First quarter 2021 Financial results

May 5, 2021

Today’s speakers

Morten Henriksen

CEO Tekna Holding AS
Chairman Tekna Canada

Luc Dionne

CEO Tekna Canada

Q1 2021 highlights

Financial results Q1 2021

Revenues

CAD 7.8 million

83% growth from Q1'20

Adjusted EBITDA

CAD 0.4 million

+ CAD 2m increase from Q1'20

Powder revenues[1]

CAD 4.4 million

23% growth from Q1'20

Recurring Materials revenues

CAD 3.7 million

42% growth from Q1'20

Operations, business development and sales

Solid start to 2021 with 83% revenue growth year-on-year in Q1 2021, leading to CAD 7.8m in consolidated revenues

- 65% of annual revenue target secured
- March 2021: Listed on Euronext Growth in Oslo, gross proceeds of close to NOK 700 million raised in private placement
- Limited operational impact by COVID-19 pandemic
- Scaling up sales organization and production capacity globally

Subsequent events

- April 2021: Commissioned state-of-the-art powder atomizer for titanium to meet growing demand from aerospace, medical, and automotive industries
- April 2021: Roadmap for capacity increase for three segments approved by Board of Directors, which will bring company's total number of plasma systems from eight to 14
- Additive Manufacturing: Long-term supply agreements in signature process at two leading aerospace OEMs.
- Printed Electronics: Accelerating and increasing demand from high-end multilayer ceramic capacitors (MLCC) manufacturers for trials and approval of Tekna powders
- Energy Storage: Agreement reached with LG Chem for multi-year joint development program focused on Lithium-ion battery materials

1 Includes tolling services

Tekna in brief

Tekna is a world-leading provider of advanced materials

Established organization with world-wide reach

- Founded in 1990
- Headquartered in Quebec, Canada
- 180 employees
- 90 active patents
- 2 production facilities
- 2 research facilities
- 7 subsidiaries
- 1 joint venture

Large base of blue-chip customers[1]

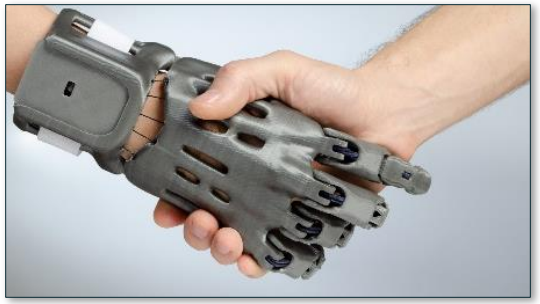
BOEING, AIRBUS, TOYOTA, Honeywell, ArcelorMittal, MITSUBISHI HEAVY INDUSTRIES, HONDA, MICHELIN, BASF The Chemical Company, NASA, Pratt & Whitney, THALES, HYUNDAI, SAFRAN, SAMSUNG, SIEMENS

~200 customers

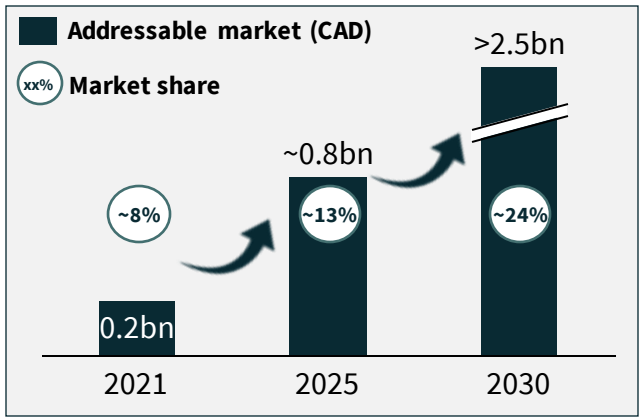
Note: In India and Japan, Tekna has distribution/sales representative agreements
1) Current and targeted

Tekna is developing its position in three multi-billion-dollar market verticals

Additive manufacturing / 3D printing

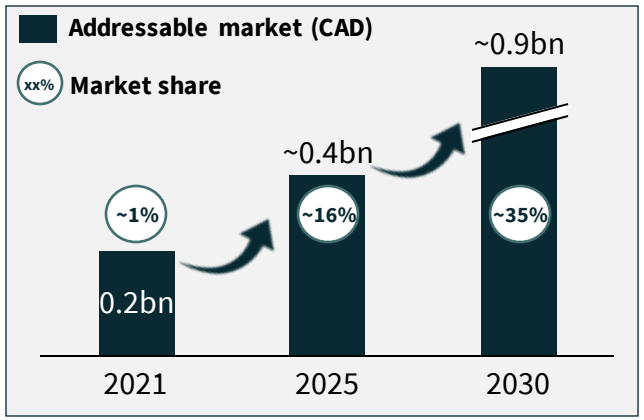


- ✓ Fast-growing industrial **3D printing market**
- ✓ **Reducing waste & producing longer-lasting components**



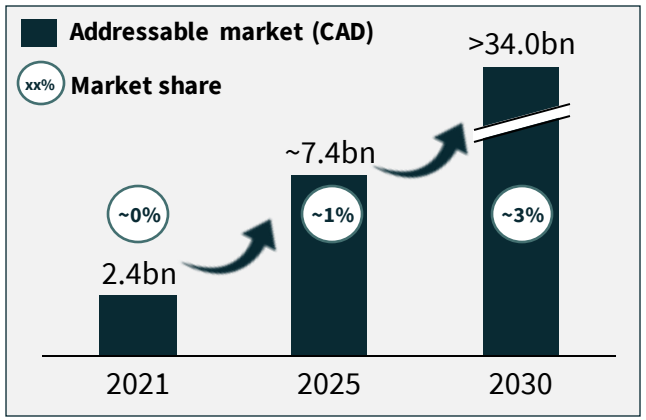
Printed electronics

- ✓ **IoT and digitalization** of every-day devices
- ✓ Enabling technological advancements towards more **efficient resource usage**



Energy storage

- ✓ **Electrification** and **grid reserve**
- ✓ Increasing **clean energy storage and performance**



