



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	925 347 884
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	TEKNA HOLDING ASA
Forretningsadresse:	Langbryggen 9 4841 ARENDAL

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Preben Trondal Nilsen
Dato for fastsettelse av årsregnskapet:	15.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 07.08.2025



Resultatregnskap

Beløp i: CAD	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Lønnskostnad		371 000	103 000
Annen driftskostnad		1 190 000	1 536 000
Sum kostnader		1 561 000	1 639 000
Driftsresultat		-1 561 000	-1 639 000
Finansinntekter og finanskostnader			
Annen finansinntekt		5 155 000	2 513 000
Sum finansinntekter		5 155 000	2 513 000
Annen rentekostnad			5 000
Nedskrivning på aksjer i datter			320 974 000
Annen finanskostnad		131 000	1 000
Sum finanskostnader		131 000	320 980 000
Netto finans		5 024 000	-318 467 000
Ordinært resultat før skattekostnad		3 463 000	-320 106 000
Skattekostnad på ordinært resultat		1 493 000	
Ordinært resultat etter skattekostnad		1 970 000	-320 106 000
Årsresultat		1 970 000	-320 106 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		1 970 000	-320 106 000
Sum overføringer og disponeringer		1 970 000	-320 106 000



Balanse

Beløp i: CAD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap		97 500 000	97 500 000
Lån til foretak i samme konsern		74 113 000	67 535 000
Sum finansielle anleggsmidler		171 613 000	165 035 000
Sum anleggsmidler		171 613 000	165 035 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		270 000	77 000
Sum fordringer		270 000	77 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		1 419 000	3 975 000
Sum bankinnskudd, kontanter og lignende		1 419 000	3 975 000
Sum omløpsmidler		1 689 000	4 052 000
SUM EIENDELER		173 302 000	169 087 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		494 956 000	494 956 000
Sum innskutt egenkapital		494 956 000	494 956 000
Opptjent egenkapital			
Udekket tap		324 058 000	326 028 000



Balanse

Beløp i: CAD	Note	2023	2022
Sum opptjent egenkapital		-324 058 000	-326 028 000
Sum egenkapital		170 898 000	168 928 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt		1 163 000	
Sum avsetninger for forpliktelser		1 163 000	
Annen langsiktig gjeld			
Sum langsiktig gjeld		1 163 000	0
Kortsiktig gjeld			
Leverandørgjeld		625 000	51 000
Betalbar skatt		330 000	
Annen kortsiktig gjeld		286 000	108 000
Sum kortsiktig gjeld		1 241 000	159 000
Sum gjeld		2 404 000	159 000
SUM EGENKAPITAL OG GJELD		173 302 000	169 087 000



Konsernets resultatregnskap

Beløp i: CAD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		40 888 000	26 889 000
Annen driftsinntekt		991 000	767 000
Sum inntekter		41 879 000	27 656 000
Kostnader			
Varekostnad		22 658 000	17 540 000
Lønnskostnad		17 143 000	16 009 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		4 222 000	3 978 000
Annen driftskostnad		10 247 000	10 835 000
Sum kostnader		54 270 000	48 362 000
Driftsresultat		-12 391 000	-20 706 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap		-608 000	-1 510 000
Annen renteinntekt		233 000	144 000
Sum finansinntekter		-375 000	-1 366 000
Annen rentekostnad		777 000	332 000
Sum finanskostnader		777 000	332 000
Netto finans		-1 152 000	-1 698 000
Ordinært resultat før skattekostnad		-13 543 000	-22 404 000
Skattekostnad på ordinært resultat		1 466 000	113 000
Ordinært resultat etter skattekostnad		-15 009 000	-22 517 000
Årsresultat		-15 009 000	-22 517 000
Minoritetsinteresser		-587 000	-829 000
Årsresultat etter minoritetsinteresser		-14 422 000	-21 688 000
Omregningsdifferanse		-49 000	-178 000
Monoritet av omregningsdifferanse		1 000	-10 000



Konsernets resultatregnskap

Beløp i: CAD	Note	2023	2022
Sum resultatkomponenter for IFRS-foretak		-48 000	-188 000
Totalresultat		-14 470 000	-21 876 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-14 470 000	-22 876 000
Sum overføringer og disponeringer		-14 470 000	-22 876 000



Konsernets balanse

Beløp i: CAD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utvikling		2 129 000	2 119 000
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		5 656 000	6 418 000
Sum immaterielle eiendeler		7 785 000	8 537 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom		7 676 000	7 556 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		16 218 000	11 684 000
Sum varige driftsmidler		23 894 000	19 240 000
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap		0	579 000
Andre fordringer		4 531 000	5 340 000
Sum finansielle anleggsmidler		4 531 000	5 919 000
Sum anleggsmidler		36 210 000	33 696 000
Omløpsmidler			
Varer			
Varer		17 607 000	20 592 000
Sum varer		17 607 000	20 592 000
Fordringer			
Kundefordringer		5 855 000	5 634 000
Kontraktseideler		3 905 000	167 000
Andre fordringer		2 539 000	2 246 000
Sum fordringer		12 299 000	8 047 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		10 148 000	11 364 000
Sum bankinnskudd, kontanter og lignende		10 148 000	11 364 000
Sum omløpsmidler		40 054 000	40 003 000



Konsernets balanse

Beløp i: CAD	Note	2023	2022
SUM EIENDELER		76 264 000	73 699 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		494 956 000	494 956 000
Sum innskutt egenkapital		494 956 000	494 956 000
Opptjent egenkapital			
Annen egenkapital		-455 405 000	-440 934 000
Minoritetsinteresser		-1 197 000	-609 000
Sum opptjent egenkapital		-456 602 000	-441 543 000
Sum egenkapital		38 354 000	53 413 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt		1 163 000	
Sum avsetninger for forpliktelser		1 163 000	
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		4 662 000	4 119 000
Langsiktig konserngjeld		20 000 000	
Leieforpliktelser		774 000	1 161 000
Sum annen langsiktig gjeld		25 436 000	5 280 000
Sum langsiktig gjeld		26 599 000	5 280 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner			1 197 000
Leverandørgjeld		4 875 000	7 852 000
Forpliktelse leieavtaler		595 000	459 000
Kontrakstforpliktelser		2 442 000	2 647 000
Annen kortsiktig gjeld		2 997 000	2 319 000
Kortsiktig del av pantegjeld		402 000	532 000
Sum kortsiktig gjeld		11 311 000	15 006 000



Konsernets balanse

Beløp i: CAD	Note	2023	2022
Sum gjeld		37 910 000	20 286 000
SUM EGENKAPITAL OG GJELD		76 264 000	73 699 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 488537

Enheten

Organisasjonsnummer: 925 347 884
Organisasjonsform: Allmennaksjeselskap
Foretaksnavn: TEKNA HOLDING ASA
Forretningsadresse: Langbryggen 9
4841 ARENDAL

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Forenklet IFRS
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Preben Trondal Nilsen
Dato for fastsettelse av årsregnskapet: 15.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 20.06.2024



Organisasjonsnr: 925 347 884
TEKNA HOLDING ASA

RESULTATREGNSKAP

Beløp i: CAD	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Lønnskostnad		371 000	103 000
Annen driftskostnad		1 190 000	1 536 000
Sum kostnader		1 561 000	1 639 000
Driftsresultat		-1 561 000	-1 639 000
Finansinntekter og finanskostnader			
Annen finansinntekt		5 155 000	2 513 000
Sum finansinntekter		5 155 000	2 513 000
Annen rentekostnad			5 000
Nedskrivning på aksjer i datter			320 974 000
Annen finanskostnad		131 000	1 000
Sum finanskostnader		131 000	320 980 000
Netto finans		5 024 000	-318 467 000
Ordinært resultat før skattekostnad		3 463 000	-320 106 000
Skattekostnad på ordinært resultat		1 493 000	
Ordinært resultat etter skattekostnad		1 970 000	-320 106 000
Årsresultat		1 970 000	-320 106 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		1 970 000	-320 106 000
Sum overføringer og disponeringer		1 970 000	-320 106 000



Organisasjonsnr: 925 347 884
TEKNA HOLDING ASA

BALANSE

Beløp i: CAD	Note	2023	2022
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BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Finansielle anleggsmidler		
Investering i datterselskap	97 500 000	97 500 000
Lån til foretak i samme konsern	74 113 000	67 535 000
Sum finansielle anleggsmidler	171 613 000	165 035 000
Sum anleggsmidler	171 613 000	165 035 000

Omløpsmidler Varer

Fordringer		
Kundefordringer	270 000	77 000
Sum fordringer	270 000	77 000

Bankinnskudd, kontanter og lignende		
Bankinnskudd, kontanter og lignende	1 419 000	3 975 000
Sum bankinnskudd, kontanter og lignende	1 419 000	3 975 000
Sum omløpsmidler	1 689 000	4 052 000

SUM EIENDELER	173 302 000	169 087 000
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BALANSE - EGENKAPITAL OG GJELD

Egenkapital		
Innskutt egenkapital		
Selskapskapital	494 956 000	494 956 000
Sum innskutt egenkapital	494 956 000	494 956 000

Opptjent egenkapital		
Udekket tap	324 058 000	326 028 000
Sum opptjent egenkapital	-324 058 000	-326 028 000

Sum egenkapital	170 898 000	168 928 000
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Gjeld		
Langsiktig gjeld		
Utsatt skatt	1 163 000	



Sum avsetninger for forpliktelser	1 163 000	
Annen langsiktig gjeld		
Sum langsiktig gjeld	1 163 000	0
Kortsiktig gjeld		
Leverandørgjeld	625 000	51 000
Betalbar skatt	330 000	
Annen kortsiktig gjeld	286 000	108 000
Sum kortsiktig gjeld	1 241 000	159 000
Sum gjeld	2 404 000	159 000
SUM EGENKAPITAL OG GJELD	173 302 000	169 087 000



Organisasjonsnr: 925 347 884
TEKNA HOLDING ASA

KONSERNRESULTATREGNSKAP

Beløp i: CAD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		40 888 000	26 889 000
Annen driftsinntekt		991 000	767 000
Sum inntekter		41 879 000	27 656 000
Kostnader			
Varekostnad		22 658 000	17 540 000
Lønnskostnad		17 143 000	16 009 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		4 222 000	3 978 000
Annen driftskostnad		10 247 000	10 835 000
Sum kostnader		54 270 000	48 362 000
Driftsresultat		-12 391 000	-20 706 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap		-608 000	-1 510 000
Annen renteinntekt		233 000	144 000
Sum finansinntekter		-375 000	-1 366 000
Annen rentekostnad		777 000	332 000
Sum finanskostnader		777 000	332 000
Netto finans		-1 152 000	-1 698 000
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Ordinært resultat etter skattekostnad		-15 009 000	-22 517 000
Årsresultat		-15 009 000	-22 517 000
Minoritetsinteresser		-587 000	-829 000
Årsresultat etter minoritetsinteresser		-14 422 000	-21 688 000
Omregningsdifferanse		-49 000	-178 000
Monoritet av omregningsdifferanse		1 000	-10 000
Sum resultatkomponenter for IFRS-foretak		-48 000	-188 000
Totalresultat		-14 470 000	-21 876 000



Overføringer og disponeringer		
Overføringer til/fra annen egenkapital	-14 470 000	-22 876 000
Sum overføringer og disponeringer	-14 470 000	-22 876 000



Organisasjonsnr: 925 347 884
TEKNA HOLDING ASA

KONSERNBALANSE

Beløp i: CAD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utvikling		2 129 000	2 119 000
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		5 656 000	6 418 000
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Varige driftsmidler			
Tomter, bygninger og annen fast eiendom		7 676 000	7 556 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		16 218 000	11 684 000
Sum varige driftsmidler		23 894 000	19 240 000
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap		0	579 000
Andre fordringer		4 531 000	5 340 000
Sum finansielle anleggsmidler		4 531 000	5 919 000
Sum anleggsmidler		36 210 000	33 696 000
Omløpsmidler			
Varer			
Varer		17 607 000	20 592 000
Sum varer		17 607 000	20 592 000
Fordringer			
Kundefordringer		5 855 000	5 634 000
Kontraktseiedeler		3 905 000	167 000
Andre fordringer		2 539 000	2 246 000
Sum fordringer		12 299 000	8 047 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		10 148 000	11 364 000
Sum bankinnskudd, kontanter og lignende		10 148 000	11 364 000
Sum omløpsmidler		40 054 000	40 003 000
SUM EIENDELER		76 264 000	73 699 000



BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Selskapskapital

494 956 000

494 956 000

Sum innskutt egenkapital

494 956 000

494 956 000

Opptjent egenkapital

Annen egenkapital

-455 405 000

-440 934 000

Minoritetsinteresser

-1 197 000

-609 000

Sum opptjent egenkapital

-456 602 000

-441 543 000

Sum egenkapital

38 354 000

53 413 000

Gjeld

Langsiktig gjeld

Utsatt skatt

1 163 000

Sum avsetninger for

forpliktelser

1 163 000

Annen langsiktig gjeld

Gjeld til

kredittinstitusjoner

4 662 000

4 119 000

Langsiktig konserngjeld

20 000 000

Leieforpliktelser

774 000

1 161 000

Sum annen langsiktig gjeld

25 436 000

5 280 000

Sum langsiktig gjeld

26 599 000

5 280 000

Kortsiktig gjeld

Gjeld til

kredittinstitusjoner

1 197 000

Leverandørgjeld

4 875 000

7 852 000

Forpliktelse leieavtaler

595 000

459 000

Kontrakstforpliktelser

2 442 000

2 647 000

Annen kortsiktig gjeld

2 997 000

2 319 000

Kortsiktig del av

pantegjeld

402 000

532 000

Sum kortsiktig gjeld

11 311 000

15 006 000

Sum gjeld

37 910 000

20 286 000

SUM EGENKAPITAL OG GJELD

76 264 000

73 699 000



Organisasjonsnr: 925 347 884
TEKNA HOLDING ASA

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Regnskapsprinsipper
Se vedlagte regnskap

Note

Antall årsverk i regnskapsåret
0.00

Sum	Beløp
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Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.
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Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

Fordringer

Samlet beløp - tilknyttet selskap	Årets	Fjorårets
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Samlet beløp - foretak i samme konsern	Årets	Fjorårets
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Samlet beløp - foretak i samme konsern	Årets	Fjorårets
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Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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Note

Lån og sikkerhetsstillelse til medlemmer

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Opplysninger om:

Medlemmer av:

Mer om lån og sikkerhetsstillelse



Organisasjonsnr: 925 347 884
TEKNA HOLDING ASA

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

Note

Regnskapsprinsipper
Se vedlagte regnskap

Note

Antall årsverk i regnskapsåret
218.00

Sum	Beløp
-----	-------

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.
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Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

Fordringer

Samlet beløp - tilknyttet selskap	Årets	Fjorårets
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Samlet beløp - foretak i samme konsern	Årets	Fjorårets
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Samlet beløp - foretak i samme konsern	Årets	Fjorårets
--	-------	-----------

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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Note

Lån og sikkerhetsstillelse til medlemmer

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Opplysninger om:

Medlemmer av:

Mer om lån og sikkerhetsstillelse



Vår dato
23.02.2022

Din/Deres dato
17.02.2022

Saksbehandler
Thor-Petter Sørli

800 80 000
Skatteetaten.no

Din/Deres referanse
AR475811502

Telefon
+47 41 33 44 77

Org.nr
974761076

Vår referanse
2022/5181624

Postadresse
Postboks 9200 Grønland
0134 OSLO

TEKNA HOLDING AS
Langbryggen 9
4841 ARENDAL

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til Tekna Holding AS' (org.nr. 925 347 884) søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden siteres:

«Med hensyn til språk i årsregnskapet og årsberetningen, er det overordnet viktigste etter vår oppfatning at brukerne er fortrolig med språket. Brukerne av regnskapet er eierne, ledelsen, styret og de øvrige konsernselskapene. De fleste av disse er avhengig av å motta regnskapsrapportene på engelsk for å forstå innholdet.

De ansatte og lokalsfunnet rundt den operative driften befinner seg også i utlandet og er således avhengig av at årsregnskapet er tilgjengelig på engelsk. Som nevnt er Tekna Holding AS et rent holdingselskap og det er således ingen ansatte i dette selskapet.

Det er således ingen sentrale regnskapsbrukere som er avhengig av å lese årsregnskapet og årsrapporten til Tekna Holding AS på norsk.

Når det gjelder de øvrige vurderingstemaene oppstilt av Skattedirektoratet, kan følgende bemerkes:



Internasjonal bransje

Selskapet opererer i en internasjonal bransje hvor arbeidsspråket ofte er engelsk. Mye av kommunikasjonen foregår på engelsk. Dette gjelder både før, under og etter leveransene. Dette understrekes særlig av at all operativ drift foregår utenfor Norge.

Operativ drift

Tekna Holding AS er et norsk morselskap der den operative virksomheten i sin helhet forgår i datterselskaper i utlandet. Dette taler etter foreliggende praksis for at dispensasjon bør gis.

Hjørnestensbedrift

Selskapet er ikke en hjørnestensbedrift i Norge»

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *”informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at kommunikasjon med de fleste av kunder og leverandører skjer på engelsk. En betydelig andel av selskapets interessenter er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse



forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lene Bjørkevoll
underdirektør
Innsats, storbedrift
Skatteetaten

Thor-Petter Sørle

2023

January 1–December 31

Annual report

one particle at a time...



vision

Advancing the world with sustainable material solutions, one particle at a time...

The magic of Tekna originates in the strong drive of its employees to do better. Better for an earth that is damaged and in desperate need of a green transition. At Tekna we make tiny particles of advanced materials that enable this transition.

It is through the transformation of the metal supply chain in additive manufacturing, and enabling electrification through the miniaturization of microelectronic components as well as improving the characteristics of a lithium-ion battery that these tiny particles become magical.

And so does the plasma technology that produces them.

mission

The ultimate partner

We achieve this by leveraging our talented people, our innovations and manufacturing excellence to provide our business partners with plasma technology and material solutions that drive their success, today and tomorrow.

Photo credit: Microsoft

TEKNA

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Other reporting

The following reports can be downloaded at www.tekna.com/investors/finreports

• Remuneration report

• GRI Report

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Website

www.tekna.com | Presentation of the groups profile and activities.

www.tekna.com/investors | Presentation of financial and non-financial information (shareholder reports, regulated information, analysts and investors, Annual General Meeting)

Remuneration Report

GRI Report

one particle at a time.

