Tekna Holding ASA: Fourth Quarter Results 2023 – Record revenues, continued strong top-line growth and profitability significantly improved

8.2.2024 07:00:00 CET | Tekna Holding ASA | Half yearly financial reports and audit reports / limited reviews

(Arendal, NORWAY / Sherbrooke QC, CANADA) Tekna Holding ASA (Tekna, OSE: TEKNA), a world-leading provider of advanced materials to industry, today announces the company's results for the fourth quarter of 2023.

In the fourth quarter of 2023, revenue came in at CAD 11.4 million, a 66 per cent increase from the same period last year and a quarterly record for the company. Both business lines contributed to the revenue growth; Systems (+125%) and Advanced Materials (+40%). Adjusted EBITDA for the fourth quarter 2023 was CAD -0.3 million, a significant improvement from CAD -2.9 million in the fourth quarter in the previous year.

"*2023 was marked by strong top-line growth and significant improvement in profitability. Revenues for the year increased more than 50 per cent from the year before with steady growth in both the Systems and Materials business lines. Moreover, I am also pleased that the EBITDA has once again seen a significant uplift. Our consistent profitability improvement during 2023 was driven by the solid revenue growth and increased contribution margin, which reflects the productivity of our organization,"* said Luc Dionne, CEO of Tekna Holding ASA.

Tekna continues to experience strong demand for its products. The total order backlog at the end of the quarter was CAD 24.0 million. The backlog was supported by CAD 11.2 million order intake in the period, up from 10.4 million in Q3.

The Systems market continues to thrive with several new contracts awarded. 12 plasma machine orders have been announced during the year, at a total value of 12.1 CAD million, from customers in industrial and academic sectors in Asia, Europe, and North America. Gross margin for Systems has improved substantially over last year with improved productivity, and adjusted pricing to reflect cost inflation.

In Advanced Materials, Tekna responded to growing customer demand with the successful implementation of capacity and productivity improvement programs. Order backlog at the end of 2023 was CAD 14.6 million. The company expects to accelerate deliveries of its smaller cut size titanium powder to the consumer electronics customers using metal injection molding and binder jetting applications for the manufacturing of smart devices.

Tekna has strengthened the company's liquidity during the year. The cash position at year-end was CAD 10.1 million. Early in 2023 Tekna agreed with Arendals Fossekompani on the terms of a CAD 25 million loan facility, the third tranche of CAD 5 million has not yet been drawn. Tekna aims to improve profitability and operational cashflow by maintaining cost control, emphasizing operational excellence and working capital optimization.

"*High demand for Tekna's products and our order backlog are enabling continued growth in 2024. We are expecting a further improvement of margins in 2024, supported by the strong order backlog, increased production capacity and organizational productivity*," said Mr. Dionne.

Results presentation
Tekna will present its financial results for the fourth quarter today at 13:00 CET. The results will be presented by CEO Luc Dionne and CFO Espen Schie of Tekna Holding ASA, and the event will be made available via a live webcast. Click the following link to register and gain access to the webcast: https://www.tekna.com/investors/webcast-2023q4

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.

For more information, please see the third quarter presentation, which are attached to this notice and available at http://www.tekna.com.

Disclosure regulation

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

Contacts

- Arina Van Oost, Investor Relations | VP Corporate Strategic Development & Innovation, Tekna Holding ASA, +14388856330, +33670115190, investors@tekna.com

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.

https://www.tekna.com

Attachments

- Download announcement as PDF.pdf
- Tekna Holding ASA 2023Q4 vF.pdf