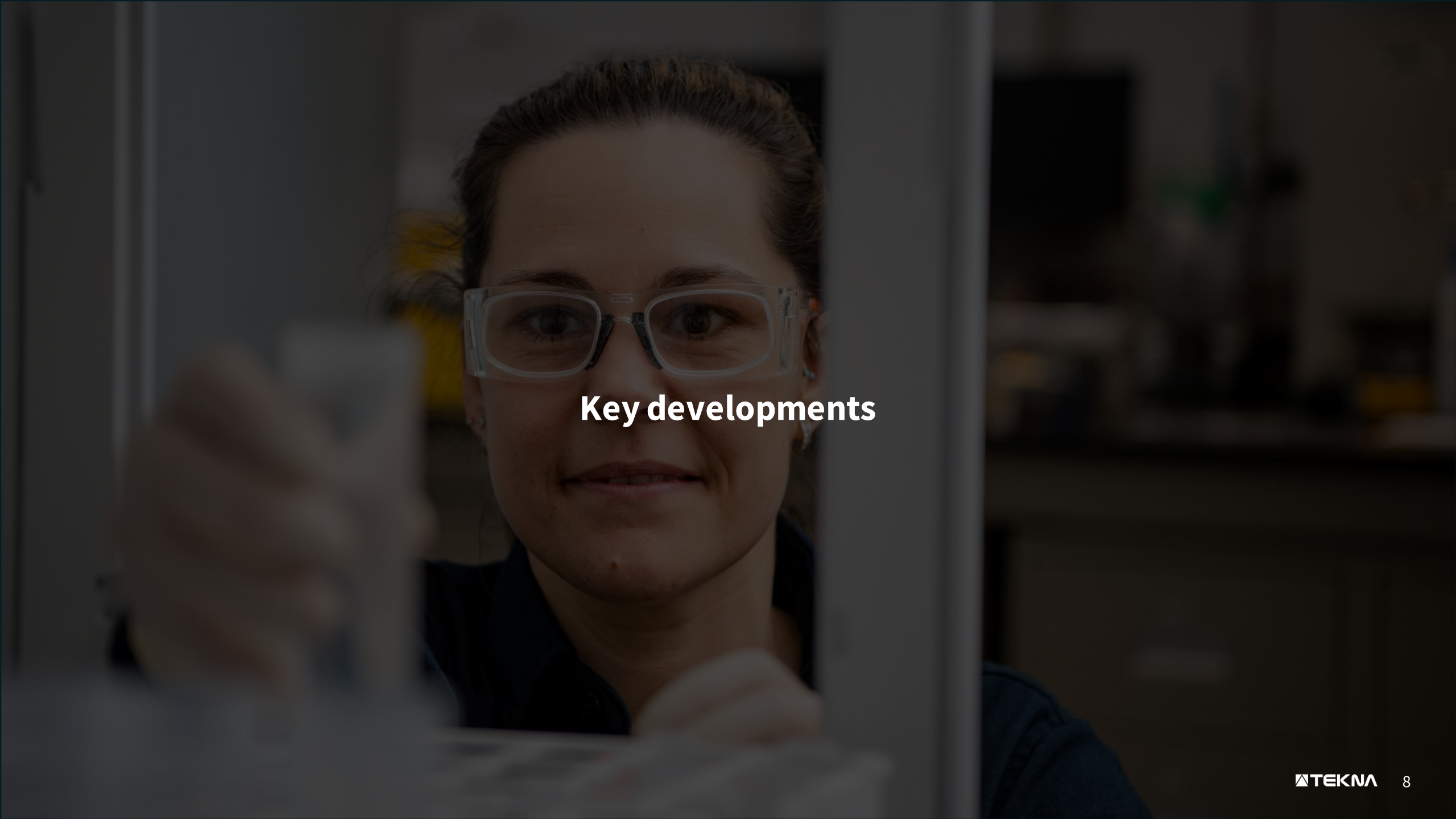
Tekna's technology starts where others' end

Sources: SmarTech – 3D Printing and Additive Manufacturing reports, Wohlers Associates – 3D Printing and Additive Manufacturing Global State of the Industry, ARK Investment management – Big Ideas 2021, Cairn Energy Research Advisors – SI Marketscape and opportunities, company estimates

Tekna is dedicated to enabling sustainable and resource efficient technologies

Some of the benefits of Tekna Additive Manufacturing 3D printing

- More efficient design
- Less raw material
- Repairability & spare parts
- Make parts locally
- Reduction in inventory
- Smaller, quieter factories
- Streamline manufacturing