TEKNA

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Key figures at a glance

Revenues

▲

vs 26.9 M CAD in 2022.

52% organic growth coming from both Systems (+90%) and Materials (+36%).

40.9 M CAD

Order backlog

vs 25.0 M CAD in 2022.

The backlog of 2022 included one order of 9 M CAD for a PlasmaSonic system.

24.0 M CAD

Adj. EBITDA

▲

vs -12.8 M CAD in 2022.

Improved by 8.7 M CAD through growth, margin improvement and cost control.

-4.1 M CAD

Key financial figures

in CAD million	2023	2022
Revenues	40.9	26.9
Adjusted EBITDA	-4.1	-12.8
EBITDA	-8.2	-16.7
Net profit / loss	-15.0	-22.5
Cash balance	10.1	11.4
Employees	222	216

THIS IS TEKNA

Revenue distribution

Global revenues

40.9 MCAD

37%

39%

12%

15%

48%

Systems | PlasmaSonic¹

Advanced Materials

Plasma systems, PlasmaSonic wind tunnel

Additive Manufacturing: Micron-sized powder materials including titanium-, aluminum-, and nickel alloys, tungsten and tantalum.

Microelectronics: Nano-sized Nickel (sample sales)

Customer segments

Aerospace 3D Machine OEM²

Medical Implants Consumer Electronics

Other Academic Industrial research and Distributors

Business segments

Geography

North America Europe Asia / Rest of world

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1: Includes after service and spare parts.
2: OEM stands for Original Equipment Manufacturer.

This is Tekna		CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
This is Tekna (continued) Highlights and important milestones in 2023									
Materials growth +36% Market entry Metal Injection Molding and Binder Jetting Revenue in CAD million Systems growth +90% Several plasma systems orders PlasmaSonic system set up in Tekna facility									
Financing AFK and Government ARENDALS FOSSEKOMPANI New financing from Arendals Fossekompani Extended CAD 20M Agreement with Government Fund Business Development Advancing with major MLCC manufacturers Focus on Profitability									
THIS IS TEKNA Government of Canada TEKNA 925347884									

This is Tekna (continued)

Highlights and important milestones in 2023

Market entry Metal Injection Molding and Binder Jetting

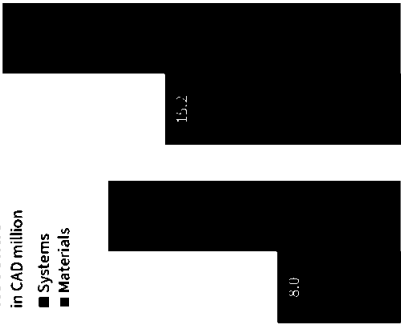
Metal powder production processes naturally yield a wide distribution of particle sizes. For Tekna, the small and large sizes are byproducts having the same high quality as the mean size, however, until recently there was a limited demand for the small and large cut sizes.

In 2023, Tekna had a break-through in selling the smaller powder size fraction of titanium to consumer electronics customers. Entry into this market allows Tekna to sell a greater proportion of its powder yield - increasing total gross margin and reducing inventory.

Tekna is also in collaboration with TriTech, where Tekna provides titanium powder designed for the production of high-quality parts using binder jet 3D printing technology. TriTech is the very first company using titanium powders in production for binder jetting applications which has the potential for large volume manufacturing. Binder jet 3D printing also uses the smaller particle size and is used to produce complex, lightweight, and durable parts with exceptional precision.

Revenue in CAD million

- Systems
- Materials



Systems growth +90%

Several plasma systems orders

During 2023, Tekna secured in total 12 new plasma systems orders. Notably, one order included the first sale of the new PlasmaSonic ICPT-15 system, a lab-scale, cost-effective model designed for materials testing and hyper-sonic program development. Several TekSphero systems orders were also received during the year.



PlasmaSonic system set up in Tekna facility

Financing AFK and Government



New financing from Arendals Fossekompani

In April 2023, Tekna announced that additional financing had been secured from Arendals Fossekompani, its main shareholder. The agreement provides financing of CAD 25 million through three tranches of CAD 5, 10 and 10 million, where each tranche is a loan with 3 years duration. A tranche of CAD 5 million remained available at the end of 2023.

Extended CAD 20M Agreement with Government Fund

In November, Tekna announced that the contribution agreement with the Canadian Federal Government's Strategic Innovation Fund (SIF) had been amended and extended to March 31, 2027. Under the terms of this amendment, the maximum amount to be disbursed by the Canadian Federal Government remains unchanged at CAD 20 million. The SIF program aims to stimulate high-quality business investments across various sectors. It supports R&D initiatives that enhance technology transfer, commercialization of innovative products, services, and processes, and encourages the growth of innovative firms.

Business Development

Advancing with major MLCC manufacturers

Tekna's Nickel nano powder is a key material for the manufacturing of high-end Multi-Layer Ceramic Capacitors (MLCC). The company's strategic development initiatives with customers continued in 2023. Tekna is developing the high-tech material with various key players and is in advanced stages with two of them.

Profitability close to break-even

Focus on Profitability

Adjusted EBITDA improved to near-break-even at the end of the year and Tekna closed the year at a total of minus CAD 4.1 million. This reflects our relentless focus on improving the contribution margin as well as continued reduction and control over our cost structure. This turnaround, improving adjusted EBITDA by CAD 8.7 million from the previous year, illustrates our team's dedication to operational excellence and financial discipline.

EBITDA adjusted in CAD million



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	This is Tekna	CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
This is Tekna (continued) Tekna's climate footprint									
Energy Intensity per kg metal powder produced Performance vs baseline FY19 Direct electricity of plasma systems within Tekna T164 and AISiMg in kWh per kg FY19: 16.3 kWh/kg baseline FY22: 13.1 kWh/kg -20% (vs FY19) -24 % (vs FY19) Our capacity improvement program increases the productivity of the plasma atomization systems, i.e. higher output for the same energy.									
Renewable energy share 72 % ▲ vs 66% (+6 pp) in 2021 (Location based). Scope 1 589 tCO2e Scope 2 30 tCO2e Scope 3 (incomplete) 248k tCO2e vs 577 (+2%) in 2021. Tekna has added a third facility in Canada in 2022 increasing natural gas consumption for heating compared to baseline 2021. vs 42 (-29%) in 2021. Tekna continues to improve energy efficiency in its powder production². It reduced operating hours in France by 50% reducing electricity consumption. The total emissions number will continue to increase due to broader emissions mapping in scope 3 and improved data quality. Within subcategories reduction efforts have started.									
THIS IS TEKNA 1 Historical data should not change, but we always revise historical figures if data quality or science has improved. 2. Tekna increased its production output by 32% since 2021 (baseline), while only increasing scope 1 emissions by 2%, and even reducing scope 2 emissions by 29%.									
Tekna's climate footprint at different stages of the value chain (GHG protocol¹) in tCO2e Suppliers & Resources Purchased goods and services (scope 3) Capital goods (scope 3) Fuel- and energy-related activities (scope 3) Upstream transportation and distribution (scope 3) FY21 391 FY23 baseline -4% (vs FY21) FY23 *new in 2023* Baseline estimations for upstream emissions (scope 3) expected in 2024. Tekna Operations Production (scope 1 + scope 2) Employees (business travel + daily commute - scope 3) Waste (scope 3) Downstream transportation and distribution (scope 3) Processing of sold product (scope 3) Use of sold products (scope 3) End-of-life treatment (scope 3) FY21 619 FY23 baseline 0%² (vs FY21) FY22 351 FY23 baseline -7% (vs FY22) FY22 19 FY23 *new in 2022 baseline 21 Baseline estimations for downstream emissions (scope 3) expected in 2025. Customers End-users & End-of-life									
Årsregnskap regnskapsåret 2023 for 53 7884 Carbon Accounting Report 2023 link For a full breakdown of the emissions scope 1, 2 and 3 and decarbonization plan, read the 2023 Emission Accounting Report (page 5). TEKNA									

Target 2030

Reduce in absolute t compared to baseline

-50% linked to scope 1 and 2

under development

under development

under development

under development

under development

For a full breakdown of the emissions scope 1, 2 and 3 and decarbonization plan, read the 2023 Emission Accounting Report (page 5).

Carbon Accounting Report 2023

TEKNA

7884

CEO letter 2023

“

Tekna is strategically positioned to leverage its advanced capabilities in both plasma and material technology, bolstered by a robust business model to drive sustainable growth.

Dag Teigland
Chair of the Board of Directors

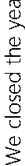
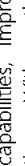
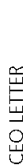


Our focus on profitability and positive cash, our dedicated workforce, strategic priorities and confidence in our long term ambitions are driving the companies performance today and tomorrow.

Luc Dionne
Chief Executive Officer

We would like to thank you for your trust and hope you enjoy reading this report.

As we reflect on the past year, I am filled with pride and gratitude for what we have achieved together at Tekna Holding ASA. Our 2023 has been marked by remarkable growth, strategic advancements, and steadfast commitment towards clearly expressed goals. I am thrilled to share these accomplishments as we now set the stage for our continued success in 2024.

	This is Tekna	CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
CEO letter (continued)									
	Organic growth In 2023, Tekna demonstrated exceptional performance, underscored by our significant revenue growth of 52 per cent and improved operational profitability. This consistent operational and financial improvement aligns with the initial guidance we set at the beginning of 2023.								
	We implemented a meticulously crafted strategy and have executed on the plan right from the outset in January last year. With trust and dedication from all of our team members, the strategy delivered outstanding results and we have fulfilled the expectation on the guidance we provided. So, congratulations to all for the well-deserved results.								
	We closed the year with revenues of CAD 40.9 million, a testament to the robust demand for our innovative products and the relevance of our strategic initiatives. The Materials segment grew by 36%, benefiting from our capacity enhancements and strategic market positioning.								
	Important milestones Looking at our operational milestones, we successfully increased our production capacity to meet the growing demand for our advanced materials. The commissioning of a new atomizer and upgrades to existing machinery have significantly expanded our manufacturing capabilities, improved material availability, and reduced delivery times. With another atomizer expected to be commissioned in the first half of 2024, deliveries of materials are expected to accelerate throughout the year.								
	Focus on Profitability Adjusted EBITDA improved to near-breakeven at the end of the year and we closed the year at a total of minus CAD 4.1 million. This reflects our relentless focus on improving the contribution margin as well as continued reduction and control over our cost structure. This remarkable turnaround, improving adjusted EBITDA by CAD 8.7 million from the previous year, illustrates our team's dedication to operational excellence and financial discipline.								
	The result comes from the emphasis we have given to organizational efficiency and on chasing operation excellence. We have turned the business around in a very short period of time. In addition to the solid revenue growth contributing to the EBITDA improvement, we have implemented many cost-saving initiatives and managed inflationary costs, especially on raw materials.								
	Moving forward As we pivot to 2024, our focus sharpens on our strategic priorities to enhance profitability, optimize cash flow, and reinforce our strong market position. We remain committed to improving our operational efficiencies, expanding our product offerings, and exploring new market segments.								
	Our order backlog remains robust at \$24 million, providing a solid foundation for 2024. We are maintaining a strong opportunity pipeline with a number of potential new orders expected to be captured in the first half of 2024, including new sales in the consumer electronics industry ¹ .								
	The long-term outlook of Tekna is very exciting with demand driven by global megatrends such as digitalisation, electrification and sustainable manufacturing. Over the years, we have introduced unique Plasma system IP in the market, positioning Tekna as a leader in the field of advanced materials.								
	We anticipate sustained demand for research and industrial pilot-scale plasma units in segments which are not competing on Tekna's current material markets and foresee growth in larger PlasmaSonic units, aligning with the expanding hypersonic and space industry.								
	We have experienced a steady growth trend in Advanced Materials since we entered the market in 2014. The industry is still in an early phase and poised for substantial growth in the coming years. We have built a strong reputation as a trusted supplier of high-quality materials and our goal is to at least match the industry growth.								

1: Consumer electronics for additive materials, not to be confused with Tekna's developing business of Microelectronics.

We produce advanced materials that act as enablers for rapidly growing industries that are driving the green transition.

	This is Tekna	CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
Enterprise Risk Management ("ERM") A diligent process from identification to monitoring									
Corporate Governance Incorporating best governance standards Tekna refers to the Norwegian Code of Practice for Corporate Governance and has drafted its own Corporate Governance Code. It publishes an annual <u>Corporate Governance Report</u>. Board of Directors Chair CEO Executive Leadership Audit Committee Ethics and Compliance Committee External Assurance [Auditors] Internal Audit* (to be created) Occupational Health & Safety Management Committee (CRD) Executive Leadership Occupational Health & Safety Committee Employee Committee (CORE) Environmental Committee Identification, appraisal, processing and control of major risks is regularly updated by Finance and reviewed with the Audit Committee.									
Segregation of duties Board of Directors and Executive Leadership Team To ensure Tekna benefits from strong governance there is a segregation between the members of the Executive Leadership Team and the members of the Board of Directors. The complementary profiles of Dag Teigland and Luc Dionne enable a transparent and balanced exchange between the Board of Directors and the Executive Leadership Team. Additional diversity and skills Changes and additions in the board of directors has increased the number of independent members and contributed a diverse range of profiles, skills, expertise and experience to the board improving the company's preparedness to navigate an increasingly complex business environment. The following relevant skills and experiences are included: Aerospace, Battery and other industries, Sustainability, IT security, Strategy, Finance and controls, M&A and international experience.									
Committees addressing important topics Already in 2022 Tekna created the Audit Committee. Reporting to them is the newly created Ethics and Compliance Committee as well as External Assurance, ie the Auditors. Reporting to Executive Leadership are the Occupational Health & Safety Management Committee (CRD), the Employee Committee (CORE) and the Environmental Committee.									
Main risks Material risks, exposure greater than 10% of revenue, identified by the Group are organized in a risk matrix reflecting its impact in various (mitigation) scenarios and the probability of occurrence. Quarterly monitoring with Audit Committee To ensure continuous monitoring and management, material risks are reviewed in the quarterly Audit Committee meeting. Standard agenda items include: - Significant events during quarter - Compliance (incidents and legal) - Risk management update - Tax (Controls and Tax matters)									
Risk relating to the Group's operating environment - Geopolitical risks and supply chain difficulties - Risks related to inflation - Competitive risks and cycle effects - Financial market risks - ESG risks - Legal and regulatory risks - Risks of negative media coverage Risk related to the Group's operations - Risks relating to Group products - Business line profitability risks - Partner risks - Supplier and subcontracting risks - Property and (Occupational) Health & Safety risks Risk related to the Group's strategic development - Risks relating to technological innovation - Risks related to digitalization (data confidentiality and cyber threats) - Human resources risks									
2023 key figures Members Meetings Participation Independence 7 14 95% 43% 2 5 100% 50%									
BOARD AND MANAGEMENT 1: In 2023 the external auditor was PWC. 2: Latest by 2025 an Internal Audit function should be instated. ANNUAL REPORT 2023 TEKNA									

Board of Directors and Executive Leadership

Members of the Board of Directors

The Board of Directors of Tekna Holding ASA ("Tekna") has welcomed three new, two additional, members in 2023. Their knowledge, network, independence and diversity is raising Tekna's governance to a next level.

Responsibilities of the Board of Directors

In accordance with Norwegian law, the Board of Directors ("BoD") is responsible for, among other things, supervising the general and day-to-day management of the Company's business, ensuring proper organization, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts and asset management are subject to adequate controls and undertaking investigations necessary to perform its duties.



Dag Teigland¹
(1966)

Chair (2022)

Shares per 31.12.2023: **728 818**²
Attended board meetings: **14**

Dag Teigland is a board professional and strategic advisor to several companies. He is a seasoned executive with broad international experience, including in the global metal industry. He has previously held executive management positions in Elkem and been CEO of Tinfos and Holta Invest.

Mr. Teigland is a board room veteran, serving as member and chair of the Board of Directors of several Norwegian and international companies. He holds a bachelor's degree in finance, an MBA from IESE and AMP from Harvard Business School.



Torkil S. Mogstad
(1958)

Director and member of the audit committee (2023)

Shares per 31.12.2023: **52 125**³
Attended board meetings: **12**

Torkil Mogstad is Executive Vice President at Arendals Fossekompani ASA since 2015. He has previously held several executive management positions, including CEO at Markedskraft ASA, Director at Icon Medialab Norge AS and Engagement Manager at McKinsey & Company. He started his career in R&D at McDonnell Douglas Aerospace (now Boeing) in the US.

Mr. Mogstad also holds Directorships in the battery storage company Ampwell AS (Chair) and the satellite communications company NSSIGlobal Ltd. He holds a M.Sc. from MITU, a SM from MIT and an MBA from the Norwegian School of Management (BI).



Barbara Thierart-Perrin
(1977)

Director | Independent (2022)

Shares per 31.12.2023: **0**
Attended board meetings: **13**

Barbara Thierart-Perrin is President of Northvolt Systems, a European supplier of sustainable, high-quality lithium-ion battery cells and systems with minimal CO2 footprint. An engineer by education, Ms Thierart-Perrin has two decades of previous experience from the automotive industry, holding senior management positions with Groupe Renault and Nissan Motor Corporation.

She has been based in France, Japan and Sweden, held business P&L responsibility, led operational and global teams and worked extensively in corporate social responsibility.



Anne Lise Meyer
(1968)

Director and Chair of the audit committee | Independent (2022)

Shares per 31.12.2023: **0**
Attended board meetings: **14**

Anne Lise Meyer is an experienced CEO, Chair and board member, with more than 25 years of experience from several management positions. Meyer was previously the CEO of the investment firm Hamang AS, CEO of the Gillette Group Norway and has held several leading positions with Hewlett-Packard and Netcom (now Telia). Ms. Meyer holds several Directorships, both as chair and member of the Board of Directors of Bertel O. Steen Kapital, Pancom AS, Sissener AS and Skeie Kapital AS. Meyer holds a Bachelor of Management from the Norwegian School of Management.

