Q4 2024 Interim Report

February 6, 2025

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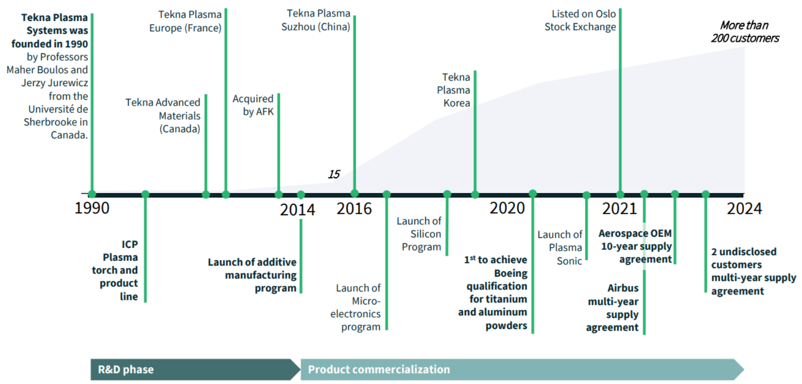
Contents

TEKNA

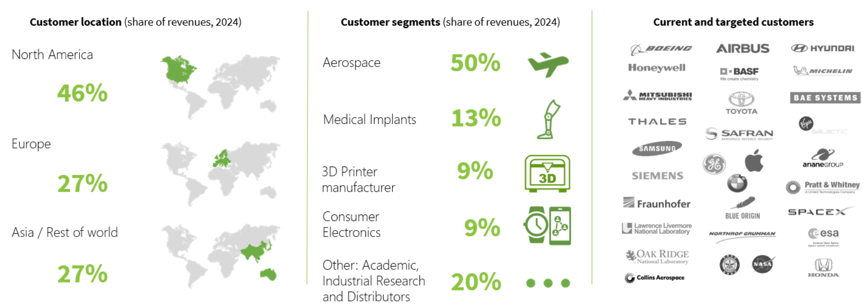
This is Tekna

Tekna is a world-leading provider of advanced materials and plasma systems to several industries. Tekna produces high-purity metal powders for applications such as 3D printing in the aerospace, medical and consumer electronics sectors, as well as optimized induction plasma systems for industrial research and production.

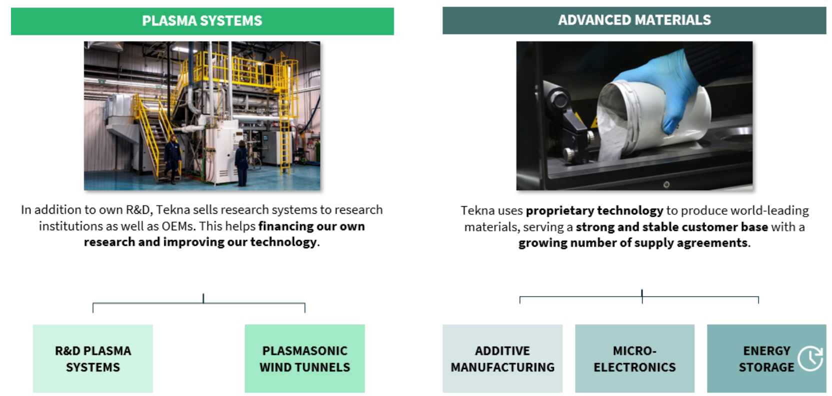
Tekna has developed from an R&D company to a world-leading advanced materials supplier with deliveries to over 200 customers globally.



Among its customers are world leading industrial brands and original equipment manufacturers (OEMs), some of which are shown in the chart below.



Tekna has two revenue generating business lines, Plasma Systems and Advanced Materials. Plasma systems of various size and complexity are sold to research institutions as well as OEMs and are also used by the company for own R&D purposes. Tekna uses its proprietary technology to produce world-leading materials for additive manufacturing.



Tekna sees its business and opportunities supported by powerful and global macro trends

Industry 4.0	As 3D printing becomes more widely used, **demand for advanced materials is growing fast**
Climate and green transformation	Resource efficiency and electrification across most industries and daily life is driving **demand for low carbon solutions (AM and capacitors respectively)**
Defense spend	Governments are **increasing investments in research and use of advanced materials,** driving demand for solutions produced from plasma technology
Interest rates and capital constraints	Influencing investments in **new 3D machines, and encouraging use of 3D printed spare parts**
Geopolitical shifts	**Disrupting supply chains,** favouring entry of new suppliers but also representing new opportunities as 3D printing allows for home-shoring

Cautionary note

This report contains forward-looking information and statements relating to the business, financial performance and results of Tekna Group and/or industry and markets in which it operates. Forward-looking statements are **statements** that are not historical facts and may be identified by words such as "aims", "anticipates", "believes", "estimates", "expects", "foresees", "intends", "plans", "predicts", "projects", "targets", and similar expressions. Such forward-looking statements are based on current expectations, estimates and projections, reflect current views with respect to future events, and are subject to risks, uncertainties and assumptions. Forward-looking statements are not guarantees of future performance, and risks, uncertainties and other important factors could cause the actual business, financial performance, results or the industry and markets in which Tekna Group operates to differ materially from the statements expressed or implied in this presentation by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecasted results will be achieved, and you are cautioned not to place any undue reliance on any forward-looking statements.