Key developments

Key developments: Additive manufacturing / 3D printing

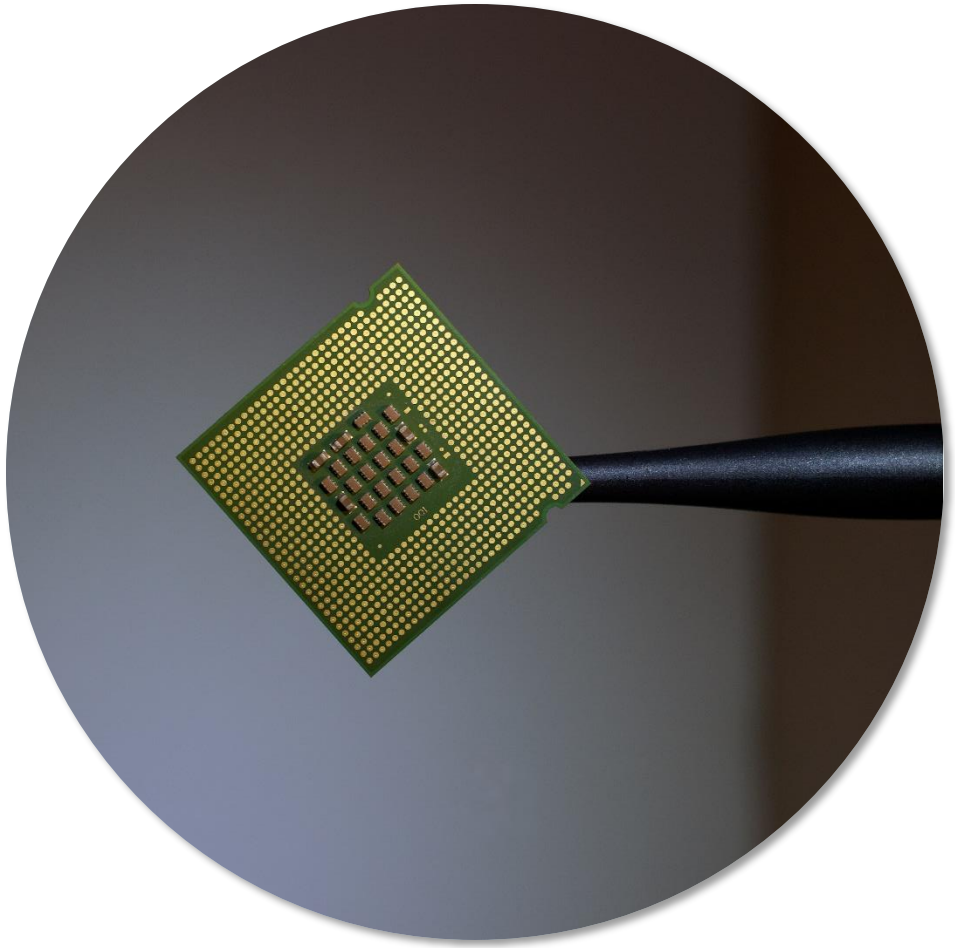
Sustained growth quarter over quarter

- 40% sales growth over Q4 2020
- 85% of powder sales generated from recurring customers
- Strong order intake securing >65% of 2021 materials budget
- Launched Automotive Market Penetration strategy with 50 active accounts - over 200 identified leads (tier 1 and OEMs) so far
- Commissioned new titanium powder atomizer

Tekna's titanium powder selected for certification by National Institute for Aviation Research (sponsored by Federal Aviation Agency - FAA)

- Tekna was recommended by Boeing
- Qualifies Tekna's powder to a shared aerospace materials Handbook
- Provides every aerospace AM part manufacturer with pre-qualified material and reaches out to FAA, European Aviation Space Agency and others

Key developments: Printed electronics

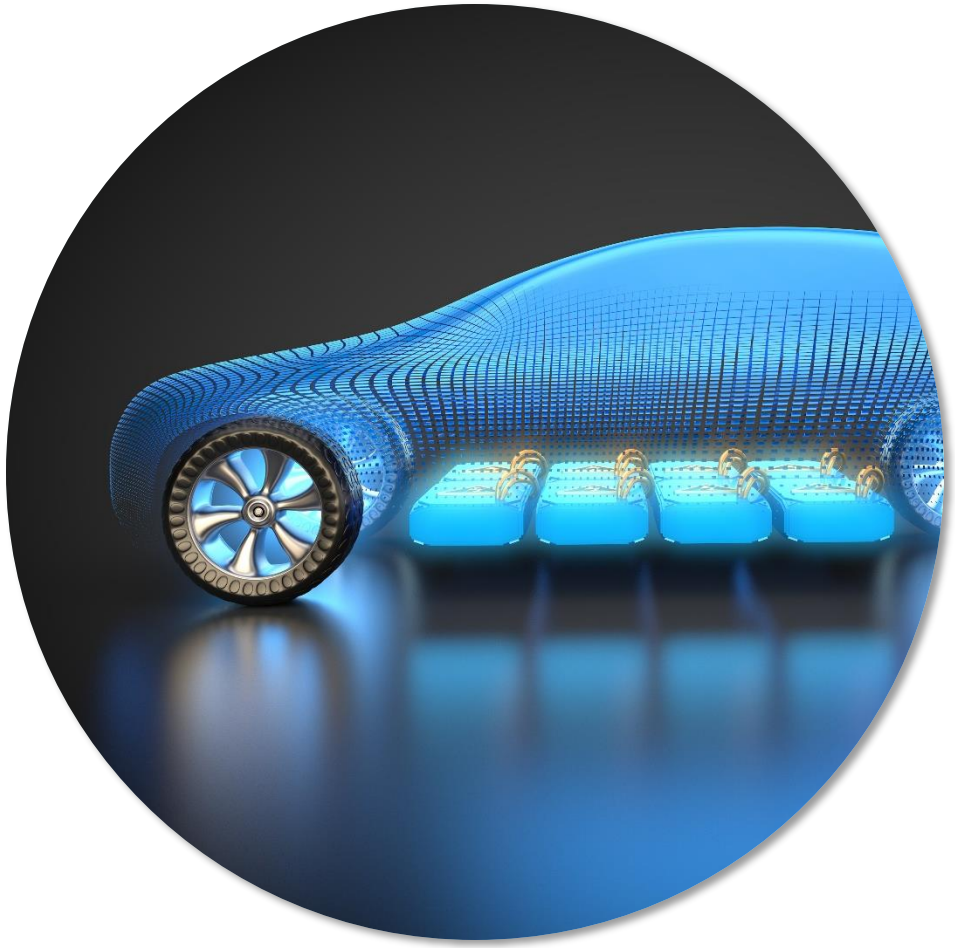


Successful roll out of market entry strategy

- In Q4 2020 Tekna succeeded in high-yield production of Nickel nano (80nm), fulfilling market expectations
- Tekna has confirmed product match (80nm) with all relevant MLCC manufacturers (near 100% of global market). Demand for product evaluation and approval is accelerating
- Industrialization and roadmap for production capacity ramp-up approved. Execution started to increase capacity needed for 2021-2023
- R&D initiating development strategy of next generation (50nm) to stay ahead of demand curve

"The global shortage observed in microelectronics and semi-conductors is accelerating the demand for material validation from all relevant MLCC manufacturers"

Key developments: Energy storage



Agreement reached with LG Chem

- LG Chem and Tekna agreed on a multi-year joint development program to develop new materials that will improve the storage capacity and the cycle stability of Lithium-Ion batteries
- Industrialization and roadmap for production capacity ramp-up approved. Execution started to increase capacity needed for 2021-2023
- Nano Silicon is expected to become key material in battery anode manufacturing with the aim of extending the reach by 60%
- Accelerating market entry roll out :
  - Leveraging current development partnerships
  - Exacting product specification

"The agreement with LG Chem can form the foundation for a long-term partnership that has the potential to break new grounds in terms of enabling batteries with superior performances"

Financials

Financial highlights Q1 2021

Financial highlights (CADm)	Q1 2021 [1]	Q1 2020	Q4 2020	2020
Revenue	7.8	4.3	7.4	22
Gross Margin	51%	46%	55%	49%
Adjusted EBITDA	0.4 [2]	-1.7	3.4 [3]	1.4 [3]
Adjusted EBITDA %	5%	-40%	46%	6%
EBITDA	-0.3	-1.7	3.4	1.4
EBITDA %	-4%	-40%	46%	6%
Cash balance at the end of the period	102.1	3.7	2.5	2.5
Recurring revenue (% of materials revenue)	85%	71%	na	na

