



TEKNA HOLDING AS: FINANCIAL RESULTS FOR SECOND QUARTER AND HALF-YEAR 2021

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(Arendal, NORWAY / Sherbrooke QC, CANADA - 19 August 2021) Tekna Holding AS (Tekna, OSE:TEKNA), the world-leading provider of advanced materials to industry, reported a solid second quarter 2021, with revenues rising 95 percent to CAD 7.4 million (Q2 2020: 3.8 million), amid growth in recurring powders sales and a growing customer portfolio.

The second quarter of 2021 was characterized by:

- Increase in revenue to CAD 7.4 million, driving YTD revenues 88 percent above H1 2020
- Order intake of CAD 9.5 million, raising total backlog by 55 percent to CAD 14.2 million
- Adjusted EBITDA of CAD -1.1 million, compared to CAD -0.2 million in Q2 2020
- 103 percent growth year-on-year in powder revenues to CAD 5.0 million
- 84% growth year-on-year in recurring Materials revenues to CAD 3.5 million
- Two major contract awards announced with Airbus in Additive Manufacturing and LG Chem in Energy Storage

"Tekna extended positive revenue growth momentum into the second quarter, posting a 95 percent increase year-on-year, while materials revenue more than doubled in the period," says Luc Dionne, Tekna Holding's chief executive officer. "I am proud to say that we have already secured 88 percent of the Company's full-year revenue target. While we are exercising a reasonable level of prudence in our spending, Tekna's focus remains on the top line, setting up the necessary infrastructure and resources to scale the Company and achieve its growth ambitions."

Revenues for the second quarter reached CAD 7.4 million, an increase of CAD 3.6 million (Q2 2020). Both business segments - materials and systems - recorded substantial gains, over 100 percent and 75 percent respectively, compared to the second quarter 2020. This performance is attributable to the recovery of the markets following the COVID crisis, the growth in recurring powder sales and the growing customer portfolio. Adjusted EBITDA for second quarter stood at CAD -1.1 million compared to CAD -0.2 million in the same period last year, in line with what was forecast in the Q1 2021 report. In 2020, Tekna benefitted from a generous COVID support mechanism from the government, whilst at the same time cutting its costs in line with reduced activity levels.

Tekna announced two major new contracts in the period: a multi-year joint development agreement with leading Korean chemical company LG Chem to develop new materials that will improve the storage capacity and the cycle stability of Lithium-Ion batteries, and a three-year agreement for 3D printing titanium powder with Airbus. Subsequent to the quarter, Tekna announced a 10-year supply agreement in Additive Manufacturing with a leading EU jet engine and Aerospace component OEM.

In May, Tekna announced that it had accepted an invitation from the National Center for Advanced Materials Performance to participate in a major aerospace qualification program. Parts produced with Tekna's powder material qualified under this program will automatically pass the initial design phase and analysis by the FAA, U.S. Department of Defense (DoD), and the National Aeronautics and Space Administration (NASA).

Tekna has launched a CAD 16 million investment program to scale up capacity in all three powder business segments to deliver on accelerating growth. In addition, the company has approved the commissioning of a new Additive Manufacturing powder atomizer in France, to meet growing demand generated from ImphyTek Powders, a Tekna and Aperam joint venture serving the aerospace, medical, and automotive industries.

"Looking ahead, all the market indicators we are monitoring are positive," says Dionne. "The number of orders and the average order size of materials sold in the additive manufacturing segment are increasing, while new sales channels are opening-up in consumers electronics. The EV and 5G markets are booming, which is driving the demand for Tekna's nano-size Silicon and Nickel powders. There could not be a more propitious time to be scaling up Tekna's technology, which is one of very few that enables OEMs to differentiate themselves with superior products in their markets. "

"The favourable market conditions that we have observed in the first six months are expected to continue throughout the year and Tekna's ambition to grow 2020 materials revenues of CAD ~13 million to a run-rate of CAD ~22 million in 2021 is well within reach," Dionne adds.

Tekna will present its financial results for the second quarter and half-year 2021 on Thursday 19 August, 2021, at 12:00 CEST. The investor presentation will be live streamed and be hosted by Luc Dionne, CEO of Tekna Holding. The presentation

will be held in English and questions can be submitted throughout the event. The streaming event is available through: <https://www.tekna.com/investors/webcast-2021q2>

The full report and presentation are available at <https://www.tekna.com/investors>

For additional information, please contact: Arina van Oost, Investor Relations

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 AS

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.

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Attachments

- [Download announcement as PDF.pdf](#)
- [2021Q2 presentation vF.pdf](#)
- [2021 Half year Operations Report vF.pdf](#)