Environmental note

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CEO Comments

As we conclude 2024, I am pleased to share my reflections on the progress our company has made, despite a challenging market environment. Over the past two years, we have remained committed to strengthening our financial position, and it is gratifying to see our efforts yielding tangible results. While further details can be found in the cash flow statement, I am proud to share that in 2024, we improved our cash flow from operations with CAD 10.4 million compared to 2023, much due to a reduction of net working capital by CAD 5.1 million during the year and CAD 2.9 million from litigation settlement. This achievement comes despite the negative impact of CAD 2.9 million on EBITDA due to a substantial reduction in Plasma systems revenue, and the absence of cost synergies following the discontinuation of the joint venture activities.

Across our business lines, we have demonstrated resilience and adaptability. Our Plasma Systems product line faced headwinds, with reduced order intake and revenues as some projects in the pipeline have been delayed. However, our focus on operational efficiency and price management has resulted in sustained contribution margins in 2024 YoY. In Q4, we secured two new R&D plasma system orders, adding CAD 2 million to our backlog. The pipeline for new orders continues to mature, with four additional PlasmaSonic opportunities with one being advanced in the sales cycle.

In Advanced Materials, the industry dynamics remained positive despite challenges stemming from global economic conditions, interest rates, and market fluctuations. Driven by an order intake of CAD 7.7 million, Q4 sales grew by 14% year-over-year and increased 37% from the previous quarter. In 2024, growth was observed across nearly all customer segments, with Medical up 29%, Aerospace up 24%, and Consumer Electronics up 24%. However, sales to 3D printer manufacturers declined by 40%. As highlighted in our Q3 report, the strong growth in Aerospace, Medical, and Consumer Electronics reflects the increasing utilization of 3D printing in industrial applications, signaling early signs of industrialization and market maturity.

Our cost-reduction initiatives have continued in Q4 and into this year. Notably, we have undertaken a restructuring of our management team to reduce layers, enhance transparency, and focus more effectively on each business line's performance. Given the economic context and ongoing global uncertainties, our persistent cost-management efforts have proven both necessary and effective.

In Q2, the AGM resolved to implement a share option plan. The plan was implemented in Q4 and it reaches a broader group of key contributors to Tekna's success, increasing their engagement and sentiment of ownership.

The MLCC market remains attractive as the demand for smaller, higher-performing devices continues to grow. Our development efforts in this sector progressed steadily in Q4, with the on-schedule delivery of an adjusted version of our Nickel nano powder. As previously reported, we expect end-user feedback in Q1 this year. Furthermore, our R&D initiatives have yielded productivity improvements that significantly increases the machine output.

A significant milestone in Q4 was the awarding of a CAD 2.9 million litigation cost compensation in the Intellectual Property case. This outcome not only reinforces our financial standing but also underscores our commitment to protecting our interests and ensuring fair business practices.

Reflecting on the current geopolitical context and short-term uncertainty, as we step into 2025, it is reassuring to know that we have taken appropriate actions to improve our cost position and strengthen our foundation as a reliable and dependable supplier of solutions to the materials industry. It was our great honor and privilege in 2024 to serve a distinguished global customer base of over 200 clients. More than ever, Tekna is the Ultimate Partner.

Luc Dionne,
CEO Tekna Group

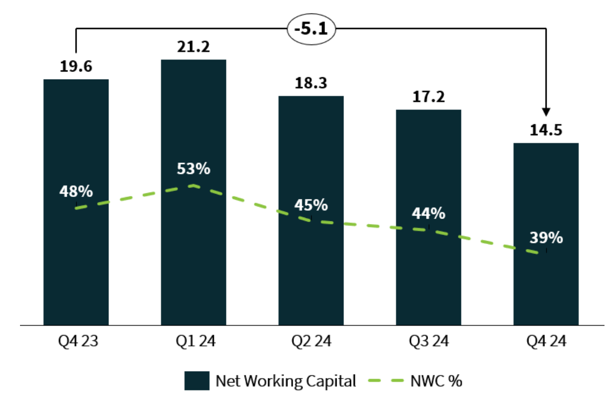
Net Working Capital improvement

In the past two years much effort has gone into improving the Net Working Capital ("NWC") of Tekna with the aim to enhance our financial position.

NWC at year-end amounted to CAD 14.5 million (CAD 19.6 million), an improvement of CAD 5.1 million as depicted in the graph below.

With consistent efforts over time, we have improved the net working capital through better payment terms with suppliers, strong discipline on aging receivables and converting inventory to cash.

Evolution of Net Working Capital in 2024



Comments to fourth quarter (and year) results

Revenues, backlog, order intake and contribution margins are commented in the business line section. See also the Consolidated financial statements.