BOARD AND MANAGEMENT

1: Mr. Teigland is engaged by Arendals Fossekompani as a senior business advisor with a special focus on Tekna and, as such, is not to be considered as an independent Chair of the Board. 2: Mr. Teigland owns shares through his 100% owned company Tibidabo Invest AS and Tibidabo Industrier AS. 3: Mr. Mogstad is representing Arendals Fossekompani ASA. He owns shares through his 100% owned company Lorna Plata AS

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(Section continues on next page)



Board of Directors and Executive Leadership (continued)

Members of the Board of Directors (continued)



Kristin Skau
Åbyholm (1978)

Director | Independent
(05.2023)

Shares per 31.12.2023: **3 686 745**¹
Attended board meetings: **9**

Kristin Skau Åbyholm is an experienced board executive with a keen focus on operations and strategy. She is currently member of the board at 1X technologies and Ocean Sun. She has over a decade experience in IT technology organizations. In Confirm ASA she worked with global 500 brands - working at the Oslo, London and San Francisco office. Then working for Cicero Consulting, creating platforms and solutions for the Norwegian financial industry.

Ms. Åbyholm has a Master of Science in computer technology from NTNU in Trondheim and an Executive Master of Management from the Norwegian Business School (BI) in Oslo.



Lars Magnus Eldrup
Fagernes (1991)

Director (05.2023)

Shares per 31.12.2023: **0**²
Attended board meetings: **9**

Lars Magnus Eldrup Fagernes has several years experience from EY, working as Manager within Strategy & Transactions and from the Group finance function of Cernaq Group.

He is currently Business Developer in Arendals Fossekompagni.

Mr. Eldrup Fagernes holds a Master of Science in Economics and Business Administration from the Norwegian School of Economics (NHH) in Bergen.



Ann-Kari Amundsen
Heier (1966)

Director (12.2023)

Shares per 31.12.2023: **0**²
Attended board meetings: **1**

Ann-Kari Heier was appointed as Executive Vice President of Arendals Fossekompagni ASA (AFK) in November 2023. She has previously held several executive management positions in industry sectors such as Oil&Gas, Maritime, and Telecom. She holds a M.Sc. degree in Technical Cybernetics from NTNU in Trondheim, Norway. She started her career as R&D engineer at CERN in Geneva, and at Data Respons in Norway, before entering management positions. Ms. Heier is member of the board of directors of Space Norway AS and NHO Agder. As part of her executive role in AFK, she will follow up NSSI Global Ltd and Tekna Holding ASA.

1: Ms. Åbyholm represents Kvantia AS (2.354.862) and Victoria India Fund AS (1.331.883) 2: Ms Heier and Mr Fagernes represent Arendals Fossekompagni ASA

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Board of Directors and Executive Leadership (continued)

Members of the Executive Leadership Team

The Tekna group Executive Leadership Team (“ELT”) currently consists of six executives with extensive experience from relevant industries.

Members of executive leadership team own shares in Tekna Holding Canada Inc., a subsidiary of Tekna Holding ASA. Refer to the Prospectus published in 2022, section 11.3.3 and the [2023 Remuneration report](#) for more details.

Luc Dionne

Espen Schie

Arina van Oost

Rémy Pontone

Etienne Villeneuve

Sophie Burgaud

Chief Executive Officer
(2014)

Chief Financial Officer
(2023)

VP Corporate Strategic Dev. and Innovation
(2020)

VP Sales and Marketing
(2016)

VP Operations
(2021)

VP Legal Affairs and Corporate Secretary
(2022)

Luc Dionne has been the CEO of Tekna Holding Canada and its global subsidiaries since 2014 and was appointed CEO of Tekna Holding ASA in 2021. Mr. Dionne has extensive experience from various Directorships and executive management positions in advanced materials research, aerospace, microelectronics and defense.

Mr. Dionne served on the Canadian government strategic table for advanced manufacturing and was awarded the Technology Innovation Award from Polytechnic Engineering School.

Espen Schie took over the CFO position of the Tekna Group in early 2023. Mr. Schie brings long-term financial management experience and comes from the role as Vice President of Finance & Controlling at Arendals Fossekompani ASA ("AFK"), Tekna's largest shareholder. Mr. Schie held several different roles at AFK, was previously CFO at EFD Induction Group and holds a double master's degree in finance from Norwegian School of Business and Economics (Portugal) and Fundação Getúlio Vargas São Paulo School of Economics (Brazil).

Arina van Oost joined Tekna early 2020 as VP Corporate and Strategic Development & Innovation. ESG, IR and Corporate Communication are part of her portfolio. She has held several executive positions at ThyssenKrupp ("TK"), including VP GM of its Canadian Aerospace division and Global Head of Marketing and Sales of their Access Solutions division. Further roles included Managing Director in UK, Spain, and Netherlands for companies of TK Elevator.

She holds an eMBA from ESMT, Germany, and a BSc in International Management, Netherlands.

Rémy Pontone has been the Vice President Sales & Marketing since Mars 2016, prior to this he held various management positions in sales, business development and product management. Rémy Pontone has 25 years' experience in management, sales, marketing and production development. Prior to joining Tekna he held several int. management and sales positions in five different countries for Johnson Matthey and research and development center of Saint Gobain. Mr. Pontone is graduated engineer in material science and chemical engineering.

Etienne Villeneuve currently holds the position of Vice President Operations at Tekna. He has 19 years of experience in several executive management positions, including Vice President Operations at Groupe Parima, Head of Operations and Technical Services at Neptune Wellness Solutions, Operations and Continuous Improvement Director at Conagra Foods. He has experience from several Quality Regulated Businesses like Pharmaceutical and Technologies. He currently serves as a President of the Board of Directors for Sherbrooke Innopole.

Sophie Burgaud joined Tekna in 2022 as VP Legal Affairs and Corporate Secretary. She has more than 20 years of experience in business law in various jurisdictions around the globe. Within her diverse roles, Sophie has a wide variety of experience in relation commercial, corporate and litigation matters for public companies and highly regulated financial and insurance companies. Prior to joining Tekna, she worked for Coteco, Desjarès, Intact Gidlan and BCL, a law firm. Sophie holds a Master Contract Law which was admitted to the Paris bar and Quebec Bar.

Shares per 31.12.2023:

0¹

Shares per 31.12.2023:

0¹

Shares per 31.12.2023:

0¹

Shares per 31.12.2023:

0¹

Shares per 31.12.2023:

0¹

Shares per 31.12.2023:

0¹

BOARD AND MANAGEMENT

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1: Members of the ELT own shares in Tekna Holding Canada Inc., a subsidiary of Tekna Holding ASA.
2: Mr Schie owns shares through his 100% owned company ESC Holding AS.

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Shareholder information								
Tekna Holding ("Company") aims to be an attractive investment for shareholders, delivering a competitive return through sustained and accelerated growth. The Company's share capital as of 31 December 2023 was NOK 250,454,692 divided into 125,227,346 shares, each with a nominal value of NOK 2.00, unchanged from its initial listing in 2021. The Company's shares are registered in book-entry form with the Norwegian Central Securities Depository under ISIN NO 001 0951577. The account operator of the Company's share register is DNB Bank ASA. The Tekna share was listed on Oslo Børs, the main list at the Oslo Stock Exchange, on 1 July 2022. Shareholder structure As of 31 December 2023, Tekna had 4584 shareholders, down from 4825 at the end of 2022. Arendals Fossekompani ASA remained the Company's largest shareholder, owning 70.4 percent of the shares. No other shareholder held more than five percent while four shareholders held more than two percent. Share price and market valuation On 31 December 2023, the closing share price was NOK 8.30 per share (+41%), corresponding to a market capitalization of NOK 1.04 billion. The closing share price on 31 December 2022 was NOK 5.90.								
SHAREHOLDER INFORMATION								
Option schemes As of 31 December 2023, there were no outstanding options, warrants or loans giving the right to require the Company to issue shares. Refer to note 24 of the Financial Statements regarding subsequent events. Current Authorizations During the 2023 Annual General Meeting ("AGM") the Board of Directors of the Company received the authorization to increase the share capital and to acquire shares of the company. The authorizations remain in force until the AGM of 2024, but in no event later than 30 June 2024. Link to AGM minutes: www.tekna.com/investors linkAGM minutes								
Investor Relations Tekna wishes to maintain open communications with its shareholders and other stakeholders. Shareholders and stakeholders are kept informed by announcements to the Oslo stock exchange and press releases. Please refer to the investor relations section of the Tekna website for further information, including contact details: www.tekna.com/investors or contact investors@tekna.com. linkTekna.com/investors								
Upcoming events 15 May 2024 Annual General Meeting 15 May 2024 Report for Q1 2024 22 May 2024 Roadshow and market update								
Årsregnskap Regnskapsåret 2023 7884 TEKNA ANNUAL REPORT 2023 Photo credit: Oslo Børs								

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Shareholder information (continued)										
Indicators supporting Investor's SFDR Principal Adverse Impacts (PAI) disclosure										
Climate and other environment-related indicators										
Adverse sustainability indicator					Metric (for issuers)		Adverse sustainability indicator		Metric (for issuers)	
Greenhouse gas emissions	1.	GHG Emissions	Scope 1	589 tCO2e	585 tCO2e	10.	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Social and employee matters	10.	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
	2.	Carbon Footprint	Scope 2	30 tCO2e	34 tCO2e	11.	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	No violations	11.	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
	3.	GHG intensity	Scope 3	248k tCO2e (incomplete)	755 tCO2e (incomplete)	12.	Unadjusted gender pay gap	No violations	12.	Unadjusted gender pay gap
Biodiversity	4.	Active in fossil fuel sector	Revenue	40.9 M CAD	26.9 M CAD	13.	Board gender diversity	Processes in place www.tekna.com/esg	13.	Board gender diversity
	5.	Share of non-renewable energy consumption and production	tCO2e/M CAD	Not available (scope 3 incomplete)	Not available (scope 3 incomplete)	14.	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Code of Conduct Supplier Code of Conduct Anti-Corruption policy Competition Law Compliance policy etc.	14.	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
	6.	Energy consumption intensity per high impact climate sector	Consumption Production	28% (100%-72%)	31% (100%-69%)			2.95%	9.16%	
Water	7.	Activities negatively affecting biodiversity-sensitive areas	GWh / M CAD	Not relevant	Not relevant			M: 43% F: 57%	M: 60% F: 40%	
	8.	Emissions to water	NACE	Not active in high impact NACE Plasma Systems: C28 Additive Materials C25 Microelectronics: C26 Energy Storage: C27	Plasma Systems: C28 Additive Materials C25 Microelectronics: C26 Energy Storage: C27			Not relevant		
	9.	Hazardous waste ratio	GWh	11.6 GWh	11.5 GWh					
Waste	10.	Tons of emissions to water	No Tekna sites in "biodiversity sensitive areas" - see GRI 304 in GRI report	0	0					
	11.	Tons of hazardous waste		85	59					
	12.									
SHAREHOLDER INFORMATION										
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Board of Directors' report 2023

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Board of Directors' report 2023

Introduction

Business and location

Tekna is a world-leading provider of advanced materials to industry. Tekna produces high purity, micron and nano-sized metal powders as well as optimized induction plasma systems for industrial research and production. Micron-sized powders are used for applications such as 3D printing in the aerospace, medical and consumer electronics sectors while advanced nano-sized materials are applied in the manufacturing of microelectronic devices (MLCCs) used in consumer electronics, autonomous vehicles, and 5G and Internet-of-Things (IoT) communications equipment.

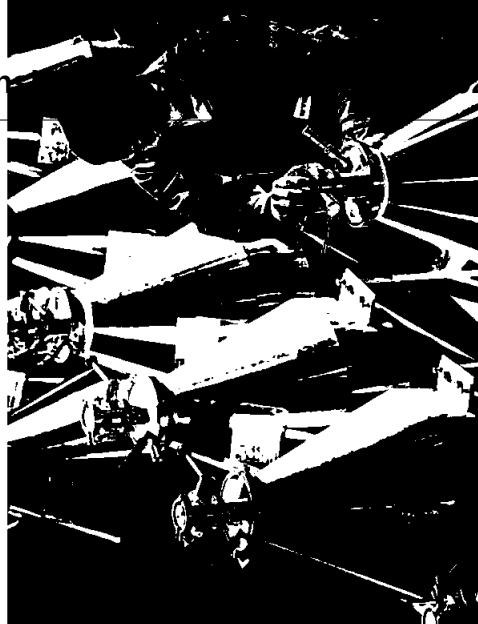
The Group currently engages in three main businesses: Systems (incl. PlasmaSonic), Additive Manufacturing and Microelectronics. The impact of these businesses is driven by megatrends having significant impact on consumer behavior globally: Space Exploration & Tourism, Deglobalization and Climate Change, Digitalisation & Connectivity, as well as Demography & Health Care.

With its unique, IP-protected, clean plasma technology, the company is well-positioned in these growing markets. The Group develops and operates its own plasma systems and sells customized plasma systems for research applications. In the PlasmaSonic business, a part of Systems, it sells plasma wind tunnel solutions for the simulation of hypersonic and orbital flight conditions.

Building on 30 years of delivering excellence, Tekna is a global player recognized for its quality products and commitment to its large base of multinational blue-chip customers. Tekna's low carbon technology and high-quality materials increase productivity and enable more efficient use of materials, reducing the climate footprint of the downstream value chain.

Tekna Holding ASA, a Norwegian public limited liability company, is listed on Oslo Stock Exchange. The Group is headquartered in Sherbrooke, Canada, with subsidiaries and teams based across six offices in Canada (2), France, USA, China and South Korea.

All amounts in this document refer to the consolidated financial statements for the Group, unless otherwise stated. The financial statements cover the period from January 1, 2022 to December 31, 2023.



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Board of Directors' report (continued)									
ports R&D initiatives that enhance technology transfer, commercialization of innovative products, services, and processes, and encourages the growth of innovative firms.				Financial review The Board of Directors believes that the annual financial statements provide a true and fair view of the net assets, financial position and result of Tekna Holding ASA and the Group for the year. The Group's consolidated financial statements are presented in compliance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the reporting currency is Canadian dollars (CAD).					
Microelectronics nickel nano pilot line in operation Tekna's Nickel nano powder is a key material for the manufacturing of high-end Multi-Layer Ceramic Capacitors (MLCCs) and the company's strategic development initiatives with customers continued in 2023. Tekna's nickel nano pilot line is in operation. The scale-up of production will be phased to certification by and demand from customers.				Profit and loss Revenue was CAD 40.9 million, a 52% increase from CAD 26.9 million in 2022. EBITDA was negative CAD 8.2 million compared to negative CAD 16.7 million in 2022. Adjusted EBITDA net of non-recurring charges was negative CAD 4.1 million compared to negative CAD 12.8 million in 2022. Tekna had a loss for the period of CAD 15.0 million, compared to a loss of CAD 22.5 million in 2022. Earnings per share were negative CAD 0.12, compared to negative CAD 0.17 in 2022.					
Improved Governance In 2023 Tekna reached a higher standard of governance. The company added two board members (one independent), received board approval for three new policies (Environmental policy, Anti-Corruption policy and Competition Law Compliance policy). Subsequent to the policies, it established the Ethics and Compliance Committee which reports to the Audit Committee. An online independent whistleblowing system was also implemented.				Tekna Holding ASA The parent company Tekna Holding ASA is a holding company, with limited activity and a few corporate functions. Profit for the year was CAD 2.0 million, compared to negative CAD 320.1 million in 2022. The positive result of the year was due to interest income on intergroup loans.					
				Research and development Investments in research and development (R&D) have been an important part of Tekna's strategy to develop new and innovative solutions and is expected to remain an important part of the company's strategy going forward. Tekna has a long-term ambition to invest significantly in R&D. The company's investments in R&D as a critical part of its near- and long-term goals and today represents 5.8 per cent of its total revenue.					
				Financial position Tekna's financial position at the end of the year showed a long-term debt/equity ratio of 0.69, compared to 0.10 at the end of 2022. Interest-bearing debt was CAD 22.1 million at year-end, while the cash position was CAD 10.1 million and total assets were CAD 76.3 million.					
BOARD OF DIRECTORS' REPORT 2023								ANNUAL REPORT 2023	

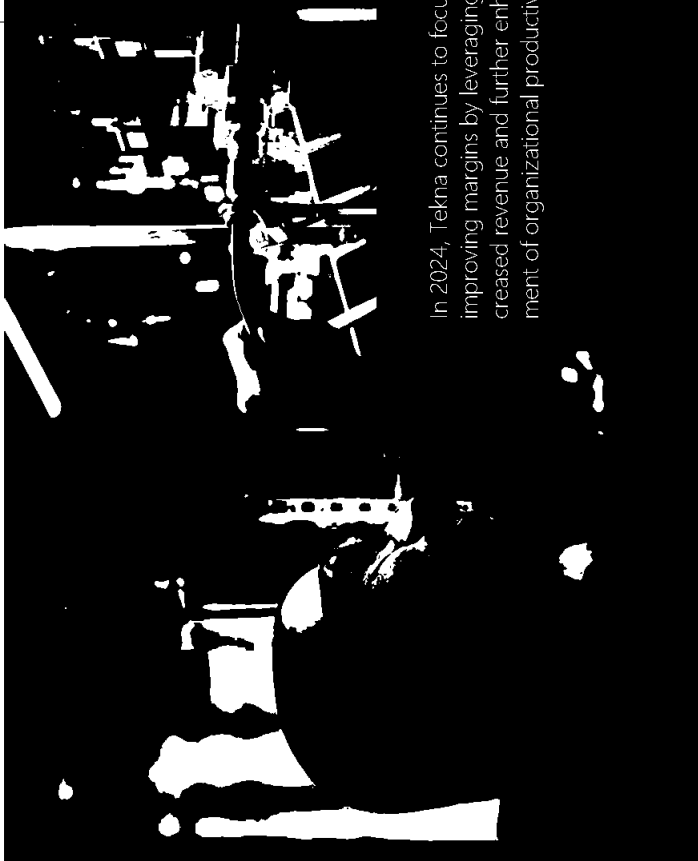
This is Tekna		CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
Board of Directors' report (continued) The undertakings likely future developments Subsequent events Employee Share Purchase Plan On March 11th, 2024, the Board of Directors of Tekna Holding ASA (the "Company") has resolved to increase the Company's share capital by NOK 4 469 774 by issuing 2 234 887 new shares as part the settlement of the Company's employee share purchase plan (the "ESPP"). Under the ESPP, which was established on 18 February 2021, certain qualified employees purchased Class B Common shares in Tekna Holding Canada Inc ("Tekna Holding Canada"). Pursuant to the terms of the ESPP, there was a three-year lock-up period on these shares. The three-year lock-up period expired on 18 February 2024 and the ESPP has been settled by way of the employees transferring the Class B Common shares in Tekna Holding Canada to Tekna Holding ASA in exchange for the issuance of new shares in Tekna Holding ASA. Following this transaction, Tekna Holding Canada is a wholly owned subsidiary of Tekna Holding ASA. Following the registration of the share capital increase with the Norwegian Register of Business Enterprises, the Company's share capital will be NOK 254 924 466 divided into 127 462 233 Shares, each with a nominal value of NOK 2. Each share carries one vote at the Company's general meeting. The new shares shall carry rights to dividends from March 5, 2024, the date of registration of the capital increase with the Norwegian Register of Business Enterprises. The settlement of the ESPP will trigger tax for the relevant employees. To provide the employees with cash to cover payable taxes resulting from the settlement of the ESPP, Arendals Fossekompani ASA ("AFK") has agreed to purchase a total of 540 812 shares from the employees at the volume weighted average market price the last five days prior to the expiration of the lock-up period, NOK 8,0453 per share. Loan In March 2024, Tekna received the third tranche of CAD 5 million loan with Arendals Fossekompani ASA. This is the last tranche in the loan facility agreement. Further details available in note 16. Going concern The group announced additional financing in April 2023 and based on the situation at the end of 2023 as well as the forecast going forward the company is well-positioned to meet its obligations and continue its business for the foreseeable future. There have been no events to date in 2024 which significantly affect the result for 2023 or valuation of the company's assets and liabilities at the balance sheet date. The Board confirms that the conditions for the going concern assumption have been satisfied and that the financial statements for 2023 have been prepared on the basis of this assumption.									