Notes
1 The 2021 figures have been prepared in accordance with IFRS
2 EBITDA adjusted for non-recurring items
3 2020 adjusted EBITDA includes CAD 2.7m in the form of grants for Covid mitigation as well as CAD 3.6m of commercial rights and OPEX recharge to the JV Imphytek powders in Q4

Commentary

- Solid start to 2021 with 83% revenue growth year-on-year
  - Materials revenue reached a record CAD 4.4m in Q1'21
  - Total backlog increased by 50% from Q1'20
  - Revenue mix of 60% materials and 40% equipment
  - Sustained growth in materials sales supported by 50% increase in new orders over Q1'20

Gross margin % increased from 45.6% (Q1'20) to 51.2%

- Improved gross margin resulting from increased revenue generated by equipment sales and sustained gross margin from material

- Adjusted EBITDA margin improved by 47.8% over Q1'20
  - In line with volume increase and control over operating costs
  - Non-recurring expenses of Q1'21 relate to IPO costs

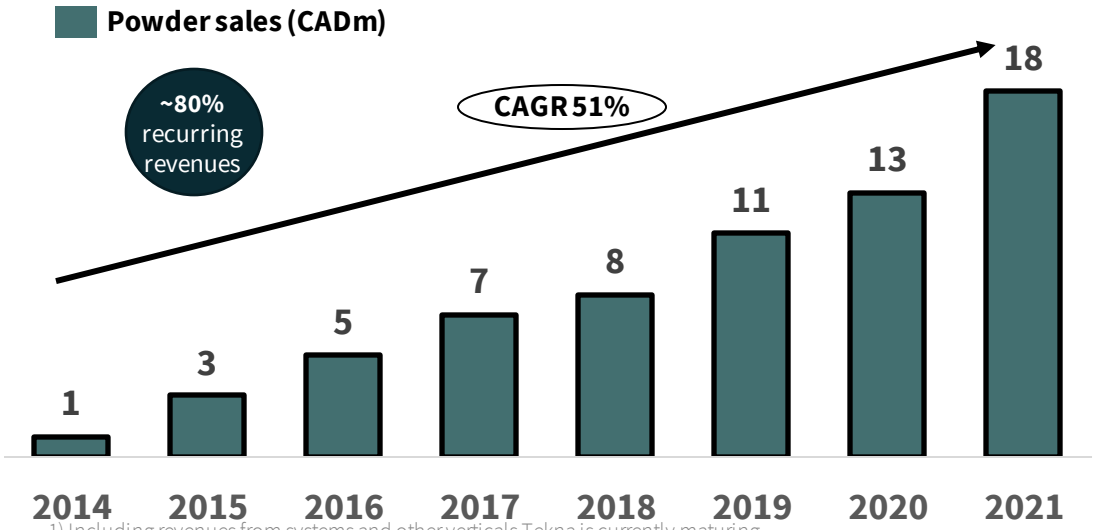
Strategy and growth ambitions

Tekna is well positioned for growth

Established organization with world-wide reach

- Tekna has over **200 customers** with **85% recurring sales** of additive manufacturing material
  - Ongoing negotiations of long-term supply agreements with leading OEMs in Aerospace, Medical and Automotive
- Tekna **operates 2 manufacturing centers** located in Canada and in France
- **8 material production systems** are operating **24/7** in these sites today. Up to 7 additional systems can be added (varying with material needs)

Proven track-record of scalability with recurring sales



1) Including revenues from systems and other verticals Tekna is currently maturing