Cash and Profitability

+ Cash balance improved by CAD 4.8 million compared to last quarter.

+ Litigation cost compensation confirmed and received in December in the amount of CAD 2.9 million driving net profit up for the quarter.

+ Net Working Capital improved by CAD 5.1 million year-on-year (23Q4) and CAD 2.7 million compared to last quarter (24Q3).

+ Advanced Materials contribution margin strongly improved in the quarter YoY through favourable sales mix of smaller, and particularly the larger size powders.

+ Dissolution of joint venture in France is in process and most of the financial accounts were closed in 2024, with a positive deviation of CAD 0.6 million that has been excluded from adjusted EBITDA.

- Low systems revenues had EBITDA effect of negative CAD 1.6 million in the quarter, compared to same quarter last year. In 2024, the EBITDA effect of lower systems revenues was negative CAD 2.9 million compared to 2023.

Operations

+ Overhead reduction solidified at 185 employees at year-end: restructuring cost for 2024 of CAD 0.4 million (CAD 19 thousand in Q4).

+ Indirect personnel expenses in the quarter were CAD 0.7 million lower compared to same quarter last year and CAD 1.2 million lower than last year, excluding restructuring costs.

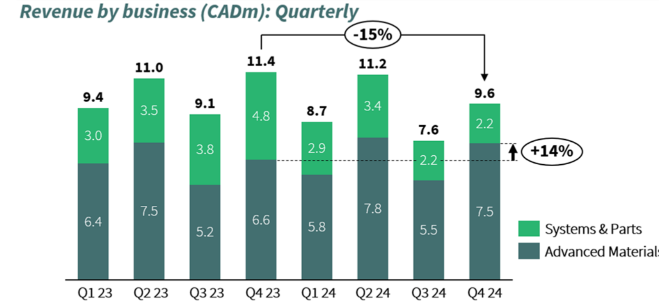
+ Capex investments, excluding IFRS 16 contracts, for the year were limited to CAD 2.2 million, significantly down from CAD 7.8 million in 2023.

Key figures for Tekna Holding ASA as of December 31, 2024 (in CAD million)[1]

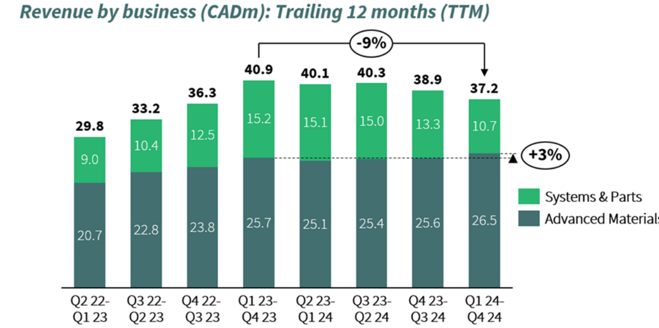
2024 Q4 key figures	*Q4 2024*	*Q4 2023*	*YoY Δ*	*FY 2024*	*FY 2023*	*YoY Δ*	*Rolling 12 months **(TTM)***
Backlog	16.7	24.0	(30.5)%	-	-	-	16.7
Order intake	9.6	11.2	(14.8)%	29.1	38.6	(24.5)%	29.1
Revenues	9.6	11.4	(15.4)%	37.2	40.9	(9.1)%	37.2
Contribution margin	40.6%	42.9%	(2.3)pp	43.1%	44.6%	(1.5)pp	43.1%
Adjusted EBITDA	(1.4)	(0.5)	(0.8)	(6.9)	(4.1)	(2.8)	(6.9)
Adjusted EBITDA margin	(14.1)%	(4.7)%	(9.4)pp	(18.5)%	(10.1)%	(8.5)pp	(18.5)%
Net profit (loss)	0.1	(6.1)	6.2	(11.1)	(15.0)	3.9	(11.1)
Cash balance	12.4	10.1	2.2	-	-	-	-
Employees end	185	222	(16.7)%	-	-	-	-

[1] Due to rounding, some totals may not correspond with the sum of the separate figures.

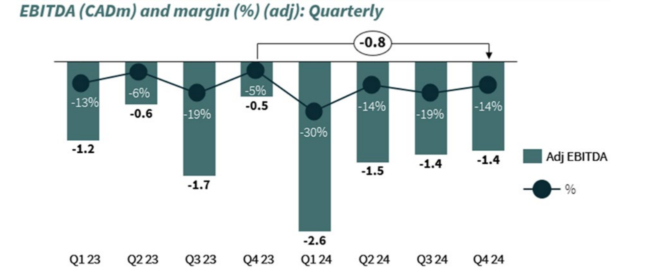
Revenue by business (CADm): Quarterly



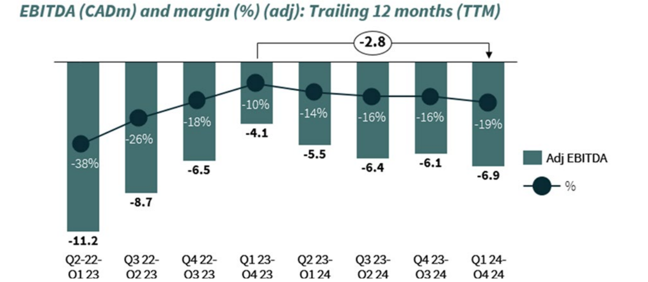
Revenue by business (CADm): Trailing 12 months (TTM)