Årsregnskap regnskapsåret 2023 for 9253478

TEKNA

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Board of Directors' report (continued)									
Outlook In 2024, Tekna continues to focus on improving margins by leveraging increased revenue and further enhancement of organizational productivity. The order backlog and available capacity supports revenue growth in 2024. The company remains committed to expanding in the additive manufacturing segment, which continues to be a fast-growing market with significant revenue potential. Tekna will also prioritize opportunities in microelectronics to secure a strong position in this market.					Tekna's roadmap to profitability includes a focus on operational excellence, right sizing the organization, and prioritizing R&D efforts towards PlasmaSonic systems, additive manufacturing and microelectronics. The company will remain strategic in its approach to near-term revenue opportunities.				
Tekna will have stronger focus on cash flow going forward. After a few investment-intensive years, the company plans to ease on capex for a period. Tekna has established a dedicated task force to increase sales of smaller and larger size powder fractions, which will improve cash conversion of inventory. The company's cash position remains satisfactory and the measures taken are expected to have a positive effect on cash flow.					Tekna has established itself as a technology leader in today's global markets. The current environment is characterized by economic uncertainty, geopolitical instability, and an increasing demand for sustainable solutions. The company's strategy, technology, and products have gained significant relevance in this context, as its customers are increasingly transitioning towards new technology, moving manufacturing closer to markets, and considering more sustainable production processes. At the same time, economic uncertainty and high interest rates may have a dampening effect on the short term industrial growth rate. Tekna expects any volatility in demand to be transitional and remains committed to addressing the market needs as it poised for continued growth in the coming years.				
Through R&D programs Tekna is continuously improving its machine performance and increasing capacity. In addition, a new machine will come online early 2024. With the expected increase in capacity, the company will be better equipped to meet rising demand, shorten delivery lead times, and boost sales.									
Tekna has a strong pipeline of potential orders for Systems, namely for Plasmasonic wind tunnel solutions that are pivotal to the development of hypersonic flight and spacecraft.					In 2024, Tekna continues to focus on improving margins by leveraging increased revenue and further enhancement of organizational productivity.				
In microelectronics, Tekna's development efforts continue with the industry leading customers. The company has also explored opportunities within energy storage but will remain focused on its existing operating segments for the time being.									

BOARD OF DIRECTORS' REPORT 2023

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Description of the principal risks and uncertainties

Tekna's Enterprise Risk Management ("ERM") aims to contribute to the creation, optimization, and protection of enterprise value by managing Tekna's business risks as it creates value in the marketplace.

Tekna's Board of Directors is ultimately responsible for the governance of risk management. Tekna's Executive Leadership Team is responsible for the ERM, i.e. implementing and overseeing the application of efficient risk management processes. The employees of the Company are expected to follow the requirements defined in the Company's policies. Tekna's Board of Directors and Executive Leadership Team conduct risk assessments related to various dimensions and aspects of operations to verify that adequate risk management systems are in place.

As a global operator, Tekna is exposed to risk scenarios ranging from uncontrollable risks, such as raw material price fluctuation, currency fluctuation, market changes, competition or fuel price volatility, to uncontrollable ones such as natural disasters. Supply chain disruptions in terms of lead times and shortages can have a significant impact on the company's business and financial performance.

Qualified labor shortages in the markets where Tekna operates can lead to challenges in retaining and recruiting talent. This could lead to increased pressure on the remaining workforce translating into un-filled client orders, declining competitiveness, a deteriorating product/service quality and eventually a slower growth rate.

Tekna is currently not able to sell the full production yield of additive metal powders at attractive prices, such that a provision of costs for the accumulation of inventory above sales levels is expensed at cost

in the financial statements on an ongoing basis. This provision of costs thus limits the financial risk in the financial statements as perceived, meanwhile there is a business risk given the uncertainty in timing of market development and higher sales volumes of the full production yield at attractive prices.

The Company's subsidiary and the operating company of the Group, Tekna Plasma Systems Inc., is currently involved in a dispute with AP&C Advanced Powders & Coatings Inc. regarding competing patent rights for producing titanium powder in Canada, and more precisely to a specific patent which is part of the same patent type as one of the Group's significant patents. Court proceedings have taken place in the fourth quarter of 2022 and the Company is still awaiting a ruling. If the dispute is not resolved in favor of Tekna Plasma Systems Inc., there is a risk that the Group's production and sales of titanium powder in Canada may be restricted, which could have a negative effect on the Group's business operations.

The Group's business is subject to price and exchange rate risk. There is no guarantee that the Group will be able to obtain the expected prices for its metal powders and plasma systems, and any change in the market conditions, including in the global technology and powder markets or in a specific regional and/or end markets in which the Group operates, could lead to lower sales prices or volumes of the Group's products and systems.

The most material climate risks in the short and medium term are physical risks in the supply chain and in Tekna's own operations. There is a risk of extreme weather events impacting Chinese suppliers and their ability to supply Tekna with titanium and nickel. Also, higher temperatures put the health and safety of suppliers' workers in China at risk. Physical climate risks might also impact goods transportation in the medium and long term, physical risks might impact where the

company considers establishing new production locations. A more detailed description is to be found in the Sustainability report included in that annual report and available on the company's website from 11 April.

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Board of Directors' report (continued) Corporate Governance statement										
	The Company is subject to corporate governance reporting requirements as defined in the Norwegian Accounting Act, section 3-3b and the Norwegian Code of Practice for Corporate Governance (the "Code") available at www.nues.no. Reference is made to the Corporate Governance Report, which is included in the annual report and will be published on the company's website on 11 April.				Tekna Holding ASA is a public limited company and is organized under Norwegian law with a governance structure based on Norwegian corporate law and other regulatory requirements. The company's shares are freely transferable and are not subject to ownership restrictions pursuant to law, licensing conditions, articles of association or similar restrictions.				Four Board members, including its Chair Dag Teigland elected in 2022, have an affiliation with Arendals Fossekompani ASA, Tekna's main shareholder. The Audit Committee consists of one independent and one independent Board member.	
	Tekna launched a new online independent whistleblowing system. New compliance policies were approved by the board and are in implementation, namely the Competition Laws Compliance Policy and New Anti-Corruption policy in line with principle 10 of the UN Global Compact². These policies also included the creation of the Ethics and Compliance Committee which reports to the Audit Committee. We continued to train our employees in cyber security. In 2023 two additional board members joined Tekna for a total of seven directors at year-end.				Currently, Tekna has seven Board members, none of whom are members of the company's management. Three Board members are independent of company management and significant business partners.				The Board members and the Executive Leadership Team are covered by liability insurance. The policy has worldwide coverage, and in addition to financial loss, it provides cover for aggravated, punitive and exemplary damages imposed on the insured, where these are insurable by law.	
									Board members Dag Teigland and Ann Kari Heier visit the Sherbrooke manufacturing site, posing in front of a PlasmaSonic system set up for testing at Tekna plant together with Luc Dionne (CEO), Espen Schie (CFO) and Sophie Burgaud (VP).	
2. Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.										
BOARD OF DIRECTORS' REPORT 2023										
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Board members Dag Teigland and Ann Karl Heier visit the Sherbrooke manufacturing site, posing in front of a PlasmaSonic system set up for testing at Tekna plant together with Luc Dionne (CEO), Espen Schie (CFO) and Sophie Burgaud (VP).

	This is Tekna	CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
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Environmental information									
Tekna's environmental impact is two-fold. Tekna has a positive environmental impact through developing products which enable a green transition in line with United Nations Global Compact principle 9³ and as substantiated per the EU taxonomy. Tekna produces metal powder for Additive Manufacturing ("AM") that significantly reduces the metal consumption in product manufacturing processes downstream and simplifies the supply chain, transport and warehousing logistics by reducing the number of parts in mechanical assemblies. In the application of AM, parts in aeroplanes and vehicles are usually lighter and therefore more energy efficient (less weight, less fuel consumption). On the other hand, the company also has an environmental impact from internal business operations such as emissions from employee commutes, business travels, energy consumption at the company's locations and waste generation. Tekna started climate accounting in 2019 and continues to gain insights on its footprint, particularly for up- and downstream GHG emissions (scope 3). For scope 1 and 2 Tekna has already committed to an absolute reduction of 50% by 2030 over 2021. The carbon accounting was updated in 2023 using CEMAsys' digital solution, and a full overview can be found in the <u>Emissions Accounting report</u> on the company's website. The activities covered by the environmental permit as delivered by the Quebec Ministry of Environment, are metallic powders manufacturing and induction plasma systems and auxiliary manufacturing. The manufacturing of both metallic powders and induction plasma systems has relatively low environmental risks. Hazardous waste, mostly from R&D and limited in volume, is stored and treated according to regulations, air emissions are purified when needed, and wastewater is treated before being disposed of. There are low CO2 emissions in our production process. The production of Nickel nano powder is in									
the industrialization phase, and risk analyses and mitigating measures are being put in place as the team proceeds in this project.									
Climate change [ESRS E1]									
Strategy									
Tekna's approach to environmental sustainability, within all aspects of our business operations, is based on two main pillars:									
- Minimising our environmental footprint - Dedicated to avoiding and minimising any adverse environmental impacts linked to our business operations. This includes adverse impacts as a result of Tekna's business operations directly, as well as any indirect impacts such as impacts related to business partners, suppliers and other third parties. The ultimate goal is to become climate neutral (without relying on carbon offsetting) by reducing more greenhouse gas (GHG) emissions than the Tekna value chain emits, while growing the business. - Promoting environmental sustainability - Dedicated to improving resource efficiency and sustainability across the value chains we operate in. This includes developing new and improving existing sustainable technologies and products that are resource efficient, eco-friendly, recyclable, recoverable and best in class in terms of environmental sustainability.									
Tekna shall prioritise its efforts within environmental sustainability based on the double materiality assessments. Company value: We strive for excellence									
Operationalization									
Guidelines:									
Environmental policy									
Sustainable events policy									
Employee Handbook									
Quantifiable targets:									
Scope 1 and Scope 2: 50% absolute reduction of CO2 emissions by 2030 compared to baseline 2021, 100% Carbon neutral by 2050									
Action plan									
Estimate scope 3 up-stream and downstream remaining categories and set reduction targets									
Ensure budget planning to execute on decarbonization plan									
Update climate risk assessment and									
Quantify potential financial effects linked to significant physical and transition risks and climate related opportunities									
Measurement									
2023									
2021 baseline									
Scope 1									
589 tCO2e (+2%)									
Scope 2									
30 tCO2e (-29%)									
Scope 3 (incomplete)									
248k tCO2e									
Renewable energy share (location-based)									
72% (+6pp)									
Energy intensity per kg of metal powder									
12.4 kWh/kg (-24%)									
16 kWh/kg (vs 2021 baseline)									

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Summary of Disclosures pursuant EU Taxonomy regulation (Article 8)									
Refer to the EU taxonomy report which will be released on April 11.									
As part of the European Union's Green Deal, the EU Taxonomy is a classification system for sustainable economic activities, consisting of the following six environmental objectives:									
1. Climate change mitigation (CCM) 2. Climate change adaptation (CCA) 3. The sustainable use and protection of water and marine resources 4. The transition to a circular economy 5. Pollution prevention and control 6. The protection and restoration of biodiversity and ecosystems									
Only climate change mitigation and climate change adaptation following <i>Commission Delegated Regulation (EU) 2020/852</i> are required for the 2023 reporting in Norway.									
Tekna's activities are all deemed eligible under the economic activity: 3.6 Manufacture of other low carbon technologies (CCM). The production of additive material powders meets all the criteria and is also reported as aligned. PlasmaSonic is deemed aligned and supporting documentation needs to be obtained in order to report it as such.									
Figure 1: Distribution of eligibility and alignment out of the 100% Turnover, CapEx and OpEx as per the consolidated Financial Statements OpEx CapEx Turnover 0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100% ■ aligned - Additive materials ■ eligible, not aligned - Systems ■ eligible, not aligned - PlasmaSonic ■ eligible, not aligned - nanomaterials MLCC ■ non-eligible									
BOARD OF DIRECTORS' REPORT 2023									
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This is Tekna		CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information																		
Board of Directors' report (continued)																											
Social information																											
Through the development of its policies, training and (future) audits Tekna aims to ensure the two human rights and four labor-related principles of the United Nations Global Compact* are fully adhered to in its operations and its value-chain.																											
Own workforce [ESRS S1]																											
The competence of our employees represents a major asset and competitive advantage for Tekna. At the end of 2023, the Group employed a total of 222 people.																											
The number of employees were divided across locations as follows:																											
<table><tr><td>Norway:</td><td>0</td><td>(0)</td></tr><tr><td>Canada:</td><td>186</td><td>(179)</td></tr><tr><td>France:</td><td>31</td><td>(31)</td></tr><tr><td>China:</td><td>4</td><td>(4)</td></tr><tr><td>South Korea:</td><td>1</td><td>(2)</td></tr><tr><td>USA:</td><td>0</td><td>(0)</td></tr></table>										Norway:	0	(0)	Canada:	186	(179)	France:	31	(31)	China:	4	(4)	South Korea:	1	(2)	USA:	0	(0)
Norway:	0	(0)																									
Canada:	186	(179)																									
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South Korea:	1	(2)																									
USA:	0	(0)																									
Working conditions																											
Strategy																											
Tekna understands the value of its workforce and works in ongoing dialogue to improve the corporate culture, the workplace and conditions. Well-being and work/life balance are an important part of this.																											
At Tekna, health and safety are integral parts of our growth strategy and long-term success. We are committed to establishing and promoting a culture that prioritizes health and safety in the workplace through continuous improvement, involving all employees.																											
Company value: We strive for excellence																											
Refer to the GRI report 2023 on the website for further details on our OHS approach and KPIs (www.tekna.com/esg GRI 403).																											
4: The Ten Principles UN Global Compact																											
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TEKNA 925327884																											

Social information

Through the development of its policies, training and (future) audits Tekna aims to ensure the two human rights and four labor-related principles of the United Nations Global Compact⁴ are fully adhered to in its operations and its value-chain.

Own workforce [ESRS S1]

The competence of our employees represents a major asset and competitive advantage for Tekna. At the end of 2023, the Group employed a total of 222 people.

The number of employees were divided across locations as follows:

Norway:	0	(0)
Canada:	186	(179)
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China:	4	(4)
South Korea:	1	(2)
USA:	0	(0)

Working conditions

Strategy

Tekna understands the value of its workforce and works in ongoing dialogue to improve the corporate culture, the workplace and conditions. Well-being and work/life balance are an important part of this.

At Tekna, health and safety are integral parts of our growth strategy and long-term success. We are committed to establishing and promoting a culture that prioritizes health and safety in the workplace through continuous improvement, involving all employees.

Company value: We strive for excellence

Refer to the GRI report 2023 on the website for further details on our OHS approach and KPIs (www.tekna.com/esg | GRI 403).

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4: [The Ten Principles | UN Global Compact](#) |

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Equal treatment and opportunities for all

(Activities on gender equality and non-discrimination)

The Executive Leadership Team has five male and two female members. Out of 42 managers (non-executive managers with employee reporting to them) 29 per cent (24%) were female. Tekna aspires to substantially increase the share of female employees and is working through the employee life cycle to see where measures could be implemented to enhance diversity across the organization. Tekna workforce comprises 25 different nationalities, of which 139 are Canadian and 83 are non-Canadian employees.

Already in 2022 Tekna transitioned to a workers compensation system that ensures equality, based on an objective job evaluation method that positions employees on the relative value of their jobs. The system is compliant with the legal requirements prescribed by the Commission for labor standards, pay equity and occupational health and safety (CNESST) of the Province of Quebec. In France, with the new collective agreement for Metallurgy that started on January 2024, equity is ensured among jobs. Therefore, the average pay for men and women vary due to differences in job categories and years of service, not because of gender. No gender-based differences exist with regard to working hour regulations or the design of workplaces.

The Remuneration policy on determination of salary and other remuneration for leading persons was approved by the Extraordinary General Meeting in October 2022 and a full disclosure can be found in the separate [Remuneration report](#). Guidelines for remuneration of leading persons are available in the Corporate Governance Policy on the company's website.

