



TEKNA HOLDING ASA: FINANCIAL RESULTS FOR FIRST QUARTER 2022

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(Arendal, NORWAY / Sherbrooke QC, CANADA) Tekna Holding ASA (Tekna, OSE:TEKNA), the world-leading provider of advanced materials to industry, increased order intake for materials by 69% to CAD 6.1 million when compared to the first quarter of 2021. The materials order backlog increased by 54% in the same period as customers are securing their supply chain for long-term commitments.

With further machine capacity upgrades, Tekna can meet the strong and increasing demand for its advanced materials for additive manufacturing. A successful trial period completed in the first quarter this year points to a likely 70% increase in machine capacity by year-end 2022.

The first quarter of 2022 was characterized by:

- * Total revenues amounted to CAD 6.5 million, representing a 17% decrease from Q1 2021
- * Materials revenue amounted to CAD 4.6 million and grew by 5% from Q1 2021
- * Total order backlog amounted to CAD 14.2 million, of which CAD 10.8 million came from materials, representing a 54% increase from Q1 2021
- * Adjusted EBITDA amounted to CAD -2.8 million compared to CAD 0.6 million in Q1 2021

“I am pleased to report the results for the first quarter of 2022, representing the third quarter of consecutive revenue growth. In the quarter, we continued to experience a rise in the demand for our advanced materials, further confirming Tekna’s position in the market,” commented Luc Dionne, Chief Executive Officer of Tekna Holding.

Expanding capacity

In 2021, Tekna’s Additive Manufacturing powder sales grew by 41%, outperforming the market for metal powders which, according to Wohlers Report 2022, grew by 23.5%.

“To ensure that we successfully meet global demand, we are continuing the program to expand overall machine capacity. Having already tested the upgrades on a machine, we are confident we will see a capacity increase, which we can convert to higher revenues,” added Mr. Dionne.

Tekna is expanding its machine capacity by increasing existing machine performance and adding additional machines. In the period 2015-2021, Tekna’s machine capacity increased by 140% through continued innovation. The implementation phase of a further round of upgrades will start in the second quarter of 2022 and progress through the rest of this year. The upgrades will involve software and hardware enhancement on the machines and auxiliary systems. By year-end 2022, Tekna expects a 70% increase in machine capacity.

With two revenue-generating segments, sales of advanced materials and sale of R&D systems, Tekna’s total revenues decreased by 17% from the first quarter of 2021. This is the result of reduced systems sales following two years of continued Covid-19 related travel restrictions.

Strategic development projects

Tekna has continued to invest in developing its position in the Printed Electronics market with sustained development conducted with customers and potential partners. With several ongoing trials evaluating Tekna nickel nano (80nm) powder, customer feedback is expected by the end of the second quarter of 2022 as projects are scheduled to pass important milestones, according to current plans.

The Company’s joint development agreement with LG Chem for battery materials is developing positively with ongoing trials at the LG site. Tekna is also expecting new samples of its enhanced silicon materials, which are showing increased energy density from 350 to 600 mAh/g, to be provided to 150 prospects at the beginning of the third quarter of 2022.

“We are experiencing strong demand for our materials, which is reflected by our advanced materials gaining market share with additional orders over CAD 6 million for two consecutive quarters. This is an exciting time for the business and I look forward to providing additional updates to the market in the future,” added Dionne.

Presentation of Q1 results

Tekna will present its financial results for the first quarter 2022 today at 10.00 CEST / 4:00 EST. The results will be presented by Luc Dionne, CEO of Tekna Holding ASA, and take place at Hotel Continental, Stortingsgata 24/26, Oslo. In addition to the physical presentation, the event will be made available via a live webcast. Please use the following link to register and view the webcast: <https://www.tekna.com/investors/webcast-2022q1>

Questions can be submitted via the webcast link during the live event. A recorded version of the webcast will be available shortly after the webcast has concluded.

The interim report for the first quarter and the presentation material are enclosed and will also be available on <https://newsweb.oslobors.no/> and on <http://www.tekna.com> at around 07:00 CEST today.

For more information, please contact Arina van Oost.

Disclosure regulation

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

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About Tekna Holding ASA

Tekna is a world-leading provider of advanced materials to industry, headquartered in Sherbrooke, Canada.

Tekna produces high-purity metal powders for applications such as 3D printing in the aerospace, medical and automotive sectors, as well as optimized induction plasma systems for industrial research and production. With its unique, IP-protected plasma technology, the company is well positioned in the growing market for advanced nanomaterials within the electronics and batteries industries.

Building on 30 years of delivering excellence, Tekna is a global player recognized for its quality products and its commitment to its large base of multinational blue-chip customers. Tekna's powder products increase productivity and enable more efficient use of materials, thereby paving the way towards a more resilient supply chain and circular economy.

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Attachments

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