EBITDA (CADm) and margin (%) (adj): Quarterly



EBITDA (CADm) and margin (%) (adj): Trailing 12 months (TTM)



Highlights per business line

Plasma Systems	*Q4 2024*	*Q4 2023*	*YoY Δ*	*FY 2024*	*FY 2023*	*YoY Δ*	*Rolling 12 mnth*
Backlog	4.8	9.4	(49.4)%	-	-	-	-
Order intake	1.9	3.9	(50.6)%	5.7	13.1	(56.7)%	5.7
Revenues	2.2	4.8	(55.1)%	10.7	15.2	(29.8)%	10.7
Contribution margin %	51.0%	61.1%	(10.0)pp	64.9%	64.1%	0.8pp	64.9%

Advanced Materials	*Q4 2024*	*Q4 2023*	*YoY Δ*	*FY 2024*	*FY 2023*	*YoY Δ*	*Rolling 12 mnth*
Backlog	11.9	14.6	(18.3)%	-	-	-	-
Order intake	7.7	7.4	3.9%	23.5	25.5	(8.0)%	23.5
Revenues	7.5	6.6	13.8%	26.5	25.7	3.2%	26.5
Contribution margin %	37.6%	29.6%	8.1pp	34.3%	33.1%	1.2pp	34.3%

Order intake in **Plasma Systems** was CAD 1.9 million for the quarter. The order backlog reduced accordingly as equipment was produced and delivered to customers throughout the period.

Opportunities continued to develop in Q4, particularly for PlasmaSonic systems. Steady progress was made throughout the quarter and accelerated in January, with an opportunity that is advanced in the sales cycle. In addition, business development efforts are directed towards 4 other similar opportunities that could materialize within the next 18 to 24 months, with an average selling price of over CAD 10 million per unit. Space tourism and hypersonic flight ambitions are in rapid development globally and continue to stimulate the demand for PlasmaSonic solutions developed by Tekna.

\+ 2 Plasma Systems orders received in the quarter.

\+ Opportunity pipeline for Plasma Systems and particularly PlasmaSonic continues to develop positively.

\- Reduction in contribution margin in the quarter to 51%, as revenue recognition was driven by lower margin activities. Margins YoY slightly improved to 64.9% (64.1%).

\- Delays in systems order intake, along with multiple system deliveries to customers throughout 2024, led to a reduction in backlog.

In **Advanced Materials**, the order intake was CAD 7.7 million, up by 4% compared to the same period last year. Q4 revenues were CAD 7.5 million, 14% up over the same period last year contributing to 2024 total materials sales of CAD 26.5 million, 3% increase over 2023. Adjusted for service revenues of CAD 1 million charged by Tekna to the joint venture in 2023, the actual growth in revenues was 7%.

Order intake and sales of materials to Aerospace and Medical segments were strong in Q4 and throughout the year. The sales activities with 3D printer manufacturers continued to be impacted by general economic conditions and was the main disappointment for the year in terms of sales growth. All customer segments being considered, sales were up in Q4 compared to the previous quarter with 37% growth while the net order intake grew 164%.

Growth was supported by demand for both small and large particle-sized material, valorising a greater portion of the production yield. These sales of slower-moving materials contributed to drive the contribution margin up by eight percentage points, supported by continued productivity improvements introduced on the atomisers and in the factory.

\+ Order intake and revenues in the quarter were up by 4% and 14% respectively.

\+ Contribution margin in the quarter was 8.1pp above Q4 2023, and the year was 1.2pp above FY 2023.

\- Backlog was reduced by 18%, mainly driven by the low order intake in Q3 2024.

Outlook

Current business

Maintaining a strong focus on profitability and capital discipline remains the top priority moving forward. In 2025, Tekna will benefit from the profitability improvement program executed with a leaner organization and a lower cost base. These actions are more relevant than ever considering the global economy that is redefining ahead of us.

The recent threat of tariffs by the US administration on imports from Canada creates uncertainty. The USA is the largest market for additive manufacturing, and the tariffs would raise the cost of powders supplied by all Canadian suppliers, for US customers. At the time of publishing this report, it is unclear how this will play out, if and for how long the tariffs would be imposed. This might impact performance for the next few months. Once the situation is clearer, we anticipate that the market will be favorable for business. We are closely monitoring these developments and adjusting our mitigation plan accordingly. We remain committed to navigating these challenges to uphold shareholder value.

Looking ahead, Tekna remains focused on its core business in Advanced Materials, which continues to demonstrate resilience and growth. Tekna's position in additive manufacturing remains strong, with the market projected to grow by over 20%[1] annually. Growth opportunities are driven globally by transition towards more efficient manufacturing technology and products as well as supply chain constraints and manufacturing reshoring across multiple industries.