Quebec (Canada) and France have strong legislation on discrimination and harassment in the workplace. In 2021 Tekna implemented its Supply

	This is Tekna	CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact information
Board of Directors' report (continued)									
	Operationalization								
	Guidelines:		Quantifiable targets:		Action plan				
	Code of Conduct and Ethics		50% female Board of Directors		New performance program				
	Employee handbook		50% female management		Develop understandable Human Rights policy				
	Workers in the value chain [ESRS S2]								
	The Norwegian Transparency Act went into effect in July 2022. Tekna is following the obligations related to this law and will report accordingly. The 2023 Human Rights and Transparency Act report will be published on the website of the company: www.tekna.com/esg .								
	Tekna takes its social responsibility seriously and continues to embed human rights into company-wide governance and compliance programs. Both Employee and Supplier code of conduct addressing the topic are in place. Tekna is working to ensure compliance with fundamental human rights and acceptable working conditions in our supply chains and with their business partners. For our Supplier assessments we continue our collaboration with Factlines AS.								
	With suppliers we mitigated (potential) adverse impacts. 20% per cent of Tekna's global spend comes from suppliers based in the EU or NA which we deem well-governed by legal standards. The remaining 20 per cent, approximately, is spent on a key raw material, titanium, supplied by two regularly audited manufacturers in China. Both are well-established and qualified suppliers to major western industries conglomerates. Early 2023, raw material suppliers in China were audited and no human rights violations were observed, and both partners were showing visible care for the well-being of their employees (security equipment, safety reminders & practices).								
	Measurement⁷								
	Women in Board		57%		40%				
	Women in workforce		27%		26%				
	Unadjusted gender pay gap ⁸		2.95%		9.16%				
7: Refer to the GRI report 2023 on the website for further statistical mapping on gender equality (www.tekna.com/esg) GRI 405 - 406). 8: Unadjusted gender pay gap' is defined as the difference between average gross hourly earnings of man and women expressed as a percentage of the average gross hourly earnings of men. Tekna group.									
We have addressed the issue of tantalum and tungsten, sometimes conflict minerals, by asking our suppliers to certify the "no-conflict" provenance of the material.									

Arvegrunnlaget regnskapsåret 2023 for 9253078

TEKNA

BOARD OF DIRECTORS' REPORT 2023

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Board of Directors' report (continued)				Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
Governance information									
Tekna sets high ethical standards, and communication with the outside world is to be open, clear and honest.				Operationalization					
Business Conduct [ESRS G1] Strategy Ensuring proper business conduct within Tekna is based on putting in place guidelines, processes, systems and training for our leadership and employees, demonstrating a zero tolerance for infringement as well as performing due diligence in selecting and cooperating with business partners. Company value: We build trust				<u>Guidelines:</u>	<u>Quantifiable targets:</u>	<u>Action plan</u>			
				Corporate Governance policy	Zero compliance incidents	Further implement Independent whistleblower solution			
				Code of Conduct and Ethics	Code of Conduct and Ethics signed by all employees	Ethics and Compliance Committee			
				Supplier Code of Conduct	Complete due diligence with top 25 highest-risk suppliers	Employee Training on CoC and Compliance policies			
				Anti-Corruption policy		Update authorisation matrix and 4-eye principle			
				Competition law compliance policy		Evolve Supplier Code of Conduct to a Business partner Code of Conduct			
				Donations and Sponsorships Policy		Complete due diligence with top 25 highest-risk suppliers			
				Routine - Transparency Act					
				Employee handbook					
				Measurement	<u>2023</u>	<u>2022</u>			
				# of reported incidents/breach CoC	0	1			
				CoC signed	78% ⁹	91%			
				# of corruption cases	0	0			
				Whistleblower reports	1 ¹⁰	0			
				Completed supplier due diligence	9	4			
				9: 100% by March 31, 2024 10: The Independent whistleblower solution came online in December 2023. We received one submission related to the nature of Tekna's business in relation to mining and the defense industry.					

BOARD OF DIRECTORS' REPORT 2023

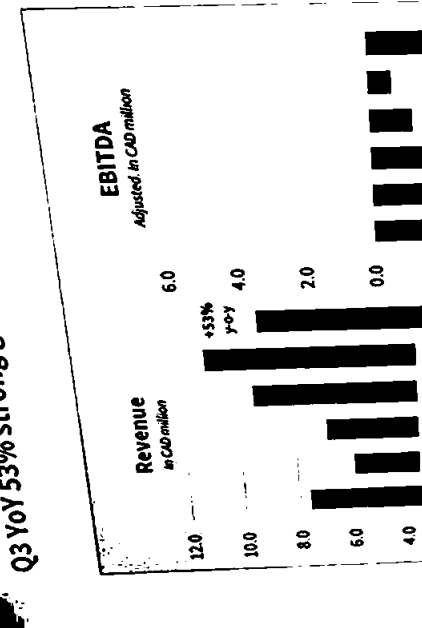
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Årsregnskap regnskapsåret 2023 for 9253078

TEKNA

	This is Tekna	CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
Board of Directors' report (continued)									
Declaration by the Board of Directors and CEO We hereby confirm that, to the best of our knowledge, the consolidated annual financial statements for 1 January to 31 December 2023 have been prepared in accordance with applicable accounting standards and that the information in the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company. We confirm that the financial statements give an accurate and fair view of the development, profit and position of the company, as well as a description of the principal risks and uncertainties it is facing. Arendal, 10 April 2024 The Board of Directors and CEO Tekna Holding ASA <i>This document was electronically signed.</i> Dag Teigland Chair of the Board Torkil Sigurd Mogstad Member of the Board Anne Lise Meyer Member of the Board Ann-Kari Amundsen Heier Member of the Board Barbara Thierart-Perrin Member of the Board Lars Magnus Eldrup Fagernes Member of the Board Luc Dionne CEO									
BOARD OF DIRECTORS' REPORT 2023									
From left to right: Torkil Mogstad (BoD), Arina van Oost (ELT), Espen Schie (ELT), Luc Dionne (ELT), Anne Lise (BoD), Dag Teigland (Chair), Remy Pontone (ELT), Kristin Åbyholm (BoD), Lars Magnus Fagernes (BoD). Note: the Executive Leadership Team (ELT) are not part of the Board of Directors									
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Financial Statements

Consolidated & Parent

Independent Auditor's report

• Total assets were CAD 9.1 million over

• Total Financial Statements

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• Consolidated

Income statement..... 3

Other comprehensive Income..... 3

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Changes in equity..... 3

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• Parent company

Income statement..... 6

Other comprehensive Income..... 6

Balance sheet..... 6

Changes in equity..... 6

Cash flow..... 6

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Independent Auditor's report..... 7

Årsregnskap regnskapsår



Consolidated Financial Statements

Income Statement

Amounts in CAD 1000	Note	FY2023	FY 2022
Revenues	2	40,888	26,889
Other income	3	991	767
Materials and consumables used	4	22,658	17,540
Employee benefit expenses	4	17,143	16,009
Other operating expenses	5	10,248	10,835
EBITDA		-8,170	-16,727
Depreciation and amortisation	10, 11	4,222	3,978
Net operating income/(loss)		-12,391	-20,706
Share of net income (loss) from associated companies and joint ventures		-608	-1,510
Finance income	17	233	144
Finance costs	17	777	332
Profit/(loss) before income tax		-13,543	-22,404
Income tax expense	6	1,467	114
Profit/(loss) for the period		-15,009	-22,517
Attributable to equity holders of the company		-14,422	-21,688
Attributable to non-controlling interests		-587	-829
Basic earnings per share		-0.12	-0.17
Diluted earnings per share		-0.12	-0.17

Other Comprehensive Income

Amounts in CAD 1000	Note	FY2023	FY 2022
Items that may be reclassified to statement of income			
Exchange differences on translation of foreign operations		-49	-178
Items that may be reclassified to statement of income		-49	-178
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		-49	-178
Total comprehensive income/(loss) for the period		-15,058	-22,696
Attributable to equity holders of the company		-14,470	-21,876
Attributable to non-controlling interests		-589	-820

Consolidated Financial Statements (continued)

Balance sheet

Amounts in CAD 1000		Note	31.12.2023	31.12.2022
Non-current assets				
Property, plant and equipment		10	23,894	19,240
Intangible assets		11	7,785	8,537
Associated companies and joint ventures		20	0	579
Non-current receivables		12	4,531	5,339
Deferred tax assets		6	-	-
Total non-current assets			36,210	33,696
Current assets				
Inventories		7	17,607	20,592
Contract assets		2	3,905	167
Trade and other receivables		8	8,394	7,880
Cash and cash equivalents		9	10,148	11,364
Total current assets			40,054	40,003
Total assets			76,264	73,699

Arendal, 10 April 2024

The Board of Directors and CEO of Tekna Holding ASA

This document was electronically signed.

Dag Teigland Chair of the Board	Barbara Thierart-Perrin Member of the Board	Torkil Sigurd Mogstad Member of the Board	Anne Lise Meyer Member of the Board
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Kristin Skau Åbyholm Member of the Board	Lars Magnus Eldrup Fagernes Member of the Board	Ann-Kari Amundsen Heier Member of the Board	Luc Dionne CEO
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FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT



Amounts in CAD 1000		Note	31.12.2023	31.12.2022
Equity				
Share capital and share premium		18	494,956	494,955
Share premium			-	-
Other reserves			-455,405	-440,933
Capital and reserves attributable to holders of the company			39,552	54,022
Non-controlling interests			-1,197	-605
Total equity			38,354	53,413
Non-current liabilities				
Borrowings		16	24,662	4,115
Lease liabilities		13	773	1,161
Deferred tax liabilities		6	1,163	-
Total non-current liabilities			26,598	5,280
Current liabilities				
Bank loan		15	-0	1,191
Lease liabilities		13	595	455
Trade and other payables		14	4,875	7,852
Provision for warranties			137	131
Contract liabilities		2	2,442	2,641
Other current liabilities		14	2,860	2,185
Borrowings short-term portion		16	402	533
Total current liabilities			11,311	15,006
Total liabilities and equity			76,264	73,699

Consolidated Financial Statements (continued)

Changes in Equity

Attributable to equity holders of the Company						
	Note	Share capital and share premium	Other reserves	Total	Non-controlling interests	Total equity
Amounts in CAD 1000						
Balance at 1 January 2022		494,956	-419,058	75,899	211	76,109
Profit/(loss) for the period		-	-21,688	-21,688	-829	-22,517
Other comprehensive income/(loss)		-	-187	-187	9	-178
Balance at 31 December 2022		494,956	-440,934	54,022	-609	53,413
Balance at 1 January 2023		494,956	-440,934	54,022	-609	53,413
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	38,354

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This is Tekna CEO letter Board and Management Shareholder information Board of Directors' report 2023 Financial Statements Auditors report Corporate Governance Statement Sustainability Reporting Contact Information	Arnsregnskap regnskapsår 2023 for 92537884 TEKNA ANNUAL REPORT 2023 92537884
Notes to the Consolidated Financial Statements Organization and accounting principles Organization Tekna Holding ASA ("Company") is domiciled in Norway, and with the Group's headquarters located in Sherbrooke, Canada. It manufactures products from thermal plasma processes and produces thermal plasma systems. The consolidated financial statements for financial year 2023 include the company and its subsidiaries (as a whole, referred to as the "Group"). The Company was incorporated on 30 June 2020. The Company's audited financial statements for 2023 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 applicable as of 31 December 2023. Following the admission to trading on Euronext Growth Oslo in 2021 and Oslo Stock Exchange per 1 July 2022, the Group has reported consolidated financial statements in accordance with IFRS, with the Company as the parent company, including quarterly financial statements. Significant accounting policies This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to the previous year presented, unless otherwise stated. Basis for preparation The consolidated financial statements have been prepared in accordance with International IFRS® Accounting Standards as adopted by the EU and associated interpretations, as well as Norwegian disclosure requirements pursuant to the Norwegian Accounting Act applicable as of 31 December 2023. The consolidated financial statements were approved by the board of directors on 10 April 2024. The company was incorporated on 30 June 2020 but did not have any activity before Arendals Fossekompagni ASA ("AFK") increased the share capital by contribution in kind in form of shares in Tekna Holding AS on 11 March 2021. The transaction represents a capital reorganization and is not in scope of IFRS 3 Business combinations. Management has determined that predecessor accounting best reflects the economic substance of the transaction, since AFK's ownership and control is not changed as a result of the transaction. The financial statements are based on predecessor values from Tekna Holdings Canada Inc.'s consolidated financial statements. To be able to provide relevant historical financial information, predecessor accounting is applied retrospectively, and the financial statements are therefore presented based on the assumption that the transaction was completed 1 January 2019 (opening balance for these financial statements). The financial statements have been prepared using the historical cost principle, except for financial instruments at fair value through profit or loss. The Group	recognizes changes in equity arising from transactions with owners in the statement of changes in equity. Other changes in equity are presented in the statement of other comprehensive income. Preparation of financial statements in accordance with IFRS requires the use of assessments, estimates and assumptions that influence which accounting policies shall be applied, and influence recognized amounts for assets and liabilities, revenues, and costs. Actual amounts can deviate from estimated amounts. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognized in the period in which they arise if they only apply to that period. If the changes also apply to subsequent periods, the effect is allocated over the current and subsequent periods. Accounting policies The accounting policies applied in the preparation of the consolidated financial statements are described below. In case that subsidiaries have used other principles to prepare their separate annual financial statements, adjustments have been made so the consolidated financial statements are prepared according to common policies. Principles of consolidation Business combinations The acquisition method of accounting is used to account for the acquisition of shares that lead to control over another company. The Group's consideration is allocated to identifiable assets and liabilities. These are recognized in the consolidated financial statements at fair value at the date when control is obtained. Goodwill is calculated when the consideration exceeds identifiable assets and liabilities: • The consideration transferred; plus • Any non-controlling interest in the acquired entity; plus, any gradual acquisition, the fair value of existing shareholdings in the acquired entity; less • Net value (normally fair value) of identifiable net assets included in the transaction If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase. If the business combination is achieved in stages, the investment changes classification from associated company to subsidiary, the upward adjustment of the existing shareholding at fair value is recognized as a gain in the income statement. A buy-out of non-controlling interests is considered a transaction with owners and does not require a calculation of goodwill. Non-controlling interests for such transactions are adjusted based on a proportionate share of the subsidiary's equity.

This is Tekna		CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
Notes to the Consolidated Financial Statements (- Note Organization and accounting principles—continued)									
Losses in the parent company's financial statements									
When an investment is reclassified from fair value through other comprehensive income to subsidiary or associated company, the investment's carrying amount at the time control or significant influence is obtained is used as recognized cost.									
Subsidiaries									
Subsidiaries are all entities over which the Group has control. Control exists when the investor is exposed or has rights to variable returns from its investment in the company and when it has the ability to influence the return through its power over the company. To determine the level of control, the potential voting rights that can be exercised or converted must be considered. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.									
Associated companies									
Associated companies are entities where the company and/or the Group has significant influence, but not control over financial and operational management. Significant influence is assumed to exist when the Group has between 20 per cent to 50 per cent of the voting rights in a company. The consolidated financial statements include the Group's share of the profits/losses from associated companies are accounted for using the equity method, from the date significant influence was achieved until it ceases.									
Elimination of intercompany transactions									
Intercompany transactions, balances and unrealized gains and losses on transactions between group companies are eliminated.									
Foreign currency translation									
Functional and presentation currency items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). All amounts disclosed in the consolidated financial statements have been rounded off to the nearest thousand CAD units unless otherwise stated. From the date of incorporation, the functional currency of the parent company has been determined to be Norwegian kroner (NOK) due to its ties to Arendals Fossekompagni ASA and predominantly NOK financing. With effect from 1 January 2022, the parent company changed its functional currency from NOK to CAD to reflect the Group's current financing, underlying operations and reduced ties to AFK.									
Transactions and balances									
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates, are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).									
Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognized in other comprehensive income.									
Group companies									
The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:									
- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet, - income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates, and - all resulting exchange differences are recognized in other comprehensive income. On consolidation, exchange differences arising from the translation of any net investment in foreign entities and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.									



This is Tekna		CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
Notes to the Consolidated Financial Statements (- Note Organization and accounting principles—continued)									
Revenue recognition									
Revenues from contracts with customers									
Under IFRS 15, Tekna recognizes as revenue the agreed transaction price in a contract with a customer at the time when the Group transfers the control of a distinct product or service to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. For each performance obligation identified at the inception of the contract, it is separately determined if those performance obligations are satisfied at a point in time or on an over-time basis. Revenue regarding each performance obligation is recognized when that performance obligation is satisfied. Consequently, revenue is recognized in full upon completion of a contract if it includes only one performance obligation or more than one performance obligations that are satisfied at the same time. The Group's main revenues come from the sale of metal powders and delivers plasma systems for powder production of advanced materials. There are several types of customer contracts depending on what the customer needs. Some contracts may include only one type of service while other contracts include two or more types of services, hence the transaction price will be allocated between different types of revenue depending on the performance obligation.									
Transaction price - Sale of metal powders									
The Group determines the transaction price to be the amount of consideration which it expects to be entitled in exchange for transferring the promised goods and services to the customer, net of discounts and sales related taxes. Sales related taxes are regarded as collected on behalf of the authorities. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.									
Fixed price contracts - Sale of plasma systems for powder production of advanced materials									
The Group transfers control of plasma systems over time, and therefore, satisfies a performance obligation and recognizes revenue over time. The asset has no alternative use and the entity has enforceable right to payment for performance completed to date. Revenue from manufacturing and distribution of thermal plasma systems are recorded under the percentage-of-completion method. Under this method, contract income and profits are recognized proportionally with the degree of completion of work when persuasive evidence of an arrangement exists, the sales price is fixed or determinable and collection is reasonably assured. The degree of completion is determined using the cost-to-cost method, which consists in comparing the actual costs incurred with the total expected costs.									
Contract balances									
Contract balances consist of client-related assets and liabilities. Contract assets relate to consideration for work complete, but not yet invoiced at the reporting date. The contract assets are transferred to trade receivables when the right to payment has become unconditional, which usually occurs when invoices are issued to the customers. When a client pays consideration in advance, or an amount of consideration is due contractually before transferring of the license or service, then the amount received in advance presented as a liability.									
Contract liabilities									
Contract liabilities represent mainly prepayments from clients for unsatisfied or partially satisfied performance obligations in relation to licenses and services. Contract assets are within the scope of impairment requirements in IFRS 9. For contract assets the simplified approach is applied, and the expected loss provision measured at the estimate of the lifetime expected credit losses.									
Income tax									
Income tax on the profit for the period consists of current and deferred tax. Income tax is recognized in the income statement with the exception of tax on items that are recognized directly in equity or in other comprehensive income. The tax effect of the latter items is recognized directly in equity or in other comprehensive income. Current tax is the forecast tax payable on the year's taxable income at current tax rates at the balance sheet date, and any adjustments of tax payable for previous years less tax paid in advance. Deferred tax liabilities are calculated based on the balance sheet-oriented liability method taking into account temporary differences between the carrying amount of assets and liabilities for financial reporting and tax values. The following temporary differences are not considered: goodwill not deductible for income tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries that are not expected to reverse in the foreseeable future; the provision for deferred tax is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, measured at the tax rates in force at the balance sheet date. Deferred tax assets are recognized only to the extent that it is probable that the asset can be utilized against future taxable results. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax asset will be realized. Tax assets that can only be utilized via group contributions from the parent company are not recognized until the contribution has actually been paid and is recognized in the individual companies.									

