 356)	(5 356)
Financial income	163	578	6 211
Financial expense	(1 574)	(881)	(29 230)
Profit before taxes	(513)	(15 144)	(51 523)
Income taxes	1 596	526	3 846
Net income	1 083	(14 618)	(47 677)

Balance sheet

NOK 1 000	Q1 2018	Q1 2017	2017
Intangible assets	505 101	398 384	513 900
Tangible assets	8 598	3 054	9 115
Financial assets	19 773	33 820	20 155
Inventories	23 120	8 549	20 715
Accounts receivable	96 426	76 958	156 663
Other receivables	23 656	39 939	18 766
Cash and cash equivalents	29 477	74 184	35 278
Total assets	697 554	631 834	765 477
Total equity	443 760	445 044	450 110
Deferred tax	9 778	-	10 428
Non-current interest-bearing debt	21 896	12 656	23 551
Other non-current debt	19 853	2 025	22 277
Current interest-bearing liabilities	71 915	68 161	67 604
Accounts payable	72 966	48 187	116 765
Tax payable	1 344	10 775	4 586
Public taxes, provisions	16 652	15 333	19 657
Other current liabilities	39 390	29 652	50 498
Total equity and liabilities	697 554	631 834	765 477

- Intangible assets include goodwill of NOK 432m and customer relations of NOK 73m
- Non-current interest-bearing debt includes vendor note for the BKE acquisition NOK 14m and long-term loan in BKE of NOK 8m
- Current interest bearing liabilities include factoring NOK 31m, bank overdraft NOK 35m and term loan NOK 6m
- Positive cash flow from operations NOK 3m, total cash flow NOK -5m due to capex and repayment of loans

Summary & outlook

- Revenue growth and EBITDA-margin improvement driven by acquisitions
- Awarded 209 new contracts with a potential total value of NOK 332 million
- End-user base increased with ~22,000 to ~641,000
- Focus on consolidation of acquired companies and strengthening sales and marketing
- Board of Directors strengthened with new board members with operational and industry relevant background*

* See appendix, slide 18

Appendix

Top 20 shareholders at 7 May 2018

NAME	SHAREHOLDING	% SHARE
DATUM AS	31 829 142	21.76 %
MIDDELBORG INVEST AS	29 066 931	19.87 %
PALOS NORGE AS	11 666 667	7.98 %
SKANDINAVISKA ENSKILDA BANKEN AB	4 991 100	3.41 %
CIPRIANO AS	4 651 375	3.18 %
SKARESTRAND INVEST AS	4 563 097	3.12 %
DOVRAN INVEST AS	3 763 372	2.57 %
JYST INVEST AS	3 763 372	2.57 %
TINDE INDUSTRIER AS	3 763 372	2.57 %
TIGERSTADEN AS	3 300 000	2.26 %
ZONO HOLDING AS	3 000 007	2.05 %
SÅ&HØSTE AS	2 925 936	2.00 %
TVENGE TORSTEIN INGVALD	2 700 000	1.85 %
NOMO HOLDING AS	1 946 253	1.33 %
NORDIALOG ENSJØ AS	1 946 253	1.33 %
UNIFIED AS	1 849 457	1.26 %
VERDIPAPIRFONDET DNB SMB	1 771 969	1.21 %
RAKNES HOLDING AS	1 649 348	1.13 %
SONGA TRADING INC	1 438 596	0.98 %
KAPPA FINANS AS	1 354 839	0.93 %
Total number owned by top 20	121 941 086	83.38 %
Other shareholders	24 310 703	16.62 %
Total number of shares	146 251 789	100 %

New Board of Directors elected at the AGM 26 April 2018

Einar J. Greve – Chairman of the board (re-elected)

Mr. Greve has served on the Board in Techstep since November 2016. Mr. Greve works as a strategic advisor at Cipriano AS and has previously worked as partner of Wikborg Rein & Co and as Partner of Arctic Securities ASA. Mr. Greve has held and holds various positions as chairman or director in several listed and unlisted companies. He holds a degree in law (cand.jur) from the University of Oslo

Kristian Lundkvist – Board member (re-elected)

Mr. Lundkvist has served on the Board of Techstep since November 2016. Mr. Lundkvist is the CEO and founder of Middelborg AS, a corporation with roots from the retail business in the telecom industry, which has grown into a diversified holding company including investments in real estate, equities, and shipping. Middelborg AS is a long-term industrial owner who actively participates in the value creation of the companies in the portfolio, especially business development, optimization of capital structures and networking. His directorships are including but not limited to NRC Group ASA (board member), Middelborg AS (chairman) and Folksom (board member).