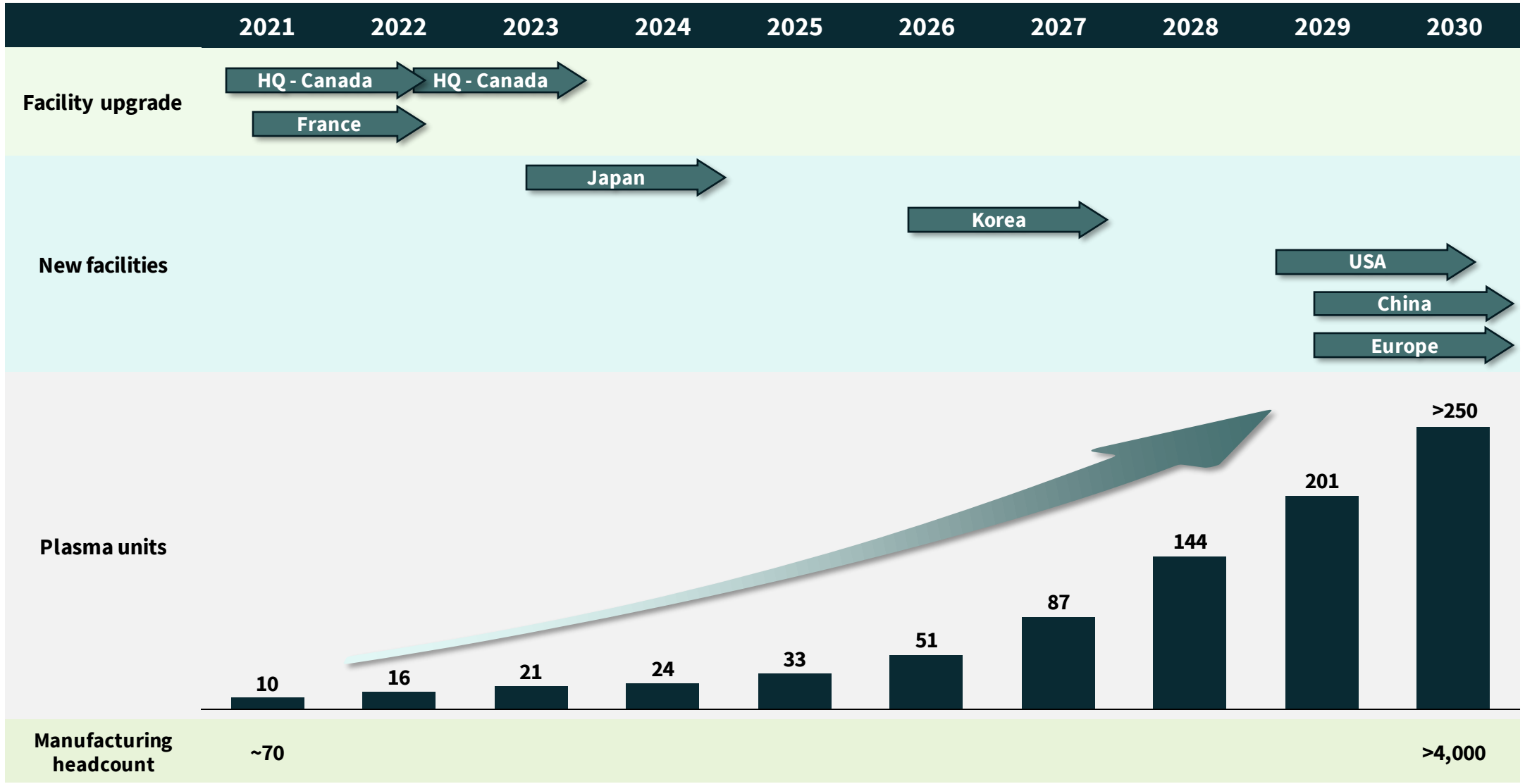
Business plan

Organic growth	• Additive Manufacturing sales will drive Tekna revenues up to CAD 0.5B by 2030 • The Printed Electronics (PE) and Energy Storage (ES) segments will generate respectively CAD 0.3B and CAD 1.0B by the end of the plan **CAD ~2bn** by end of plan[1]
Strategic alliances	• Establishing strategic alliances, like Tekna's JV with Aperam (Arcelor Mittal) established in 2019, will be key in ensuring a swift and deep penetration of these markets

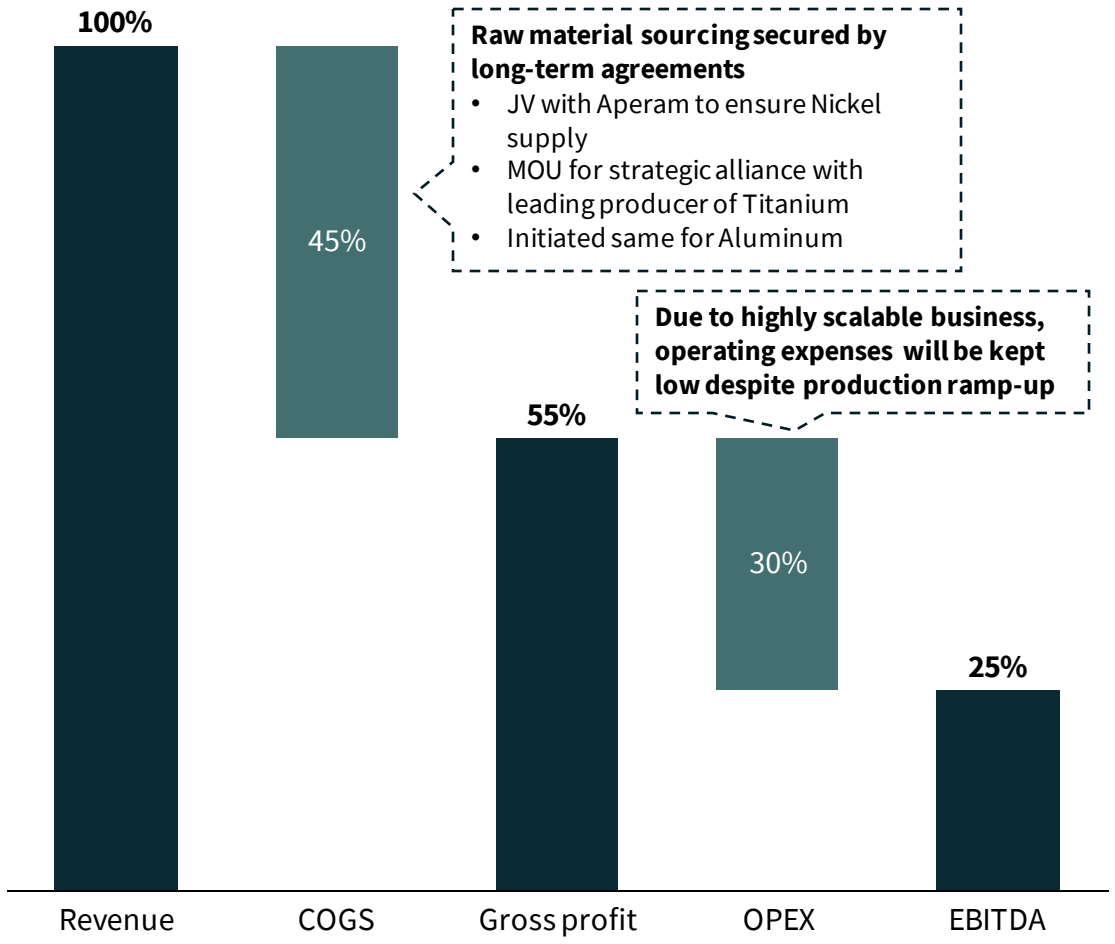
Investment requirements

Manufacturing centers and systems	• Expect to add or expand up to 9 manufacturing centers each having up to 30 systems • Asian countries are target for printed electronics and energy storage while the additional European site is targeted for energy storage alone
Systems	• The fabrication of the systems will be conducted at Tekna's current equipment manufacturing plant in Canada which can produce up to 15 systems per year

Tekna has defined a detailed yet flexible roll-out plan towards 2030



High profitability and limited CAPEX requirements lead to short payback time



Plasma unit economics (CAD)

