

TEKNA HOLDING ASA

Tekna Reports Q1 2025 Results: Strong Materials Order Intake and Operational Progress Despite Uncertainty from U.S. Tariffs

08.05.2025 7:00 CET | Tekna Holding ASA | Half yearly financial reports and audit reports/limited reviews

ARENDAL, NO / SHERBROOKE, QC. 8 May 2025 - Tekna (OSE: TEKNA), a world-leading provider of advanced materials to industry, today announced its financial results for the first quarter ended March 31, 2025. The company delivered robust order intake - particularly in its Materials business area - while navigating geopolitical uncertainties and advancing strategic changes to improve long-term efficiency and transparency.

"Despite the challenging start to the quarter, we closed Q1 with strong momentum in our Materials business area, a streamlined organization, and a clear path forward," said Claude Jean, newly appointed CEO of Tekna. "Our strong order intake in Materials signals healthy end-market demand. As we look ahead, we remain focused on operational discipline and capturing value from reshoring trends and expanding applications for advanced materials."

Highlights

- Tariff-related uncertainty early in the quarter temporarily slowed activity. Confidence returned following confirmation that Tekna products are exempt under the United States-Mexico-Canada Agreement (USMCA).
- Strong order intake of CAD 12.8 million, a 73% increase over Q1 2024, driven primarily by growth in the Materials business area
- Organizational restructuring implemented to reduce overhead, improve accountability, and simplify reporting lines, supporting long-term agility
- Appointment of new CEO Claude Jean, effective April 28, 2025, replacing Luc Dionne.
- Geopolitical and tariff-related risks viewed as short-term headwinds, but ultimately supportive of the macro trend toward reshoring and local manufacturing, a net positive for Tekna's business model.

Financial Performance

- Total revenue was CAD 8.4 million (CAD 8.7 million Q1 2024), reflecting a CAD 0.7 million decline (-25%) in Systems revenue and a CAD 0.4 million increase (+7%) in Materials

- Adjusted EBITDA improved to CAD -0.8 million, compared to CAD -2.8 million in Q1 2024, supported by a stronger product mix and cost reductions. Contribution margin rose to 51% from 45% year-over-year, largely due to improving margins in the Materials business area.
- Cost of goods sold includes a CAD 0.4 million expense related to U.S. tariffs, expected to be recovered in 2025
- Operating cash flow was negative CAD -4.4 million, impacted by unfavorable net working capital movements (CAD -2.2 million) and non-recurring costs of CAD 0.9 million

Outlook

Tekna maintains a focus on profitability, operational discipline, and capital efficiency. While U.S. tariffs introduced short-term volatility, management sees them as reinforcing the macro shift toward local production and advanced manufacturing.

Business upside potential: Tekna continues development of nanomaterials for MLCC applications in coordination with prospective customers. These efforts position the company to capitalize on growing demand for high-performance, miniaturized microelectronics components.

Tekna will not host a webcast this quarter.

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.

<https://www.tekna.com>

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Attachments

- Tekna 25Q1 Interim report.pdf
 - This announcement in PDF.pdf
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