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Notes to the Consolidated Financial Statements (- Note Organization and accounting principles—continued)									
Leases The company's and the group's leases consist mainly of office space, machines, cars, IT equipment and other office machines. Assets and liabilities arising from a lease are initially measured on a present value basis. Right-of-use assets are measured at cost comprising the following: - the amount of the initial measurement of lease liability - any lease payments made at or before the commencement date less any lease incentives received - any initial direct costs, and restoration costs. Lease liabilities include the net present value of the following lease payments: - fixed payments (including in-substance fixed payments), less any lease incentives receivable - variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date - amounts expected to be payable by the group under residual value guarantees - the exercise price of a purchase option if the group is reasonably certain to exercise that option, - and payments of penalties for terminating the lease, if the lease term reflects the group exercising that option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.									
Impairment of assets Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an as-									
set's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.									
Cash and cash equivalents For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.									
Trade receivables Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognized at fair value. They are subsequently measured at amortized cost using the effective interest method, less loss allowance. See note 8 for further information about the group's accounting for trade receivables.									
Inventories Raw materials and stores, work in progress and finished goods are recognized at the lower of cost and net realizable value. Net realizable value is the estimated sales price in ordinary operations, less the estimated costs for completion and sales costs. Cost is based on an average historical cost for raw material and include costs incurred upon procurement of goods and the costs of bringing them to their present condition and location. For finished goods and work in progress, cost is calculated as a share of the indirect costs based on normal utilization of capacity.									
Financial instruments									
Non-derivative financial instruments Non-derivative financial instruments consist of investments in debt and equity instruments, trade receivables, cash and loans, trade payables and other debts.									
Trade and other receivables that fall due in less than three months are not discounted. Non-derivative financial instruments are measured on initial recognition at fair value plus any directly attributable transaction costs. After initial recognition, the instruments are measured as described below.									



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Intangible assets									
Other intangible assets and development									
Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognized as intangible assets where the following criteria are met:									
- it is technically feasible to complete the product so that it will be available for use - management intends to complete the product and use or sell it - there is an ability to use or sell the product - it can be demonstrated how the product will generate probable future economic benefits - adequate technical, financial and other resources to complete the development and to use or sell the product are available, and - the expenditure attributable to the product during its development can be reliably measured.									
Directly attributable costs that are capitalized as part of the product include employee costs and an appropriate portion of relevant overheads. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.									
Development expenditure that does not meet the criteria above are recognized as an expense incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.									
Amortizations methods and periods Refer to note 11 for details about amortization methods and periods used by the group for intangible assets.									
Trade and other payables									
These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.									



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Borrowings									
Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.									
Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.									
Pensions									
For defined contribution plans, the group pays contributions to publicly or privately administered pension plans. The group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.									
Share-based compensation									
For share-based compensation by equity instruments granted that do not vest until the employee completes a specified period of service, it is assumed that the services to be rendered as consideration for the equity instruments will be received in the future, during the vesting period. Such services are accounted for as they are rendered by the employee during the vesting period, with a corresponding increase in equity.									
Government Grants									
Government grants are recognized when there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. The grants related to an expense are presented as other revenues, not against the expense. The grants related to fixed assets or intangible assets are recorded against the cost on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset. The grant is recognized in the income statement over the useful life of a depreciable asset as a reduced depreciation.									
Contributed equity									
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction, net of tax, from the proceeds. On the repurchase of treasury shares, the purchase amount including directly attributable costs are recognized as a change in equity. Purchases of shares are classified as treasury shares and reduce total equity. When treasury shares are sold, the received amount is recorded as an increase in equity, and the subsequent gain on the transaction is recognized in share premium.									
Dividends									
Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.									
Earnings per share									
Basic earnings per share is calculated by dividing:									
- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares by - the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares (note 19)									
- Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: - the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and - the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.									
Segment information									
The Chief Operating Decision Maker (CODM) assesses the financial performance and position of the Group and makes strategic decisions. The internal financial reporting to the CODM is on a consolidated basis. As a result, the Group has only one reportable segment. The CODM is identified as the Board of Directors.									



Notes to the Consolidated Financial Statements (continued)

Note 1 Research and development

Amounts in CAD 1000		2023	2022
Salaries		1,711	1,850
Materials and other costs		836	1,135
R & D Tax credits		-161	-253
Research and Development costs		2,386	2,732
Less: development capitalized		-428	-532
Research expensed		1,958	2,200

Note 2 Revenue from contracts with customers

Accounting principles and information related to external customers are described in the Organization and accounting principles. There was one customer that represented 17.7 per cent or more of the Group's total revenues on an annual basis in 2023.

Disaggregation of revenue from contracts with customers

2023		Systems & Equipment			Total	
Amounts in CAD 1000						
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 per geographical area:						
North America	8,914	10,118	515	244	19,791	
Europe	2,599	11,873	515	245	15,233	
Asia	2,164	3,700	-	-	5,864	
Total	13,677	25,692	1,030	489	40,888	

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Note 3 Other income										
Accounting principles and information related to grants and other income are described in the Accounting Principles.										
Disaggregation of other income										
Amounts in CAD 1000										
Grant		2023		2022						
		1,001		755						
Gain/loss disposals		-9		12						
Other		-		-						
Other Income		991		767						
Note 4 Remuneration and employee benefits										
Amounts in CAD 1000										
Salaries		2023		2022						
		16,853		16,903						
Social security contributions		2,857		2,721						
Pension costs		504		438						
Other benefits		641		738						
Capitalized as development, inventories etc.		-3,712		-4,791						
Total employee benefit expenses		17,143		16,009						
Average number of full time employees		218		219						
Note 5 Other operating expenses										
Amounts in CAD 1000										
Maintenance equipment & buildings		2023		2022						
		807		831						
Marketing, travel and representation costs		1,439		1,616						
Consultants and professional fees		1,071		5,717						
IT costs		1,217		1,482						
Bad debts		4,033		33						
Manufacturing overhead costs		1,680		1,156						
Total operating expenses		10,248		10,835						
Remuneration to auditor										
Amounts in CAD 1000										
Statutory audit		2023		2022						
		356		374						
Other assurance services		38		261						
Tax advisory		20		30						
Other non-audit services		5		22						
Total remuneration to auditor		420		687						

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Notes to the Consolidated Financial Statements (continued)

Note 6 Income tax

Amounts in CAD 1000		2023	2022
Tax payable on ordinary income		303	114
Adjustment for previous years		-	-
Current tax expense		303	114
Deferred tax expense		1,163	-
Total tax expense in the income statement		1,467	114
Reconciliation of effective tax rate			
Profit / (loss) before income tax		-13,543	-22,404
Tax based on current ordinary tax rate		-3,589	-5,937
Effect of non-deductible expenses		357	29
Effect of unrecognised tax loss carryforward		4,725	5,908
Effect of changed tax assessments for previous years		-26	114
Total tax expense		1,467	114

Effective tax rate

-10.83%

-0.51%

Amounts in CAD 1000		2023		Assets	Liabilities	Net asset
Property, plant and equipment				236	-	236
Intangible assets				-	-1,207	-1,207
Other items				29	-	29
Tax loss carryforward				20,192	-	20,192
Unrecognised tax assets				-20,192	-	-20,192
Recognised tax loss carryforward				942	-	942
Deferred tax asset/liability				1,207	-1,207	-0
Offsetting of assets and liabilities				-	-1,163	-1,163
Net deferred tax asset/liability				1,207	-2,370	-1,163

Amounts in CAD 1000		2022		Assets	Liabilities	Net asset
Property, plant and equipment				-	-208	-208
Intangible assets				-	-1,216	-1,216
Other items				719	-	719
Tax loss carryforward				25,254	-	25,254
Unrecognised tax assets				-24,549	-	-24,549
Recognised tax loss carryforward				705	-	705
Deferred tax asset/liability				1,424	-1,424	0
Offsetting of assets and liabilities						
Net deferred tax asset/liability				1,424	-1,424	0



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Note 7 Inventories									
Inventory stock									
Amounts in CAD 1000									
		2023		2022					
Raw materials		10,336		10,840					
Work in progress		386		712					
Finished goods		6,886		9,039					
Total inventories (net after provision for obsolescence)		17,607		20,592					
Provision for obsolescence related to finished goods									
Amounts in CAD 1000									
		2023		2022					
Balance at 1 january		4,996		3,648					
New provisions recognised during the year		3,055		2,218					
Provisions reversed		-3,313		-871					
Balance at 31 December		4,737		4,996					
Provision slow moving									
When producing powder of a specific alloy, the process generates a distribution of size fractions, which are dedicated to various markets and applications. Some of the size fractions could accumulate in inventory, depending on the demand and on the level of market penetration. A provision for slow moving inventory is recorded by Tekna following a periodic review of historical sales data for each fraction as well as the growth rate of sales and order intake. The provision could fluctuate depending on the level of inventory and the historic performance of sales.									
Note 8 Trade and other receivables									
Trade receivables									
Amounts in CAD 1000									
		2023		2022					
Trade receivables from contracts with customers		9,930		5,676					
Loss allowance		-4,075		-42					
Total		5,855		5,634					
Other receivables									
Amounts in CAD 1000									
		2023		2022					
Indirect Tax Receivable		363		599					
Refundable deposit on Raw material		489		703					
Grant and Investment tax credit receivable		167		440					
Loan to employees		934		-					
Prepaid Expenses		585		505					
Total		2,538		2,246					
Total trade and other receivables		8,394		7,880					
Write-down *									
Amounts in CAD 1000									
		2023		2022					
Balance at 1 january		-42		-26					
New write-downs recognised during the year		-4,033		-38					
Write-downs reversed		-		22					
Balance at 31 December		-4,075		-42					
*For more information about credit risk and write-downs, see note 15.									
Tekna made a provision of CAD 4.0 million in the fourth quarter 2023 related to one joint venture. This provision for bad debt on receivables is considered non-recurring. The expense is excluded from Tekna's Adjusted EBITDA and has no cash effect. The 50/50 joint venture was established with a business partner in 2020 to produce and market nickel alloy powders. The entry into this market has proven less profitable than anticipated due to the market conditions, and the joint venture has been loss making since the inception. The losses have been funded by the joint venture partners. Tekna has reported its share of these losses, accumulated total of CAD 5.6 million, as loss on associated company. Even though no formal decision has been made by the joint venture partners, Tekna considers it unlikely that the business activities of the joint venture will continue unchanged. Tekna expects that the contemplated changes will have a positive impact on cash flow going forward.									
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Notes to the Consolidated Financial Statements (continued)

Note 9 Cash and cash equivalents

Amounts in CAD 1000	2023	2022
Total cash at bank	10,148	11,364
Restricted cash	-	-

Note 10 Property, plant and equipment

Property, plant and equipment is recognized at historical cost less depreciation. Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

Asset	Period	Asset	Period
Building	25 years	Permanent systems incl. development cost	10 years
Equipment incl. development cost	5-8 years	Right-of-Use (RoU) assets	5-8 years
Mobile Infrastructure incl. development cost	25 years		
Amounts in CAD '000			
		Vehicles, machinery and equipment	Total
2023		Buildings and land	RoU assets
Year ended 31 December 2023			
Cost at 1 January 2023		21,200	3,115
Additions, net of tax credits & Translation adjustments		7,549	356
Grants		-799	-195
Disposal		-41	-
Cost at 31 December 2023		27,909	3,471
Accumulated depreciation at 1 January 2023			
Depreciation		11,106	1,525
Disposal		1,928	605
Translation adjustments		-31	-
		28	6
Accumulated depreciation at 31 December 2023		13,031	2,131
Carrying amount at 31 December 2023		14,878	1,340

	2022	Vehicles, machinery and equipment	Buildings and land	RoU assets	Total
<i>Amounts in CAD 1000</i>					
Year ended 31 December 2022					
Cost at 1 January 2022		18,429	11,811	1,132	31,372
Additions, net of tax credits &					
Translation adjustments		3,830	758	1,983	6,571
Grants		-1,059	-109	-	-1,168
Disposal		-	-	-	-
Cost at 31 December 2022		21,200	12,460	3,115	36,775
Accumulated depreciation at 1 January 2022		9,735	4,363	701	14,799
Depreciation		1,414	569	823	2,806
Translation adjustments		-43	-28	1	-70
Accumulated depreciation at 31 December 2022		11,106	4,904	1,525	17,535
Carrying amount at 31 December 2022		10,094	7,556	1,590	19,240

Notes to the Consolidated Financial Statements (continued)

Note 11 Intangible assets

Amounts in CAD 1000		2023			2022		
		Technologies	IP and licenses	Development	Total		
Year ended 31 December 2023							
Cost at 1 January 2023		10,767	4,978	2,466	18,211		
Additions, net of tax credits		-	235	193	428		
Grants		-	-1	-49	-50		
Cost at 31 December 2023		10,767	5,212	2,610	18,589		
Accumulated amortization at 1 January 2023		6,820	2,507	347	9,674		
Amortization		718	278	134	1,130		
Disposal		-	-	-	-		
Accumulated amortization and impairment at 31 December 2023		7,538	2,785	481	10,804		
Carrying amount at 31 December 2023		3,230	2,427	2,129	7,785		

Intangible assets are recognized at historical cost less amortization. Amortization is calculated using the straight-line method to allocate the cost over their estimated useful lives. Intangible assets with definite useful life consists of acquired technology, internally generated intangible assets arising from development costs as well as licenses for software. Useful life varies between four and ten years.

If there are indications of impairment for the intangible assets with defined useful life, an impairment test performed. For 2023, there are no such indications.

Development cost is recognized as an asset when it is identifiable and the company has the power to obtain the future economic benefits following from the underlying resource and to restrict the access of others to those benefits.

Amounts in CAD 1000		2022			2021		
		Technologies	IP and licenses	Development	Total		
Year ended 31 December 2022							
Cost at 1 January 2022		10,767	4,689	2,268	17,724		
Additions, net of tax credits		-	311	221	532		
Grants		-	-22	-23	-45		
Cost at 31 December 2022		10,767	4,978	2,466	18,211		
Accumulated amortization at 1 January 2022		6,102	2,248	157	8,507		
Amortization		718	259	190	1,167		
Disposal		-	-	-	-		
Accumulated amortization and impairment at 31 December 2022		6,820	2,507	347	9,674		
Carrying amount at 31 December 2022		3,948	2,471	2,119	8,537		

Estimated useful lives	15 years	15 years	10 years
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Note 12 Non-current receivables									
Amounts in CAD 1000									
Loan to employees				2023	2022				
R&D Tax Credit Receivable				-	933				
Total non-current receivables				4,531	4,406				
Total non-current receivables				4,531	5,339				
Note 13 Leases									
This note provides information for leases where the group is a lessee.									
Amounts recognised in the balance sheet									
The balance sheet shows the following amounts relating to leases:									
Amounts in CAD 1000									
Total right-of-use assets				2023	2022				
Total right-of-use assets				1,340	1,590				
Current lease liabilities				595	459				
Non-current lease liabilities				773	1,161				
Total lease liabilities				1,369	1,620				
Amounts recognised in the statement of income									
The statement of income shows the following amounts relating to leases:									
Amounts in CAD 1000									
Total depreciation charge right-of-use assets				2023	2022				
Total depreciation charge right-of-use assets				605	823				
Interest expense				68	77				
The group has no variable rate leases. Expenses in the statement of income related low value leases are immaterial to these financial statements.									
Note 14 Trade payables and other current liabilities									
Amounts in CAD 1000									
Trade payables				2023	2022				
Trade payables				4,875	7,852				
Other current liabilities				2,860	2,189				
Total				7,735	10,041				
Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.									
Specification of other current liabilities									
Amounts in CAD 1000									
Accrued expenses and other current liabilities				2023	2022				
Accrued expenses and other current liabilities				2,860	2,059				
Total				2,860	2,059				