Despite the recent threat of tariffs, Tekna's growth is expected to continue to develop positively as it has done since the company started its journey to become a world-leading supplier of advanced materials globally.

Within Advanced Materials, Tekna is looking to gradually increase sales and production capacity to deliver CAD 70 million in revenues by 2027 with limited need for CapEx as highlighted in the Midterm outlook (figure bottom left).

For Plasma Systems, the backlog and order intake have been challenging the last year, but management expects a gradual recovery in demand supported by a maturing pipeline for new orders, including four additional PlasmaSonic opportunities at an average sales price greater than CAD 10 million.

Tekna sees significant activity among potential customers in aerospace, space and hypersonic flight. The company has identified globally a PlasmaSonic pipeline of over CAD 300 million of which CAD 35 million worth of prospects is foreseen over the next three years.

Midterm outlook	FY 2022	FY 2023	FY 2024[2]	Medium term 2025-2027
Revenue growth p.a	0%	52%	-9%	Follow the additive manufacturing segment annual growth estimated between 20% and 25%. Systems stable around CAD 13 million average p.a.
Adj. EBITDA margin	-48%	-10%	-19%	20% adjusted EBITDA margin by 2027
CapEx excluding Right of Use Assets (IFRS 16)	CAD 4m	CAD 7.8m	CAD 2.2m	2.5 million in 2025 and eased for a period, with 3 million average p.a.
Developing segments				Industrial scale up with qualified customer(s) in Microelectronics (MLCC)

Business upside potential: multi-layer ceramic capacitators (MLCC)

In Microelectronics (MLCC), Tekna continues to develop its nanomaterials while maintaining close relations with its potential customers. Recent validation tests conducted on samples delivered have yielded promising outcomes. Tekna delivered an adjusted version of the product in the fourth quarter with feedback expected in the first quarter of 2025.

MLCC are small microelectronic components used in the manufacturing of nearly all electronics devices. Over 1 trillion of these MLCC are sold every year. Tekna is developing nickel nanomaterials for this industry. With only a few players and an undersupplied market, this is a highly attractive and relevant opportunity for Tekna, in which the company has achieved steady progress over the past few years.

[1] Sources: AMPower Report 2024, Smartech 2024 and internal modelling.
[2] Actuals shown subject to financial audit

Consolidated financial statements

Consolidated financial statements

Consolidated Statement of Income

Amounts in CAD 1000	Note	2024 Q4	2023 Q4	FY2024	FY2023
Revenues	3	9 640	11 390	37 166	40 888
Other income		3 193	930	3 914	991
Materials and consumables used		5 722	6 504	21 165	22 658
Employee benefit expenses		3 658	4 320	16 392	17 143
Other operating expenses		1 782	6 090	7 515	10 248
EBITDA		1 671	-4 594	-3 993	-8 170
Depreciation and amortisation		1 131	1 062	4 033	4 222
Net operating income/(loss)		540	-5 656	-8 026	-12 391
Share of net income (loss) from associated companies and joint ventures		1	702	1	-608
Finance income		255	257	-70	233
Finance costs		562	47	2 194	777
Profit/(loss) before income tax		235	-4 744	-10 289	-13 543
Income tax expense		181	1 367	851	1 467
Profit/(loss) for the period		54	-6 111	-11 140	-15 009
Attributable to equity holders of the company		54	-5 917	-11 027	-14 422
Attributable to non-controlling interests		-	-194	-114	-587
Basic earnings per share		0.00	-0.05	-0.09	-0.12
Diluted earnings per share		0.00	-0.05	-0.09	-0.12

Consolidated Statement of Other Comprehensive Income

Amounts in CAD 1000	Note	2024 Q4	2023 Q4	FY2024	FY2023
Items that may be reclassified to statement of income					
Exchange differences on translation of foreign operations		64	-209	35	-49
Items that may be reclassified to statement of income		64	-209	35	-49
Items that will not be reclassified to statement of income					
Exchange differences on translation of foreign operations		-	-	-	-
Items that will not be reclassified to statement of income		-	-	-	-
Other comprehensive income/(loss) for the period, net of tax		64	-209	35	-49
Total comprehensive income/(loss) for the period		118	-6 319	-11 105	-15 058
Attributable to equity holders of the company		118	-6 118	-10 989	-14 470
Attributable to non-controlling interests		-	-201	-116	-589

Consolidated Balance Sheet

Amounts in CAD 1000	31.12.2024	31.12.2023
Non-current assets		
Property, plant and equipment	24 779	23 894
Intangible assets	6 962	7 785
Associated companies and joint ventures	-	-
Non-current receivables	4 085	4 531
Deferred tax assets	-	-
Total non-current assets	35 826	36 210
Current assets		
Inventories	17 261	17 607
Contract assets	1 502	3 905
Trade and other receivables	6 421	8 394
Cash and cash equivalents	12 352	10 148
Total current assets	37 536	40 054
Total assets	73 362	76 264