< CAD 60m
CAPEX per facility with ~20 units

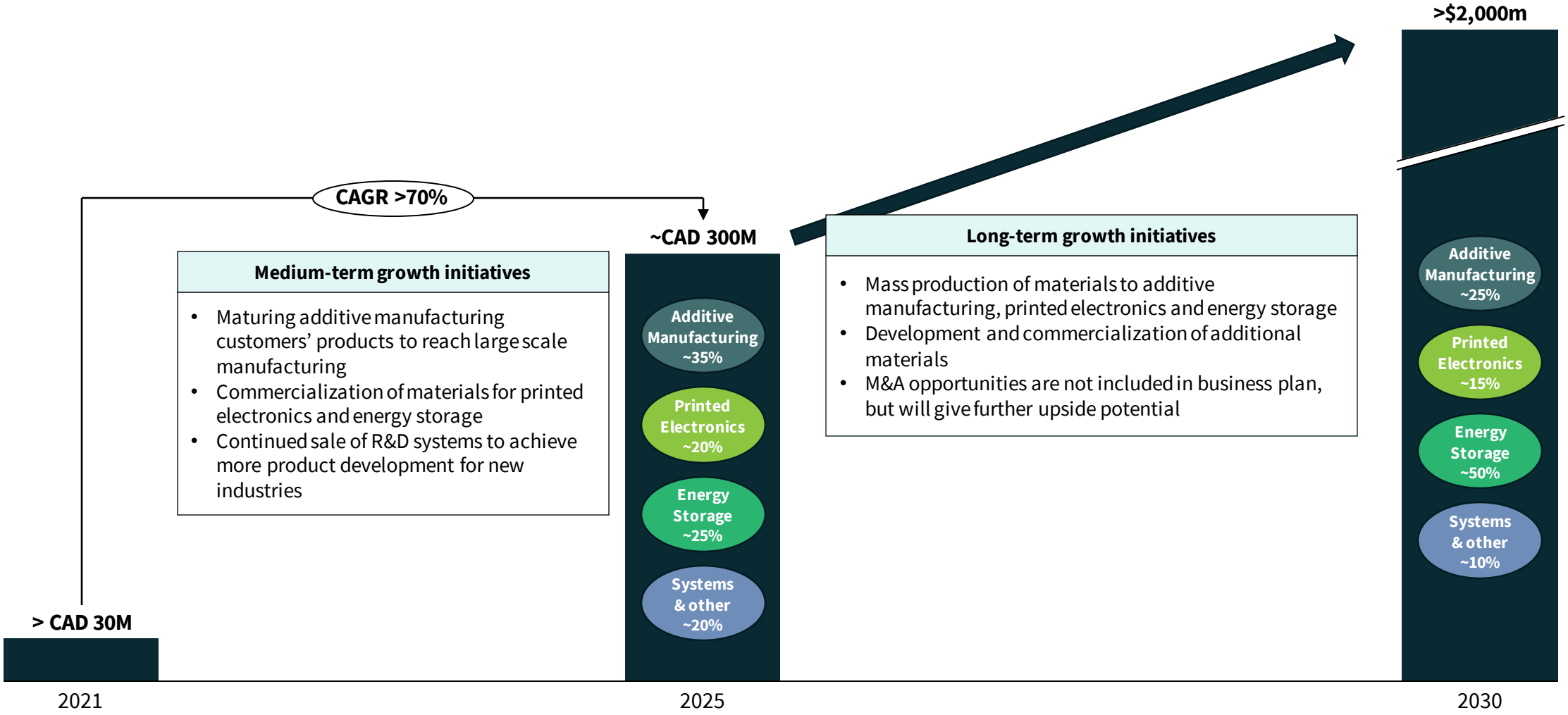
CAD ~3m
CAPEX per plasma unit

CAD 7-8m
Revenues per plasma unit @ 100% capacity[1]

<2 year[2]
Unit payback time @ 25% EBITDA margin

1) Practical capacity indicating 24/7 operations and planned maintenance
2) Based on pre-tax profits and 100% capacity utilization

Industrial scale and optimized production enabling strong growth in Tekna's profitability



Note: numbers in CAD. Further details and guidance for Tekna provided in appendix on slide 36

Summary & outlook

Outlook and 2021 priorities

Metric	2021	Mid-to-long term ambition
Revenue growth	**Reach CAD 22M run-rate materials sales during 2021**	**40-50% organic revenue growth per year**
Business mix	**~50% AM**, **~35% SY**, ~15% other	**Mid-term: ~30% AM**, **~20% PE**, ~25% ES, ~15% SY + other **Long-term: ~50% ES**, **~25% AM**, ~15% PE, 10% SY + other
Operational EBITDA margin[1]	**Negative**	**Towards 25% mid- and long-term**
R&D	5% of revenues near-term towards 3% mid- to long-term	
Growth capex	**Expansion within existing facilities**	**Targeting 30+ plasma units in operation by 2025, 250+ plasma units in operation by 2030**
Other capex	**Maintenance capex >1% of revenues**	

1) Operational EBITDA margin excludes R&D.
Note: AM: Additive Manufacturing, PE: Printed Electronics, ES: Energy Storage, SY: Systems

Summary: Solid position for profitable growth and expansion

1. Megatrends **accelerating demand** for high-quality micro and nano materials
2. IP protected plasma technology driving **disruptive manufacturing change**
3. Proven and commercialized technology with **>200 blue-chip customers**
4. Scalable, recurring and sticky business model with **low CAPEX requirements**
5. Increasing market share and accelerating adoption drives **strong revenue growth**


Q&A

Appendix

Financial statements

INCOME STATEMENT

CADm	2021 Q1	2020 Q4	2020 Q1	FY 2020
Revenue	7.8	7.4	4.3	22.0
Cost of sales[1]	3.8	3.3	2.3	11.3
Gross margin	4.0	4.1	2.0	10.7
Gross margin %	51%	55%	46%	49%
Other income	0	-1.5[2]	0	-4.2[2]
Indirect personnel expenses	2.9	2.7	2.7	10.6
Other OPEX	0.7	-0.6[3]	1.0	2.9[3]
Total other income and OPEX	3.6	0.7	3.7	9.3
Adjusted EBITDA	0.4	3.4	-1.7	1.4
Adjusted EBITDA margin %	*4.7%*	*46.3%*	*-40.1%*	*6.4%*
Non-recurring expenses	0.6[4]	-	-	-
EBITDA	-0.3	3.4	-1.7	1.4
EBITDA margin %	-3.6%	46.3%	-40.1%	6.4%
Depreciation and amortization	1.1	1.3	1.2	4.9
EBIT	-1.4	2.1	-2.9	-3.5
EBIT margin %	-17.5%	28.9%	-67.5%	-15.8%
Equity company loss (income)	0.3	2.0	-	2.0
Finance cost	0.3	0.3	0.4	1.4
EBT	-2.0	-0.2	-3.3	-6.9
Provision for income tax	-	1.5	-0.4	0.4
Net profit/loss	**-2.0**	**-1.7**	**-2.8**	**-7.3**

Notes

1 Accounting of direct labor is presented in the COGS

2 2020 other income includes CAD 2.7m in the form of grants for Covid mitigation and a further CAD 1.6m of commercial rights charged in Q4 to the JV Imphytek Powders