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Notes to the Consolidated Financial Statements (continued)																					
Note 15 Financial risk and financial instruments																					
This note explains the group's exposure to financial risks and how these risks could affect the group's future financial performance. Current year profit and loss information has been included where relevant to add further context. Tekna operates on an international level, and produces spherical powders and nano powders, and delivers plasma systems for powder production of advanced materials. The Group's metal powders and plasma systems are produced for and delivered to a number of industrial sectors, such as aviation, aerospace, medical, mining and drilling, energy storage and microelectronics, and are delivered to its customers worldwide. The Group is headquartered in Canada and operates manufacturing centres in Canada and France, as well as sales and distribution offices in China and South Korea.																					
Climate risk																					
The most material climate risks in the short and medium term are physical risks in the supply chain and in Tekna's own operations. There is a risk of extreme weather events impacting Chinese suppliers and their ability to supply Tekna with titanium and nickel. Also, higher temperatures put the health and safety of workers in China at risk. Physical climate risks might also impact goods transportation. In the medium and long term, physical risks might impact where the company considers establishing new production locations.																					
Market risk																					
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.																					
Currency risk																					
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises when financial assets or financial liabilities are denominated in a currency other than the Company's functional currency. The foreign exchange rate risk for the Group relates to the fact that the Group's business transactions, operations and sales are made in several currencies, including Canadian dollar (CAD), U.S dollar, euro, Chinese Yuan, Indian rupee, South Korean won. Unfavourable fluctuations in exchange rates could have an adverse effect on the Group's business, financial positions and profits.																					
Interest rate risk																					
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed interest rate instruments subject the Company to fair value risk while floating rate instruments subject it to cash flow risk. As at December 31, 2023, the Company's exposure to interest rate risk is as follows: <table><tr><td>Cash:</td><td>Floating rate</td></tr><tr><td>Accounts receivable:</td><td>Non-interest bearing</td></tr><tr><td>Bank loan:</td><td>Floating rate</td></tr><tr><td>Accounts payable and accrued liabilities:</td><td>Non-interest bearing</td></tr><tr><td>Obligations under capital leases:</td><td>fixed rate of 8,99%</td></tr><tr><td>Long-term debt:</td><td>Floating rate on loans totalling CAD 22m and non-interest bearing on other loans</td></tr></table>										Cash:	Floating rate	Accounts receivable:	Non-interest bearing	Bank loan:	Floating rate	Accounts payable and accrued liabilities:	Non-interest bearing	Obligations under capital leases:	fixed rate of 8,99%	Long-term debt:	Floating rate on loans totalling CAD 22m and non-interest bearing on other loans
Cash:	Floating rate																				
Accounts receivable:	Non-interest bearing																				
Bank loan:	Floating rate																				
Accounts payable and accrued liabilities:	Non-interest bearing																				
Obligations under capital leases:	fixed rate of 8,99%																				
Long-term debt:	Floating rate on loans totalling CAD 22m and non-interest bearing on other loans																				
Price risk																					
The Group's business is subject to price risk. There is no guarantee that the Group will be able to obtain the expected prices for its metal powders and plasma systems, and any change in the market conditions, including in the global technology and powder markets or in a specific regional and/or end markets in which the Group operates, could lead to lower sales prices or volumes of the Group's products and systems. As expected prices for products and systems are not obtained or the Group experiences lower sales volumes, this may adversely impact the Group's business, financial position and profits.																					
Liquidity risk																					
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is exposed to liquidity risk mainly in respect of its accounts payable and accrued liabilities, and long-term debt. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The group maintains flexibility in funding by maintaining available liquidity under committed credit lines. Management monitors rolling forecasts of the group's liquidity reserve (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.																					
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Note 16 Borrowings									
This note provides information on the contractual terms of the Group's interest-bearing loans and borrowings. For more information on the Group's interest rate risk and foreign exchange risk see Note 15.									
On April 11th, 2023, a CAD 25 million term loan facility with three tranches was made available for Tekna until June 2024 by Arendals Fossekompani ASA. The loan facility agreement provides financing through three tranches of CAD 10, 10 and 5 million, where each tranche is a loan with 3 years duration. This represents a total amount of CAD 25 million. The interest on the loan is accrued and added to the principal of the loan at the end of each interest period (payment in kind), and it is based on a 300 bps margin on top of the Canadian interbank rate 3-months CDOR.									
As of December 31st, 2023, Tekna had drawn CAD 20 million under this loan agreement with Arendals Fossekompani ASA.									
Tekna Holding ASA has complied with the financial covenants of its borrowing facilities at year end 2023. The credit limit on the bank credit facilities is CAD 4 million and USD 0.75 million.									
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The table below reconciles the movement in financial liabilities to cash flow from financing activities.

Amounts in CAD 1000	Borrowings		Lease liabilities		Bank loan (ST)		Total financial liabilities	
	2023	2022	2023	2022	2023	2022	2023	2022
Balance at 1 January	4,651	3,978	1,620	462	1,197	3,733	7,468	8,173
New loan	22,140	1,286	351	2,031	-	-	22,492	3,317
Cash Flow - repayment	-839	-263	-565	-873	-1,197	-2,536	-2,601	-3,672
Non cash changes								
FX variation loss (gain)	-	-	-38	-	-	-	-38	-
Conversion to equity	-	-	-	-	-	-	-	-
Amortization	-1,234	-640	-	-	-	-	-1,234	-640
Debt accretion on long-term debt	345	290	-	-	-	-	345	290
Total debt	25,064	4,651	1,369	1,620	-	1,197	26,433	7,468
Short-term portion	-402	-532	-595	-459		-1,197	-997	-2,188
Balance long-term portion at 31 December	24,662	4,119	773	1,161	-	-	25,435	5,280

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Amounts in CAD 1000		2023	2022
Loans secured by pledged assets			
Building and land			1,144
Machinery and equipment		1,075	-
Universality of movable and immovable property, tangible and intangible, current and future		-	983
Total non-current borrowings secured by pledged assets		2,058	2,362

Note 18 Share information

At 31 December 2023 there were 125 227 346 ordinary shares each with a par value of NOK 2.00. They entitled the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

There were no paid out dividends in 2023.

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Note 19 Earnings per share

Basic earnings per share are based on profit attributable to the equity holders of the parent and the weighted average number of outstanding ordinary shares.

Amounts in CAD 1000		2023	2022
Net profit for the year		-15,009	-22,517
Attributable to non-controlling interests		-587	-829
Attributable to ordinary shares		-14,422	-21,688
Weighted number of ordinary shares, basic and diluted		125,227,346	125,227,346
Number of shares end of period		125,227,346	125,227,346
Basic and diluted earnings per share		-0.12	-0.17

Note 20 Investment in joint ventures

The Imphytek Powders S.A.S. joint venture is owned in equal parts by the Group (IPE; Tekna Plasma Europe S.A.S.) and Aperam. The business is organized as a company with limited liability corresponding to Norwegian corporations. Guidelines for the operation of companies are based on the shareholders agreement. According to the shareholder agreement it is required unanimity between the parties for making decisions about relevant activities. Accordingly, participants in the companies have joint control over the activities. The Group's responsibility as a participant in Imphytek Powder S.A.S. is limited to the capital contribution, and the return equals the Group's share of profit. Thus, the group as a participant is entitled to the arrangements on assets.

The investments in joint ventures are accounted for according to the equity method.

Entity	Country	Activities	Ownership interest
Imphytek Powders S.A.S.	France	Production of powders	50%

Based on an overall assessment where the size and complexity is taken into consideration Imphytek Powders S.A.S. is considered to be significant joint ventures. Further information regarding this company is disclosed below.

Amounts in CAD 1000		Imphytek Powder S.A.S.
Book value 31.12.2021		1,231
Book value as at 01.01.2022		1,231
Share of profit after tax 2022		-1,509
Investment during the period		680
FX variations		177
Book value 31.12.2022		579
Book value as at 01.01.2023		579
Share of profit after tax 2023		-608
Investment during the period		29
FX variations		-
Book value 31.12.2023		-

The company has no observable market value in form of market price or similar.

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Description of the business

Imphytek Powders S.A.S. has its headquarters and operations in Mâcon, France. The company is combining Aperam's expertise in Nickel & Specialty Alloys with Tekna's unique wire plasma atomization technology. The joint venture has the exclusive right to sell nickel alloy powder in Europe, and benefits from all market and product developments made by Tekna and Aperam in the past years. The company's main activities are the production of high-performance powder for advanced manufacturing technologies. The company is organized as a company with limited liability similar to Norwegian private limited liability companies, and the company is not publicly traded. The company is a strategically important company in the business segment Advanced Materials.

Imphytek Powders S.A.S. has no contingent liabilities or capital commitments as of 31.12.2023. The partners have an agreement with Imphytek Powders S.A.S. that profits of the company will not be distributed until it has the consent of both partners. The partners have not given consent at the reporting date.

The table on the right shows the condensed financial information of the joint venture, based on 100% ownership.

The values are tested annually for impairment. In this testing each segment/subgroup is assessed as a cash generating unit. The recoverable amount is estimated based on value in use. Estimated value in use is based on discounted future cash flows. This measures the cash flows based on market requirements of return and risk. Value in use for 2023 has been calculated in the same way as in 2022. Impairment tests are made based on budgets and long-term strategic plans, as approved by the Board, or otherwise with the best estimate using the information available at the time. In addition, a growth rate of 3.1% is applied in line with 10-year government bond yields, and a terminal value is applied based on the same growth rate. A size premium of 3.7 % was used in the calculations.

The Required Rate of Return (WACC before tax) for the investment in the joint venture has been set to 13%. The risk-free rate of return has been set to 3.1%. When calculating the WACC consideration is given to the fact that the company's earnings are mainly in EUR.

The cash-generating unit in the impairment testing suggests impairment of all the intangible assets in its entirety by 1 163 thousand, due to lack of profitability and low probability of future profits with excess cash generation. A sensitivity analysis based on a unilateral change in estimated future EBITDA does thus not change the conclusion. Reasonable changes in the assumptions will not result in additional impairment losses.

Imphytek Powders S.A.S.

The joint venture has the same reporting period as the Group.

Amounts in CAD 1000	2023	2022
Total revenue	1,645	1,447
Depreciations	-1,347	-174
Interest income	-	-
Interest expenses	-51	-41
Tax expenses	-	-
Profit	-5,085	-3,110
Other income and expenses	-	-
Comprehensive income	-	-
The Groups share of comprehensive income	50%	50%
Current assets	5,339	4,228
whereof cash and cash equivalents	1,658	995
Non-current assets	1	-
Current liabilities	8,178	2,966
Long-term liabilities	4,397	4,374
Equity	-7,235	-1,166

Notes to the Consolidated Financial Statements (continued)

Note 21 Subsidiaries

Company	Ownership held by the group	Ownership held by the non-controlling interests	Domicile
Tekna Holdings Canada Inc.	96.54%	3.46%	Canada
Tekna Plasma Systems Inc.	96.54%	3.46%	Canada
Tekna Advanced Materials Inc.	96.54%	3.46%	Canada
Tekna Plasma Europe S.A.S.	96.54%	3.46%	France
Tekna Plasma Systems Suzhou Co. Ltd.	96.54%	3.46%	China
Tekna Plasma India Pr. Ltd.	96.54%	3.46%	India
Tekna Inc.	96.54%	3.46%	USA
Tekna Plasma Korea Co. Ltd.	96.54%	3.46%	South Korea

Note 22 Related parties

At year end Arendals Fossekompagni ASA (AFK) owned 87,989,644 shares, representing 70.26 % of the total number of shares in Tekna.

See table on the next page.

The CEO's period of notice is eight (8) weeks, with a period of pay of twelve (12) months after termination of employment if the CEO is dismissed by the company. The other members of the Group Executive have a period of notice varying from four (4) weeks to eight (8) weeks.

The purpose of Tekna's compensation and benefits policy is to attract personnel with the competence that the Group requires, develop and retain employees with key expertise and promote a long-term perspective and continuous improvement supporting achievement of Tekna's business goals. The general approach adopted in Tekna's policy is to pay fixed salaries and pensions in line market prices, while offering variable pay linked to results for bonus.

- a) Fixed elements
- b) Variable elements – annual bonus

Executives in Tekna participate in the Group's central annual bonus program. The program has a maximum ceiling of 25% of the executive's fixed salary and 35% for CEO. The basis for bonus payments is based on financial targets and performance strategic KPIs. In addition, the Group has share-based incentive program described in (c) below.

- (c) Shared incentive program

On February 18, 2021, the Board of Directors of the Company resolved to establish a share incentive program for key employees of the Company. The share incentive program is based on a structure in which certain members of the Company's Management and management of the Portfolio Companies are offered the opportunity to subscribe for Shares in Tekna Holdings Canada Inc., and where the Company will provide partial financing of their subscription of Shares under the share incentive program. The total number of Shares included in the share incentive program of Tekna Holdings Canada Inc is 3,482,408. As part of the share incentive program, the key employees purchased Shares subject to a lock-up undertaking of 36 months following the date of the purchase of the Shares. The company has originally provided full loan financing of the purchase price of the Shares under the share incentive program, for a total of CAD \$1.3 million. As of December 31, 2023, the loan financing balance is CAD \$0.93 million. The share incentive program is based on a structure in which certain members of the management within the Group were offered the opportunity to subscribe for Shares in Tekna Holdings Canada at fair value less a discount reflecting the lock-up period. The vested portion of the discount is reflected in as share-based compensation with an amount totalling CAD \$ 63 thousand for the executive team for 2023 as disclosed above.



Notes to the Consolidated Financial Statements (- Note 22 continued)

Board of Directors compensation 2023 and number of shares owned 31 December 2023												
Name	Title	Board of Directors remuneration	Remuneration provision	Own Holdings	Related Parties	Number of shares in Tekna Holding ASA						
Dag Teigland ^{1,2}	Chair	45,483	55,482		728,818	728,818						
Torkil Sigurd Mogstad ²	Member of Board				52,125	52,125						
Ann-Kari Amundsen Heier ²	Member of Board											
Lars Magnus Eldrup Fagernes ²	Member of Board	75,210	50,294									
Anne-Lise Meyer ³	Member of Board	64,323	40,622									
Barbara Thierart Perrin ⁴	Member of Board		40,622									
Kristin Skau Åbyholm ⁵	Member of Board				3,686,745	3,686,745						
Total		185,016	187,021	-	-	4,467,688	4,467,688					
Name	Title	Fixed salary	Paid bonus	Pension	Share-based compensation	Other benefits	Number of shares in Tekna Holdings Canada Inc	Loan from Tekna Plasma Systems Inc.	Own Holdings	Related Parties	Number of shares in Tekna Holding ASA	
Luc Dionne	CEO	335		3	21	38	588,576	169,859				
Espen Schie	CFO	284		11		34				379,990	379,990	
Other executive management		1,055	25	50	42	44	1,177,152	395,493				

Board of Directors remunerated corresponds to fees paid in the period, as elected. For Dag Teigland the fees paid were for the period October 2022 until April 2023, for Anne Lise Meyer for the period May 2022 until April 2023 and for Barbara Thierart Perrin for the period April 2022 until April 2023.

Board of Directors remuneration provision corresponds to accrued provisions for fees, for the period May 2023 until December 2023.

*1 Dag Teigland elected from October 2022, representing Tibidabo Industrier AS with 52,000 shares and Tibidabo Invest AS with 676,818 shares. On 22 May 2023, Dag Teigland bought, through his wholly owned company Tibidabo Invest AS, 678,818 shares from Arendals Fossekompani ASA, with a 20% discount against a lock-up period of 3 years.

*2 Representing Arendals Fossekompani ASA with 87,989,644 shares. Lars Magnus Eldrup Fagernes elected from May 2023. Ann-Kari Amundsen Heier from December 2023. Morten Henriksen resigned from the Board January 2023.

*3 Anne-Lise Meyer elected from May 2022.

*4 Barbara Thierart Perrin elected from April 2022.

*5 Kristin Skau Åbyholm elected from May 2023, representing 1,331,883 shares in Victoria India Fosc AS and 2,354,862 in Kvantia AS.



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Note 23 Contingent liabilities									
The Company's subsidiary and the operating company of the Group, Tekna Plasma Systems Inc., is currently involved in a dispute with AP&C Advanced Powders & Coatings Inc. regarding competing patent rights for the production of titanium powder in Canada, and more precisely to a specific patent which is part of the same patent type as one of the Group's significant patents. Proceedings were conducted and parties are waiting for the court decision. If the dispute is not resolved in favor of Tekna Plasma Systems Inc., the Group's production and sales of titanium powder in Canada may be restricted, which could have a negative effect on the Group's business operations.									
Note 24 Subsequent events									
Employee Share Purchase Plan On March 11th, 2024, the Board of Directors of Tekna Holding ASA (the "Company") has resolved to increase the Company's share capital by NOK 4 469 774 by issuing 2 234 887 new shares as part the settlement of the Company's employee share purchase plan (the "ESPP"). Under the ESPP, which was established on 18 February 2021, certain qualified employees purchased Class B Common shares in Tekna Holding Canada Inc. ("Tekna Holding Canada"). Pursuant to the terms of the ESPP, there was a three-year lock-up period on these shares. The three-year lock-up period expired on 18 February 2024 and the ESPP has been settled by way of the employees transferring the Class B Common shares in Tekna Holding Canada to Tekna Holding ASA in exchange for the issuance of new shares in Tekna Holding ASA. Following this transaction, Tekna Holding Canada is a wholly owned subsidiary of Tekna Holding ASA. Following the registration of the share capital increase with the Norwegian Register of Business Enterprises, the Company's share capital will be NOK 25 924 466 divided into 127 462 233 Shares, each with a nominal value of NOK 2. Each share carries one vote and the Company's general meeting. The new shares shall carry rights to dividends from the date on which the capital increase is registered with the Norwegian Register of Business Enterprises. The settlement of the ESPP will trigger tax for the relevant employees. To provide the employees with cash to cover payable taxes resulting from the settlement of the ESPP, Arendals Fossekompagni ASA ("AFK") has agreed to purchase a total of 540 812 shares from the employees at the volume weighted average market price the last five days prior to the expiration of the lock-up period, NOK 8,0453 per share.									
Loan In March 2024, Tekna received the third tranche of CAD 5 million loan with Arendals Fossekompagni ASA. This is the last tranche in the loan facility agreement. Further details available in note 16.									



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Balance Sheet

Amounts in CAD 1000		Note	31.12.2023	31.12.2022
Non-current assets				
Property, plant and equipment			-	-
Intangible assets			-	-
Associated companies and joint ventures			-	-
Investment in subsidiaries	4		97,500	97,500
Intercompany loans	6		74,113	67,535
Non-current receivables			-	-
Deferred tax assets			-	-
Total non-current assets			171,613	165,035
Current assets				
Inventories			-	-
Contract assets			-	-
Trade and other receivables	6		270	77
Cash and cash equivalents	5		1,419	3,975
Total current assets			1,689	4,052
Total assets			173,302	169,087

Arendal, 10 April 2024 The Board of Directors and CEO of Tekna Holding ASA

This document was electronically signed.