Amounts in CAD 1000	31.12.2024	31.12.2023
Equity		
Share capital and share premium	497 260	494 956
Share premium	-	-
Other reserves	-470 713	-455 405
Capital and reserves attributable to holders of the company	26 547	39 552
Non-controlling interests	-	-1 197
Total equity	26 547	38 354
Non-current liabilities		
Borrowings	31 486	24 662
Lease liabilities	1 960	773
Deferred tax liabilities	1 649	1 163
Total non-current liabilities	35 095	26 598
Current liabilities		
Bank loan	-	-
Lease liabilities	647	595
Trade and other payables	6 578	4 875
Provision for warranties	182	137
Contract liabilities	1 513	2 442
Other current liabilities	2 380	2 860
Borrowings short-term portion	420	402
Total current liabilities	11 721	11 311
Total liabilities and equity	73 362	76 264

Consolidated Statement of Changes in Equity

Amounts in CAD 1000	Attributable to equity holders of the Company: Share capital and share premium	Other reserves	Total	Non-controlling interests	Total equity
Balance at 1 January 2024	494 956	-455 405	39 552	-1 197	38 354
Profit/(loss) for the period	-	-11 027	-11 027	-114	-11 140
Other comprehensive income/(loss)	-	37	37	-2	35
Repurchase of share capital	-	-4 338	-4 338	1 312	-3 026
Issuance of shares	2 304	-	2 304	-	2 304
Share-Based Compensation	-	20	20	-	20
Balance at 31 December 2024	497 260	-470 713	26 547	-	26 547

Amounts in CAD 1000	Attributable to equity holders of the Company: Share capital and share premium	Other reserves	Total	Non-controlling interests	Total equity
Balance at 1 January 2023	494 956	-440 934	54 022	-609	53 412
Profit/(loss) for the period	-	-14 422	-14 422	-587	-15 009
Other comprehensive income/(loss)	-	-47	-47	-2	-49
Balance at 31 December 2023	494 956	-455 405	39 552	-1 197	38 353

Amounts in CAD 1000	Attributable to equity holders of the Company: Share capital and share premium	Other reserves	Total	Non-controlling interests	Total equity
Balance at 30 September 2024	497 260	-470 851	26 409	-	26 409
Profit/(loss) for the period	-	54	54	-	54
Other comprehensive income/(loss)	-	64	64	-	64
Share-Based Compensation	-	20	20	-	20
Balance at 31 December 2024	497 260	-470 713	26 547	-	26 547

Amounts in CAD 1000	Attributable to equity holders of the Company: Share capital and share premium	Other reserves	Total	Non-controlling	Total equity
Balance at 30 September 2023	494 956	-449 286	45 669	-996	44 673
Profit/(loss) for the period	-	-5 917	-5 917	-194	-6 111
Other comprehensive income/(loss)	-	-201	-201	-7	-209
Balance at 31 December 2023	494 956	-455 404	39 551	-1 197	38 354

Consolidated Statement of Cash flows

Amounts in CAD 1000	2024 Q4	2023 Q4	FY2024	FY2023
Cash flow from operating activities				
Net profit/(loss)	54	-6 111	-11 140	-15 009
Depreciation, amortization and impairment	1 131	1 062	4 033	4 222
Variation in deferred taxes	486	1 163	486	1 163
Interest accretion on LT debt	106	88	402	345
Discounted value of long-term loan	-313	-1 234	-999	-1 234
Share-Based Compensation	20	-	20	-
(Gain)/Loss from sales of assets	-	9	-	9
Share of results from associated companies and joint ventures	-1	-702	-1	608
Total after adjustments to profit before income tax	1 482	-5 724	-7 200	-9 896
Change in Inventories	-468	2 407	345	2 985
Change in other assets	1 348	366	4 101	-3 443
Change in other liabilities	1 886	2 232	339	-2 504
Total after adjustments to net assets	4 249	-719	-2 414	-12 859
Net cash from operating activities	4 249	-719	-2 414	-12 859
Cash flow from investing activities				
Proceeds from the sales of PPE	-4	-	-4	-
Purchase of PPE and intangible assets	-144	-2 453	-4 091	-8 133
Net cash flow from investing activities	-149	-2 453	-4 095	-8 133

Amounts in CAD 1000	2024 Q4	2023 Q4	FY2024	FY2023
Cash flow from financing activities				
Increase (decrease) of bank loan	-	-	-	-1 197
New loan	1 011	1 681	10 374	22 484
Repayment of loan	-212	-206	-1 013	-839
Repayment of lease liabilities	-189	-168	-683	-596
Net cash flow from financing activities	610	1 308	8 678	19 853
Change in cash and cash equivalents	4 710	-1 864	2 169	-1 139
Cash and cash equivalents at the beginning of the period	7 578	12 192	10 148	11 364
Effects of exchange rate changes on cash and cash equivalents	64	-180	35	-77
Cash and cash equivalents at end of the period	12 352	10 148	12 352	10 148

Purchase of PPE and intangible assets includes CAD 167 thousand of Right of Use Assets (IFRS 16) in the fourth quarter of 2024 and CAD 1 921 thousand in the full year. When excluding IFRS 16, then *Purchase of PPE and intangible assets* was net positive CAD 18 thousand, implying higher grants and credits than capex, and CAD 2 174 thousand for the full year. The corresponding figures for IFRS 16 in 2023 were CAD 146 thousand in the fourth quarter and CAD 355 thousand in the full year. Similarly, the same amounts for new contracts are included in the item *New Loan*.