3 2020 OPEX costs include a CAD 2.0m recharge in Q4 to the JV

4 Non-recurring expenses of Q1 2021 relate to IPO

Financial statements

BALANCE SHEET

Balance sheet CADm	31.03.2021	31.12.2020	31.03.2020	31.12.2020
ASSETS				
Deferred tax assets	-	-	1.3	-
Other intangible assets	8 .1	8.4	11.4	8.4
Tangible fixed assets	18.4	18.1	15.8	18.1
Investment in equity companies	1.1	1.4	-	1.4
Other long-term receivables	5.5	4.2	4.0	4.2
Total non-current assets	**33.1**	**32.1**	**32.6**	**32.1**
Inventory	13.0	12.0	13.2	12.0
Contract assets	1.4	0.5	-	0.5
Accounts receivable and other receivables	7.9	5.7	4.1	5.7
Cash and cash equivalents	102.	2.5	3.7	2.5
Total current assets	**124.4**	**20.8**	**21.1**	**20.8**
Total assets	**157.4**	**52.9**	**53.7**	**52.9**

Balance sheet CADm	31.03.2021	31.12.2020	31.03.2020	31.12.2020
LIABILITIES AND EQUITY				
Owners' equity	85.8	19.1	3.6	19.1
Minority interest	0.7	-	-	-
Total equity	**86.5**	**19.1**	**3.6**	**19.1**
Deferred tax liabilities	-	-	2.1	-
Leasing obligations	0.4	0.5	0.6	0.5
Other long-term debt	30.6	24.2	37.8	24.2
Total non-current liabilities	**31.0**	**24.7**	**40.5**	**24.7**
Current interest-bearing borrowings	3.8	0.7	3.2	0.7
Current interest-bearing liabilities	23.6	-	-	-
Accounts payable	9.7	4.3	4.6	4.3
Leasing obligations	0.2	0.2	0.2	0.2
Other current liabilities	2.6	3.9	1.6	3.9
Total current liabilities	**39.9**	**9.1**	**9.6**	**9.1**
Total liabilities and equity	**157.4**	**52.9**	**53.7**	**52.9**

Financial statements

CASH FLOW

Cash flow CADm	2021 Q1	2020 Q1
Net profit	**- 2.0**	**- 2.8**
Depreciation and Amortization	1.1	1.2
Tax expense	-	- 0.4
Net financial items	0.3	0.4
Change in inventory, contract assets, receivables, payables and other liabilities	- 4.6	1.2
Share of profit from associates	0.3	-
Net cash from operations	**- 4.9**	**-0.5**
Purchase of PPE and intangible assets	- 1.1	- 1.2
Other Investments activities	- 1.3	- 0.1
Purchase of shares in subsidiaries	- 23.7	-
Net cash from investing activities	**- 26.1**	**- 1.3**
Cashflow from issuance of stock	96.8	-
Proceeds from the issuance of shares in subsidiary	1.3	-
New long-term borrowings	0.1	0.1
Repayment of long-term borrowings	- 0.1	- 0.1
Internal loans and borrowings	30.1	1.6
Net change in current interest-bearing debt	3.1	2.9
Interest paid	- 0.2	- 0.4
Net cash from financing activities	**131.1**	**4.1**
Cash flow	100.1	2.3
FX adjustments	- 0.6	0
Change in cash and cash equivalents	**99.6**	**2.2**
Opening Balance for Cash assets	2.5	1.5
Closing Balance for Cash assets	**102.1**	**3.7**

Tekna Canada is led by an expert team with strong support from experienced board

Management team

Luc Dionne
CEO

- Experience as Chairman of the board for Tekna international and subsidiaries, and various director positions incl. at IBM Microelectronics
- Degree in Mechanical Engineering and Aeronautics

Serge Blackburn
CFO

- Experience in varying financial roles at Tech. companies
- Chartered Professional accountant (CPA, CA)
- B.A.A. in Accounting and Finance, B.Sc. in Microbiology

Rémy Pontone
VP Sales & Marketing

- Experience in Business Development, sales and marketing
- Degree in Chemical Engineering and Ceramic Engineering

Arina van Oost
VP Corporate Strategic Development & Innovation

- 13 years of full P&L Responsibility in various countries and businesses
- Experience with raw material supply Aerospace OEMs
- eMBA and B.Sc. in International Management

Etienne Villeneuve
VP Operations

- Experience in variety of leadership roles in Operations in Quality Regulated Businesses in pharmaceutical and nutraceutical industries
- Degree in Mechanical Engineering

Board of directors

Morten Henriksen
Chair of the Board and EVP at AFK

- Various board memberships and experience from AFK, Kongsberg group, Nexans, Statkraft, Norconsult, EFD Induction and Volue
- M.Sc. Electric power, NTNU

Torkil Mogstad
Board Member and EVP at AFK

- 25 years in management, business development and consulting
- Master in Nuclear Engineering / Applied Plasma Physics (MIT) Master degrees in Chem. Engineering and Business Administration

James Potter
Director – Derwent Interim Supply Chain Ltd

- 30 year in high technology engineering companies and supply chain development, including additive manufacturing
- BEng (Hons) in Aerospace Engineering, MSc in Aerospace Management

Xavier Kato
Senior Director, Investment, Aerospace and Transportation at Investissement Québec

- 20 years in M&A, venture capital and private equity internationally
- Various board memberships, currently APN Inc, NSE Automatech
- Master's degree in corporate finance

Tekna Holding

Management team

Morten Henriksen

CEO Tekna Holding and EVP at AFK

- Various board memberships and experience from AFK, Kongsberg group, Nexans, Statkraft, Norconsult, EFD Induction and Volue
- M.Sc. Electric power, NTNU

Board of directors

Ørjan Svanevik

Chair of the Board and CEO at AFK

- CEO at Arendals Fossekompani ASA
- Previous COO in Seatankers, Head of M&A at Aker and COO in Kværner
- MBA Thunderbird School of Global Management

