

Webstep ASA: Fourth quarter and full year 2020 results

Oslo 17 February 2021: Webstep ASA reports revenue of NOK 188.4 million and EBIT of NOK 10.9 million for the fourth quarter, up 6.6 per cent and 39.9 per cent from the same period last year. A four-year framework agreement with the Norwegian Courts Administration with an estimated sales value of approximately NOK 100 million was signed in December. Strong financial position and positive outlook support dividend proposal of NOK 1.60 per share.

Webstep recorded revenues in the fourth quarter of NOK 188.4 million, up 6.6 per cent from the same quarter last year. For the full year revenues increased by 4.5 per cent and ended at NOK 690.0 million in 2020. Revenue growth was driven by increased headcount and higher hourly rates.

– *Our services, ranging from experts for hire to teams and project deliveries, are in high demand. With high-end technology experts located across Norway and Sweden, we are well positioned to handle both small and large assignments, says the new CEO of Webstep ASA, Save Asmervik.*

EBIT for the fourth quarter amounted to NOK 10.9 million, up from NOK 7.8 million in the corresponding quarter 2019. One-off costs related to the CEO transition (NOK 3.6 million) and an extraordinary provision for loss on receivables related to a single customer (NOK 1.9 million) incurred in the fourth quarter. EBIT for the full year amounted to NOK 50.0 million, up from NOK 49.1 million in 2019. The EBIT margin was 5.8 per cent (4.4 per cent) for the fourth quarter, and 7.2 per cent (7.4 per cent) for the full year.

Net profit for the fourth quarter was NOK 7.8 million (NOK 5.2 million), and NOK 36.7 million (NOK 36.1 million) for the full year.

Webstep had 415 employees at the end of 2020, an increase of 6 employees the last twelve months. The outlook for 2021 is positive, and headcount at the end of the first quarter of 2021 is expected to be around 430 employees.

– *There is still tough competition for the best IT expertise. Webstep has continued to invest in competence building among the consultants throughout 2020. Competence development increases the quality in our deliveries, and strengthens our employer branding. We had a strong recruitment quarter in Q4, which will be visible in our headcount in Q1, says Save Asmervik.*

The financial position 31 December was strong, with total equity of NOK 380.2 million (NOK 371.6 million), corresponding to an equity ratio of 64.3 per cent (65.7 per cent). Cash and cash equivalents 31 December were NOK 39.7 million (NOK 25.5 million). The Group had a net cash flow of NOK -13.6 million (NOK 16.6 million) in the fourth quarter and NOK 14.3 million (NOK -8.0 million) for the full year. The fourth quarter cash flow included a dividend of NOK 42.7 million.

The dividend policy remains unchanged, and the board of directors intend to propose a dividend of NOK 1.60 representing 117 per cent of the annual net profit of the Group for 2020.

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Webstep ASA is a provider of consultancy services to the private and public sector, with the IT expertise necessary to deliver the most demanding digitalisation and IT services. The Webstep Group employs approximately 400 employees in Norway and Sweden. The company offers its services to more than 200 customers annually and has been recognised for its work environment.

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.