Notes to the Consolidated Financial Statements

Note 1 | Confirmation of financial framework

The financial statements for the quarter have been prepared in accordance with IAS 34 Interim Financial Reporting. The report does not include all the information required in full annual financial statements and should be read in conjunction with the consolidated financial statements for 2023.

Note 2 | Key accounting policies

The accounting policies for 2024 are described in the Annual Report for 2023. The financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and associated interpretations, as well as Norwegian disclosure requirements pursuant to the Norwegian Accounting Act and stock exchange regulations and rules applicable as at 31 December 2023. The same policies have been applied in the preparation of the interim financial statements.

The figures are presented in CAD rounded to the nearest thousand. As a result of rounding adjustments, amounts and percentages may not add up to the total.

Note 3 | Revenue from contracts with customers

Accounting principles and information related to external customers are described in note 1.

Disaggregation of revenue from contracts with customers

2024 Q4 *Amounts in CAD 1000*	Systems & Equipment	Materials	Spare parts	Other	Total
Revenue recognized at a point in time		7 477	137	96	7 711
Revenue recognized over time	1 929				1 929
Revenue from external customers	1 929	7 477	137	96	9 640
Contribution margin	918	2 814	89	96	3 918
Contribution margin %	47.6%	37.6%	64.9%	100.0%	40.6%
Revenue from external customers specified pr geographical area:					
America	582	4 058	43	64	4 748
Europe	-	2 170	-	32	2 202
Asia	1 347	1 249	94	-	2 691
Total	1 929	7 477	137	96	9 640

FY 2024 *Amounts in CAD 1000*	Systems & Equipment	Materials	Spare parts	Other	Total
Revenue recognized at a point in time	-	26 504	915	380	27 799
Revenue recognized over time	9 367	-	-	-	9 367
Revenue from external customers	9 367	26 504	915	380	37 166
Contribution margin	5 931	9 083	607	380	16 001
Contribution margin %	63.3%	34.3%	66.4%	100.0%	43.1%
Revenue from external customers specified pr geographical area:					
North America	3 606	12 608	544	238	16 997
Europe	496	9 331	219	142	10 188
Asia	5 265	4 564	152	-	9 981
Total	9 367	26 504	915	380	37 166

Notes to the financial statements (continued)

Disaggregation of revenue from contracts with customers *(continued)*

2023 Q4 *Amounts in CAD 1000*	Systems & Equipment	Materials	Spare parts	Other	Total
Revenue recognized at a point in time	-	6 571	180	129	6 880
Revenue recognized over time	4 510	-	-	-	4 510
Revenue from external customers	4 510	6 571	180	129	11 390
Contribution margin	2 706	1 943	108	129	4 886
Contribution margin %	60.0%	29.6%	60.0%	100.0%	42.9%
Revenue from external customers specified pr geographical area:					
Americas	2 453	2 351	90	64	4 958
Europe	1 207	2 605	90	64	3 967
Asia	850	1 616	-	-	2 465
Total	4 510	6 571	180	129	11 390

FY 2023 *Amounts in CAD 1000*	Systems & Equipment	Materials	Spare parts	Other	Total
Revenue recognized at a point in time	-	25 692	1 031	489	27 212
Revenue recognized over time	13 677	-	-	-	13 677
Revenue from external customers	13 677	25 692	1 031	489	40 888
Contribution margin	8 572	8 493	675	489	18 230
Contribution margin %	62.7%	33.1%	65.5%	100.0%	44.6%
Revenue from external customers specified pr geographical area:					
North America	8 914	10 118	516	244	19 792
Europe	2 599	11 873	515	245	15 233
Asia	2 164	3 700	-	-	5 864
Total	13 677	25 692	1 031	489	40 888

Alternative Performance Measures

Definitions

Tekna presents alternative performance measures as a supplement to measures regulated by IFRS. The Group considers these measures to be an important supplemental measure for investors to understand the Groups' activities. They are meant to provide an enhanced insight into the operations, financing, and future prospects of the company.

These measures are calculated in a consistent and transparent manner and are intended to provide enhanced comparability of the performance from period to period. The definitions of these measures are as follows:

Contribution Margin: Is defined as revenues less direct variable costs such as direct labour, raw material, electricity, gas consumption, commissions, freight, customs and brokerage fees, laboratory supplies and packaging. The Contribution Margin is used to evaluate performance of production before any allocation of fixed manufacturing costs.

Contribution Margin %: is defined as the Contribution Margin divided by revenues in the period.