Lars Peder Fensli

Board member and CFO at AFK

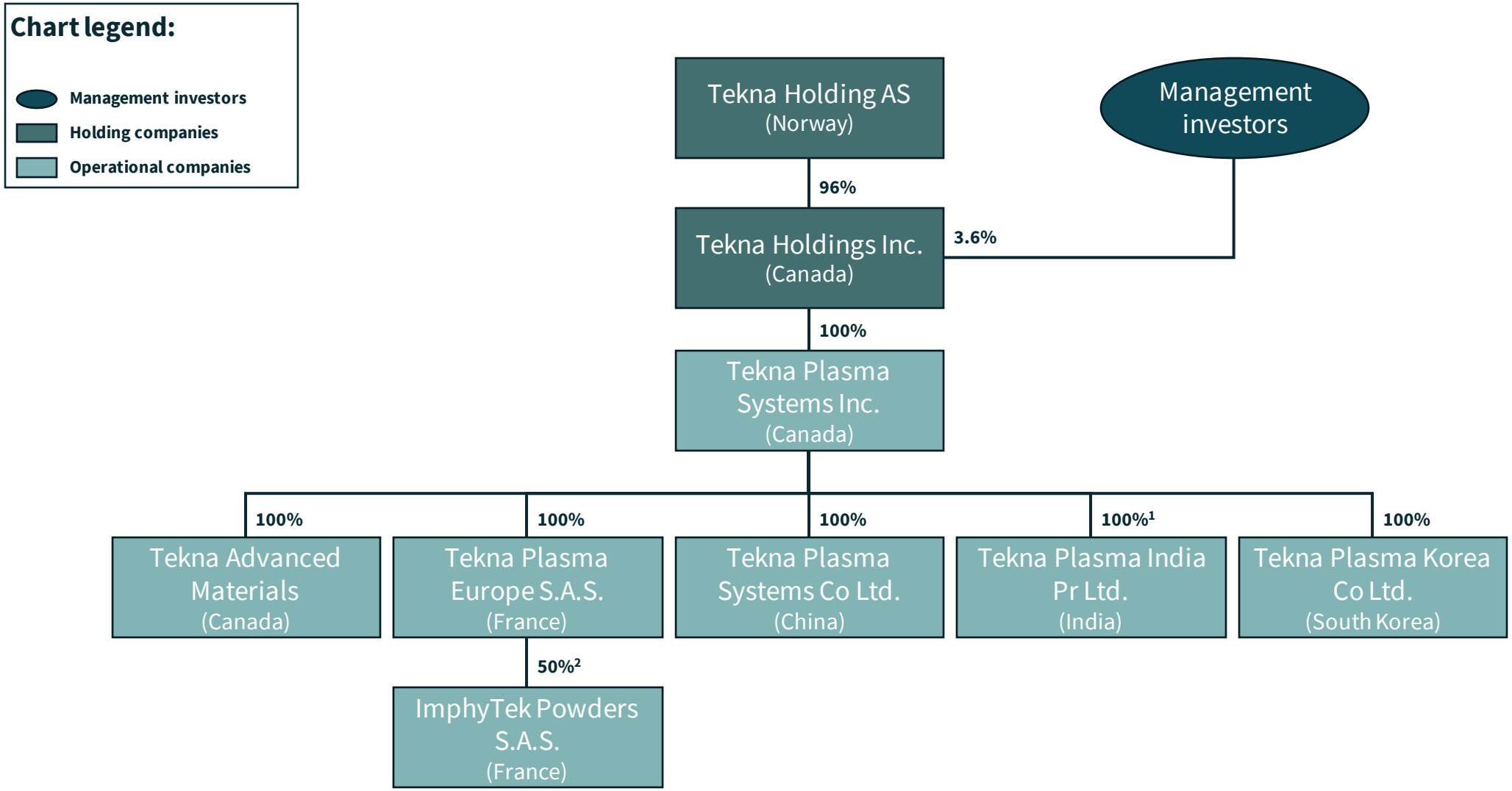
- Experience from Volue (Markedskraft), PwC Consulting, Axellus (Orkla Health) and Lilleborg
- M.Sc. Business Administration, NHH

Torkil Mogstad

Board member and EVP at AFK

- 25 years in management, business development and consulting
- Master in Nuclear Engineering / Applied Plasma Physics (MIT) Master degrees in Chem. Engineering and Business Administration

Organizational chart



1) Currently under liquidation
2) Through joint venture

Tekna is dedicated to enable sustainable and resource-efficient technologies

E Environmental

- ✓ Tekna aspires to actively contribute to the implementation of solutions with its customers supporting the **circular and resource efficient concepts**
- ✓ Tekna's focus on **resource efficient production** allows it to reduce its production cost and contributes to securing and improving its market positions

S Social

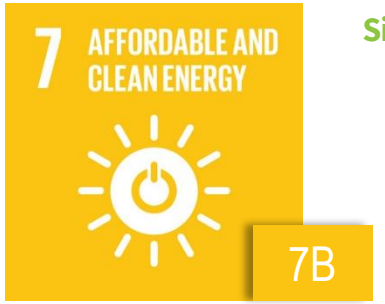
- ✓ Tekna believes in the **strength of diversity**. As a high-tech company it is driven to keep and attract exceptional talent to drive innovations
- ✓ Continued focus on the **Health, Safety and Well-being** of its people is considered critical to its ongoing operations

G Governance

- ✓ Tekna believes only businesses with **fair, clean and transparent business practices** can succeed in the long-term

Source: UN sustainability goals

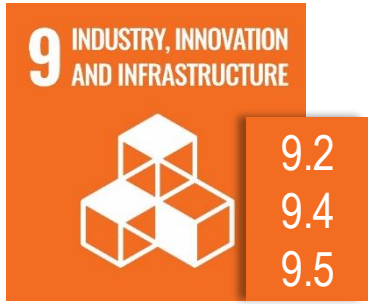
How is Tekna contributing to the UN goals?



Silicon nano powder for increased battery capacity and resource efficiency

Tekna developed a cost-efficient process to produce silicon nano powders that are used in the manufacturing of Lithium-ion batteries (LiB). The use of silicon nano powders opens the possibility to increase the LiB energy storage capability by up to 60% according to theoretical models with the following direct benefits:

1. Increases clean energy storage capability (windmills, solar cells, etc.)
2. Reduces the volume of raw materials in manufacturing LiB thus the cost;
3. Increases clean energy performance as a substitute to coal and fossil-fuels;
4. Reduce global consumption of fossil fuels.



Developing resource efficient production processes

Tekna is among the top 3 world leaders in manufacturing powders for Additive Manufacturing. Tekna's involvement goes beyond the manufacturing of powders up to assisting the industry in developing standards and product requirements that will, in the end, accelerate the technology adoption.

By being a leader in its field and promoting the development and adoption of AM as an alternate solution to traditional manufacturing methods Tekna has a direct contribution to these UN SDG targets.

Circular and resource efficient products through Additive Manufacturing

The manufacturing processes developed by Tekna have the following characteristics:

1. Low carbon emission;
2. 95% of the gases involved in the manufacturing of its products are reused in the process;
3. 100% of the power use to run the facility and the processes are sourced from clean energy hydro power plants;
4. The heat generated by the plasma systems is recuperated and recirculated to heat the facilities;
5. Gases stocks are maximized with gas trailers and silos containers avoiding non eco-friendly weekly replacement of bulk packs.