Ingrid E. Leisner - Board member (re-elected)

Ms. Leisner has served on the Board in Techstep since January 2016. Ms. Leisner's directorships over the last five years include current board positions in Vistin Pharma ASA, Hunter Group ASA, Spectrum ASA, Maritime and Merchant ASA. Ms. Leisner has a background as a trader of different oil and gas products in her 15 years in Statoil ASA. Her years of experience and skills within business strategy, M&A, management consulting and change management has been very valuable when serving on the board of several companies listed on Oslo Børs. She holds a Bachelor of Business degree with honors from the University of Texas in Austin.

Stein Erik Moe - Board member (re-elected)

Mr. Moe has served on the Board of Techstep since November 2016. Mr. Moe is the CEO and co-founder of Gture AS, a digital services company. Mr. Moe has over 27 years of experience with Accenture, and was a global lead in the Technology, Media and Communication division. He has led large-scale projects and transformations, cross strategy, technology, organization and business processes. His directorships are including but not limited to Gture AS (Chairman), Gvalueinvest AS (Deputy Chairman), GoDigitalChina AS (board member) and Digitread AS (Board member). He holds a degree in Computer Science from the University of Strathclyde in Glasgow, and courses from BI Norwegian Business School.

Anders Brandt - Board member (new)

Mr. Brandt has more than 20 years of experience in international entrepreneurship, technology, venture capital and digital services. He is managing partner in the venture capital fund Idekapital, and has co-funded and exited numerous companies including DinSide, OMG, Viken Fibernet, Mytos, Meshtech and Bubbly Group. Brandt has 14 years of board experience of listed companies on Oslo Børs and Nasdaq Stockholm, whereof several tech companies.

Toril Nag - Board member (new)

Ms. Nag is Group Executive Vice President, responsible for customer service and the telecommunications business area of the Lyse Group. She holds extensive experience in telecom and digital service, as well as banking and finance. She has held a number of board appointments in technology, energy and R&D-related companies, and her directorships includes Dolphin Group ASA, IKT-Norge, Kolumbus AS and Altibox AS. Nag is a qualified civil engineer in Computer Science from the University of Strathclyde and has further education in management from the Norwegian Business School BI.

Siri Børsum - Board member (new)*

Ms. Børsum is Leader of Digital Transformation at Google in Norway. She is a digital business and media executive with long experience working in the Norwegian market with global and national organisations, including more than 10 years in Google. Børsum has held and holds various board memberships. She holds a B.A. Honors degree from Queen Margaret University College and a Master's degree from London South Bank University.

* Pending approval from Google US.

Management team



Jens Haviken – CEO

Mr. Haviken is an experienced executive within consulting, managed services, software and hardware distribution. He has a proven track record of developing, rebuilding and streamlining operations of companies in the ICT sector. Prior positions held by Haviken includes VP Services and Solutions and Country Manager at Dustin Group AB (publ). and various Director roles at Microsoft and Accenture.



Marius Drefvelin – CFO

Mr. Drefvelin joined Techstep in January 2017 and was previously the Group CFO of Creuna, a leading Nordic technology and communications consultancy firm with 350 employees. He has been with Creuna since 2012. During 2010-2012, he was a financial advisor at Deloitte, working with mergers, acquisitions and IPOs. Before this, he worked at Jepsen Asset Management from 2007-2009. During 2001-2007, Mr. Drefvelin worked at KPMG, also working with transactions.



Inge Paulsen – Chief Operations Officer

Mr. Paulsen is an experienced executive manager with a proven track record from companies like Clear Channel, Eltel Networks/Sønnico Tele, Infratek/Hafslund, Implement and Accenture. His broad experience comes from heading strategic business development projects in venture businesses or turn around cases as well as holding various executive positions responsible for profit & loss.



Erik Haugen – Chief Commercial Officer

Mr Haugen is an international business professional, bringing with him broad commercial experience. He spent twelve years in London working with focus on sales, marketing and business management for companies like Pioneer and Sony Ericsson. Subsequently he moved into finance and professional services sales at Lindorff AS (now Intrum) in 2011 where he has been responsible for strategic sales, key account management and business development for a large portfolio of clients within telecoms, utilities, trade, SME and public sector.

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