EBITDA: Is defined as the profit/(loss) for the period before income tax expense, finance costs, finance income, share of net income (loss) from associated companies and joint ventures, depreciation, and amortization.

EBITDA Margin: Is defined as EBITDA as a percentage of revenues.

Adjusted EBITDA: Is defined as the profit/(loss) for the period before income tax expense, finance costs, finance income, share of net income (loss) from associated companies and joint ventures, depreciation, and amortization adjusted for certain special operating items affecting comparability. These operating items include, but not limited to, restructuring costs, and litigation costs and incomes, and expenses for vesting and change in social security tax because of the development in the value of the underlying shares in the group's share-based compensation scheme.

Adjusted EBITDA Margin: Is defined as Adjusted EBITDA as a percentage of revenues.

EBIT: Is defined as the profit/(loss) for the period before income tax expense, finance costs, finance income, share of net income (loss) from associated companies and joint ventures.

EBIT Margin: Is defined as EBIT as a percentage of revenues.

Adjusted EBIT: Is defined as the profit/(loss) for the period before income tax expense, finance costs, finance income, share of net income (loss) from associated companies and joint ventures adjusted for certain special operating items affecting comparability. These operating items include, but not limited to, restructuring costs, litigation costs and incomes, and expenses for vesting and change in social security tax because of the development in the value of the underlying shares in the group's share-based compensation scheme.

Adjusted EBIT Margin: Is defined as Adjusted EBIT as a percentage of revenues. Adjusted EBIT Margin is a non-IFRS financial measure that the Group considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measure.

Long Term Debt/Equity Ratio: Is defined as total non-current liabilities divided by total equity. Long Term Debt/Equity Ratio is a non-IFRS financial measure that the Group considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measure.

Please see the Annual Report for a further detailed description of the Group's alternative performance measures.

Alternative Performance Measures (continued)

Amounts in CAD thousands	2024 Q4 (Unaudited)	2023 Q4 (Audited)	FY 2024 (Unaudited)	FY 2023 (Audited)
Revenues	9 640	11 390	37 166	40 888
Materials and consumables used	5 722	6 504	21 165	22 658
(b) Contribution margin	3 918	4 886	16 001	18 230
(c) Revenues	9 640	11 390	37 166	40 888
Contribution margin % (b/c)	40.6 %	42.9 %	43.1 %	44.6 %

Amounts in CAD thousands	2024 Q4 (Unaudited)	2023 Q4 (Audited)	FY 2024 (Unaudited)	FY 2023 (Audited)
Net profit/loss	54	-6 111	-11 140	-15 009
Income tax expense (income)	-181	-1 367	-851	-1 467
Finance costs	562	47	2 194	777
Finance income	-255	-257	70	-233
Share of net income (loss) from associated companies and joint ventures	-1	-702	-1	608
Depreciation and amortization	1 131	1 062	4 033	4 222
(a) EBITDA	1 671	-4 594	-3 993	-8 170
Litigation costs	215	-	215	-
Litigation income	-2 938	-	-2 938	-
Share-Based Compensation	20	-	20	-
Provision (reversal) for bad debts on accounts receivable from the joint venture	-344	4 060	-633	4 060
Restructuring costs	19	-	442	-
(b) Adjusted EBITDA	-1 357	-534	-6 888	-4 109
(c) Revenues	9 640	11 390	37 166	40 888
EBITDA margin (a/c)	17.3 %	-40.3 %	-10.7 %	-20.0 %
Adjusted EBITDA margin (b/c)	-14.1 %	-4.7 %	-18.5 %	-10.1 %

Amounts in CAD thousands	2024 Q4 (Unaudited)	2023 Q4 (Audited)	FY 2024 (Unaudited)	FY 2023 (Audited)
Net profit/loss	54	-6 111	-11 140	-15 009
Income tax expense (income)	-181	-1 367	-851	-1 467
Finance cost	562	47	2 194	777
Finance Income	-255	-257	70	-233
Share of net income (loss) from associated companies and joint ventures	-1	-702	-1	608
(a) EBIT	540	-5 656	-8 026	-12 391
Litigation costs	215	-	215	-
Litigation income	-2 938	-	-2 938	-
Share-Based Compensation	20	-	20	-
Provision (reversal) for bad debts on accounts receivable from the joint venture	-344	4 060	-633	4 060
Restructuring costs	19	-	442	-
(b) Adjusted EBIT	-2 489	-1 596	-10 921	-8 331
(c) Revenues	9 640	11 390	37 166	40 888
EBIT margin (a/c)	5.6 %	-49.7 %	-21.6 %	-30.3 %
Adjusted EBIT margin (b/c)	-25.8 %	-14.0 %	-29.4 %	-20.4 %

Amounts in CAD thousands	31.12.2024 (Unaudited)	31.12.2023 (Audited)	31.12.2024 (Unaudited)	31.12.2023 (Audited)
(a) Total non-current liabilities	35 095	26 598	35 095	26 598
(b) Total equity	26 547	38 354	26 547	38 354
Long Term Debt/Equity Ratio (a/b)	1.32	0.69	1.32	0.69

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