Dag Teigland Chair of the Board	Barbara Thierart-Perrin Member of the Board	Torkil Sigurd Mogstad Member of the Board	Anne Lise Meyer Member of the Board
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Kristin Skau Åbyholm Member of the Board	Lars Magnus Eldrup Fagernes Member of the Board	Ann-Kari Amundsen Heier Member of the Board	Luc Dionne CEO
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Amounts in CAD 1000		Note	31.12.2023	31.12.2022
Equity				
Share capital and share premium			494,956	494,956
Other reserves			-324,058	-326,022
Capital and reserves attributable to holders of the company			170,898	168,928
Non-controlling interests			-	-
Total equity			170,898	168,928
Non-current liabilities				
Borrowings			-	-
Lease liabilities			-	-
Deferred tax liabilities		3	1,163	-
Total non-current liabilities			1,163	-
Current liabilities				
Bank loan			-	-
Lease liabilities			-	-
Trade and other payables		6	625	5
Payable income tax		3	330	-
Contract liabilities			-	-
Other current liabilities			286	108
Borrowings short-term portion			-	-
Total current liabilities			1,241	159
Total liabilities and equity			173,302	169,087

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Changes in Equity

Attributable to equity holders of the Company

Amounts in CAD 1000

	Share capital and share premium	Other reserves	Total	Non-controlling interests	Total equity
Balance at 1 January 2022	494,956	-5,928	489,028	-	489,028
Profit/(loss) for the period	-	-320,100	-320,100	-	-320,100
Other comprehensive income/(loss)	-	-	-	-	-
Adjustment	-	-	-	-	-
Balance at 31 December 2022	494,956	-326,028	168,928	-	168,928
Balance at 1 January 2023	494,956	-326,028	168,928	-	168,928
Profit/(loss) for the period	-	1,970	1,970	-	1,970
Other comprehensive income/(loss)	-	-	-	-	-
Adjustment	-	-	-	-	-
Balance at 31 December 2023	494,956	-324,058	170,898	-	170,898

Cash flow

Amounts in CAD 1000

	FY 2023	FY 2022
Cash flow from operating activities	1,970	-320,100
Net profit/(loss)	1,163	-
Variation in deferred taxes	-	320,966
Impairment loss	-4,578	-2,284
Capitalized interest on intercompany loans	-1,445	-1,416
Total after adjustments to profit before income tax	-193	-55
Change in trade and other receivables	1,082	93
Change in trade and other payables	-556	-1,375
Total after adjustments to net assets	-556	-1,375
Net cash from operating activities	-556	-1,375
Cash flow from investing activities	-2,000	-28,000
Cash Flow from Internal Loans and Borrowings	-2,000	-28,000
Net cash flow from investing activities	-	-
Cash flow from financing activities	-	-
Proceeds from issue of shares	-	-
Net cash flow from financing activities	-	-
Net increase in cash and cash equivalents	-2,556	-29,375
Cash and cash equivalents at the beginning of financial year	3,975	33,35
Cash and cash equivalents at end of the period	1,419	3,975

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Notes to the Parent Financial Statements Accounting principles The financial statements comprise the statement of income, statement of financial position, statement of cash flows, and related notes. The financial statements have been prepared in accordance with the Norwegian Accounting Act §3-9 and Regulations for simplified IFRS issued by the Ministry of Finance on 10 December 2019 (generally accepted accounting principles). This means that recognition and measurement comply with International Financial Reporting Standards (IFRS) and the presentation and disclosures are in accordance with the Norwegian Accounting Act and general accepted accounting practice. All amounts are in CAD, unless otherwise stated. The financial statements give a true and fair view of the assets and liabilities, financial position, and income. When applying accounting principles and presenting transactions and other matters, emphasis is placed on economic realities, not just legal form. Contingent losses that are probable and quantifiable are expensed. Transactions are recorded at the value of the consideration at the time of execution. Revenue is recognized in the accounting period in which they are earned and associated costs are matched with revenues. Assets and liabilities that are due within one year after the balance sheet date are classified as current assets or current liabilities. Current assets and liabilities are valued at the lowest or highest value of acquisition cost and fair value. Fair value is defined as the estimated future sales price less expected sales costs. Other assets are classified as fixed assets. Corresponding principles are normally used as a basis for liability items. Use of estimates In the preparation of the annual accounts, estimates and assumptions have been applied that have affected the statement of income and the valuation of assets and liabilities, as well as doubtful assets and liabilities on the balance sheet date in accordance with generally accepted accounting principles. Areas that to a large extent contain such discretionary assessments, a high degree of complexity, or areas where assumptions and estimates are material to the financial statements, are described in the notes. Foreign currency Foreign currency transactions are translated at the exchange rate at the time of execution. Cash items in foreign currency are translated into Norwegian kroner using the exchange rate on the balance sheet date. Non-cash items measured at the historical exchange rate expressed in foreign currency are translated into Norwegian kroner using the exchange rate at the time of execution. Non-monetary items that are measured at fair value expressed in foreign currency are translated at the exchange rate determined at the measurement date. Exchange rate fluctuations are recognized in the statement of income on an ongoing basis during the accounting period under other financial income/costs. Tax Income tax expense represents the sum of the tax currently payable and deferred tax. Deferred tax is calculated at 22% percent on the basis of existing temporary differences between accounting and tax values together with tax loss carry forward at the year end. Tax-increasing and tax-reducing temporary differences that are reversed or can be reversed in the same period are offset and netted. Net deferred tax assets are recognized in the balance sheet to the extent that it is probable that this can be utilized. Non-current financial assets Fixed assets include assets intended for permanent ownership and use. Long-term receivables are carried at the nominal amount at the time of the transaction. Long-term receivables in foreign currency are carried at the balance sheet based on the exchange rate on the balance sheet date. Current assets Current assets and current liabilities normally include items that due within one year after the balance sheet date, as well as items related to the product cycle. Current assets are valued at the lower of acquisition cost and fair value. Current liabilities are carried at the nominal amount at the time of the transaction. Subsidiaries Investments in subsidiaries are evaluated at lower of cost or fair value. Any impairment losses and reversals of impairment losses are classified as net gains (loss and impairment) on financial assets in the income statement. An impairment to fair value has been recognized when impairment is due to reasons that cannot be expected to be temporary, and it is necessary in accordance with generally accepted accounting principles. Impairment losses are reversed when the basis for impairment is no longer present.									
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Notes to Parent Financial Statements (- Note Accounting Principles - continued)									
Receivables									
Trade receivables and other receivables are carried at face value after deduction of provisions for expected credit losses. Provisions for credit losses are made on the basis of a separate assessment of the individual receivables. For other accounts receivable, an unspecified provision is made to cover expected losses.									
Statement of cash flows									
The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, liquid investments.									
Note 1 Remuneration and employee benefits									
The company has no employees. Salaries and social security contributions are related to board fees.									
The company is not required to have an occupational pension scheme in accordance with Norwegian law on obligatory occupational pension ("lov om obligatorisk tjenestepensjon").									
Amounts in CAD 1000									
Salaries		2023		2022					
Social security contributions		339		103					
Pension costs		32		-					
Other benefits		-		-					
Capitalized as development, inventories etc.		-		-					
Total employee benefit expenses		371		103					
Amounts in CAD 1000									
Statutory audit		2023		2022					
Other assurance services		139		13					
Tax advisory		19		20					
Other non-audit services		-		-					
Total remuneration to auditor		158		352					

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Note 2 Other operating expenses

Amounts in CAD 1000		2023		2022	
Audit and other fees		169		1,432	
Marketing, travel and representation costs		66		1	
ICT expenses		-		-	
Other expenses		220		2	
Intercompany expenses		734		88	
Total operating expenses		1,190		1,536	
Amounts in CAD 1000		2023		2022	
Statutory audit		139		13	
Other assurance services		19		20	
Tax advisory		-		-	
Other non-audit services		-		10	
Total remuneration to auditor		158		352	

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Notes to Parent Financial Statements (continued)									
Note 7 Financial items									
Amounts in CAD 1000									
Interest income				21	20				
Currency exchange income (net)				246	50				
Interest Income, IC				4,888	2,443				
Total financial income				5,155	2,513				
Amounts in CAD 1000									
Interest expense				-	5				
Currency exchange expense (net)				126	-				
Other finance cost				6	1				
Interest expense, IC				-	-				
Impairment loss				-	320,968				
Total financial expense				132	320,974				
There was no impairment loss in 2023.									
An impairment loss of CAD 320 968 thousand was recorded in 2022. The investment in the subsidiary Tekna Holdings Canada Inc was impaired to the market value of Tekna Holding ASA, as quoted on the Oslo Stock Exchange as of Dec 31st 2022, to CAD 97.5 million. The stock had limited trading volume before this date.									
Note 8 Financial risk									
The company's operations consist of financing the operations of the subsidiaries.									
The company is exposed to various types of financial risk: market risk (including currency, interest rate and market price risk), credit risk and liquidity risk. The company is somewhat sensitive to currency exchange rate fluctuations, limited cash flows, relatively low interest rate exposure.									
Interest rate risk									
The company has loans to group companies with interest rate returns based on the 3 month EURIBOR and CDOR; see note 6.									
Returns from interest rates on bank deposits are also exposed to rate levels. The funds are deposited at floating interest rate.									
Credit risk									
The company is only exposed to credit risk on receivables from subsidiaries. The risk that counterparties do not have the financial ability to meet their obligations is considered moderate.									
Currency risk									
The company's currency exposure is related to CAD and EUR receivables from subsidiaries, as well as EU bank deposits.									
Market price risk									
The company's is mainly invested in subsidiaries and associated companies. The value of these investments to a high degree connected to the underlying operations of these companies.									
Liquidity risk									
The company is financed through a combination of bank and equity financing. See note 6 for more information on unused credit facilities.									

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Notes to Parent Financial Statements (- note 9 continued)									
Note 9 Share Capital and Shareholder Information									
Amounts in CAD 1000									
Share capital		2023		2022					
Share premium		37,277		37,277					
		451,473		451,473					
Count in 1000									
Ordinary shares		125,227		125,227					
At 31 December 2023 there were 125,227,346 ordinary shares each with a par value of NOK 2.00. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.									
Major shareholders at year-end 2023									
Arendals Fossekompani ASA		87,989,644		70.26%		NOR			
Ulfoss Invest AS		2,941,975		2.35%		NOR			
Havfonn AS		2,913,580		2.33%		NOR			
Must Invest AS		2,821,245		2.25%		NOR			
Kvantia AS		2,354,862		1.88%		NOR			
Victoria India Fund AS		1,331,883		1.06%		NOR			
Skandinaviska Enskilda Banken AB		1,290,237		1.03%		LUX			
Alpine Capital AS		1,080,029		0.86%		NOR			
Carucel Finance AS		1,073,791		0.86%		NOR			
Other		21,430,100		17.11%		Various			
Total number of shares		125,227,346		100.00%					
There were no paid out dividends in 2023.									
At year end Arendals Fossekompani ASA (AFK) owned 87,989,644 shares, representing 70.26 % of the total number of shares in Tekna.									
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Board of Directors compensation 2023 and number of shares owned 31 December 2023									
Name	Title	Board of Directors remuneration	Remuneration provision	Own Holdings	Related Parties	Number of shares in Holding AS			
Dag Teigland ¹²	Chair	45,483	55,482		728,818	728,818			
Torkil Sigurd Moogstad ²	Member of Board				52,125	52,125			
Ann-Kari Amundsen Heier ²	Member of Board								
Lars Magnus Eldrup Fagernes ²	Member of Board								
Anne-Lise Meyer ³	Member of Board	75,210	50,294						
Barbara Thierart Perrin ⁴	Member of Board	64,323	40,622						
Kristin Skau Åbyholm ⁵	Member of Board		40,622						
Total		185,016	187,021	-	3,686,745	3,686,745			
					4,467,688	4,467,688			

Board of Directors remunerated corresponds to fees paid in the period, as elected. For Dag Teigland the fees paid were for the period October 2022 until April 2023, for Anne Lise Meyer for the period May 2022 until April 2023 and for Barbara Thierart Perrin for the period April 2022 until April 2023.

Board of Directors remuneration provision corresponds to accrued provisions for fees, for the period May 2023 until December 2023.

*1 Dag Teigland elected from October 2022, representing Tibidabo Industrier AS with 52,000 shares and Tibidabo Invest AS with 676,818 shares. On 22 May 2023, Dag Teigland bought, through his wholly owned company Tibidabo Invest AS, 678,818 shares from Arendals Fossekompani ASA, with a 20% discount against a lock-up period of 3 years.

*2 Representing Arendals Fossekompani ASA with 87,989,644 shares. Lars Magnus Eldrup Fagernes elected from May 2023. Ann-Kari Amundsen Heier from December 2023. Morten Henriksen resigned from the Board January 2023.

*3 Anne-Lise Meyer elected from May 2022.

*4 Barbara Thierart Perrin elected from April 2022.

*5 Kristin Skau Åbyholm elected from May 2023, representing 1,331,883 shares in Victoria India Fund AS and 2,354,862 in Kvantia AS.

The CEO does not own shares in the company per 31 December 2023.

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Board of Directors compensation 2023 and number of shares owned 31 December 2023						
Name	Title	Board of Directors remunerated	Remuneration provision	Own Holdings	Related Parties	Number of shares in Tekna Holding AS
Dag Teigland ¹²	Chair	45,483	55,482		728,818	728,818
Torkil Siquid Moogstad ²	Member of Board				52,125	52,125
Ann-Kari Amundsen Heier ²	Member of Board					
Lars Magnus Eldrup Faegernes ²	Member of Board					
Anne-Lise Meyer ³	Member of Board	75,210	50,294			
Barbara Thierart Perrin ⁴	Member of Board	64,323	40,622			
Kristin Skau Åbyholm ⁵	Member of Board		40,622		3,686,745	3,686,745
Total		185,016	187,021	-	4,467,688	4,467,688

Board of Directors remunerated corresponds to fees paid in the period, as elected. For Dag Teigland the fees paid were for the period October 2022 until April 2023, for Anne Lise Meyer for the period May 2022 until April 2023 and for Barbara Thierart Perrin for the period April 2022 until April 2023.

Board of Directors remuneration provision corresponds to accrued provisions for fees, for the period May 2023 until December 2023.

*1 Dag Teigland elected from October 2022, representing Tibidabo Industrier AS with 52,000 shares and Tibidabo Invest AS with 676,818 shares. On 22 May 2023, Dag Teigland bought, through his wholly owned company Tibidabo Invest AS, 678,818 shares from Arendals Fossekompani ASA, with a 20% discount against a lock-up period of 3 years.

*2 Representing Arendals Fossekompani ASA with 87,989,644 shares. Lars Magnus Eldrup Faegernes elected from May 2023. Ann-Kari Amundsen Heier from December 2023. Morten Henriksen resigned from the Board January 2023.

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The CEO does not own shares in the company per 31 December 2023.

Notes to Parent Financial Statements

10 Subsequent Events

Employee Share Purchase Plan

On March 11th 2024, the Board of Directors of Tekna Holding ASA (the "Company") has resolved to increase the Company's share capital by NOK 4 469 774 by issuing 2 234 887 new shares as part the settlement of the Company's employee share purchase plan (the "ESPP"). Under the ESPP, which was established on 18 February 2021, certain qualified employees purchased Class B Common shares in Tekna Holding Canada Inc ("Tekna Holding Canada"). Pursuant to the terms of the ESPP, there was a three-year lock-up period on these shares. The three-year lock-up period expired on 18 February 2024 and the ESPP has been settled by way of the employees transferring the Class B Common shares in Tekna Holding Canada to Tekna Holding ASA in exchange for the issuance of new shares in Tekna Holding ASA. Following this transaction, Tekna Holding Canada is a wholly owned subsidiary of Tekna Holding ASA. Following the registration of the share capital increase with the Norwegian Register of Business Enterprises, the Company's share capital will be NOK 254 924 466 divided into 127 462 233 Shares, each with a nominal value of NOK 2. Each share carries one vote at the Company's general meeting. The new shares shall carry rights to dividends from the date on which the capital increase is registered with the Norwegian Register of Business Enterprises. The settlement of the ESPP will trigger tax for the relevant employees. To provide the employees with cash to cover payable taxes resulting from the settlement of the ESPP, Arendals Fossekompani ASA ("AFK") has agreed to purchase a total of 540 812 shares from the employees at the volume weighted average market price the last five days prior to the expiration of the lock-up period, NOK 8,0453 per share.

Loan

In March 2024, Tekna received the third tranche of CAD 5 million loan with Arendals Fossekompani ASA. This is the last tranche in the loan facility agreement.

Independent auditor's report



To the General Meeting of Tekna Holding ASA
Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tekna Holding ASA, which comprise:

- the financial statements of the parent company Tekna Holding ASA (the Company), which comprise the balance sheet as at 31 December 2023, the income statement, statement of other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Tekna Holding ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, the income statement, statement of other comprehensive income, changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its performance and its cash flows for the year then ended in accordance with and the application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' (IESBA) Code of Ethics for Professional Accountants (including International Independence Standards) requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (637/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 3 years from the election by the general meeting of the shareholders on 26 February 2021 for the accounting year 2021.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PrøveteknahusCoop AS, Kystveien 14, NO-4841 Arendal
T: 02316, og, no.: 997 009 113 MVA, www.pwc.no
Selskapsrevisors revisor, medlemmer av Det norske Revisorsforening og autorisert regnskapsførerselskap



The Group's business activities are largely unchanged compared to last year. We have not identified regulatory changes, transactions or other event that qualified as new Key Audit Matters for our audit of the 2023 financial statements. Furthermore, *Revenue from Construction Contracts and Inventory Valuation* have the same characteristics and risks as in the prior year, and therefore continue to be areas of focus this year.

Key Audit Matters

How our audit addressed the Key Audit Matter

Revenue from construction contracts

We obtained a sample of customer contracts and assessed the accounting treatment against the Group's accounting principles and IFRS 15 Revenue from contracts with customers. We found that the accounting treatment was consistent with the content of the contracts and that accounting principles were based on IFRS 15.

There are several reasons why we consider revenue from construction contracts a key audit matter. The Group has a significant volume of construction contracts that may have a long duration during which time the assessment of contract costs and stage of completion may be complex and subject to judgement. Furthermore, management's judgement related to construction contracts impacts several financial statement line items, and thus has a pervasive effect on the financial statement.

Note 2 and the accounting principles include additional information on the Group's construction contracts.

We obtained a sample of customer contracts and assessed the accounting treatment against the Group's accounting principles and IFRS 15 Revenue from contracts with customers. We found that the accounting treatment was consistent with the content of the contracts and that accounting principles were based on IFRS 15.

The Group has implemented controls to ensure that accounting for construction contracts reflect management's best estimates with respect to total contract cost, revenue, and stage of completion.

Estimating total project costs and calculating stage of completion requires judgement. We performed various procedures to assess whether management's judgements were reasonable, including:

- Obtained and read contract agreements, and change orders, when applicable to understand contract scope and key terms.
- Evaluated the timely identification of circumstances that may warrant a modification to the total estimated costs including, but not limited to, contracts subject to claims and contract modifications.
- Discussed with project leaders and management to evaluate progress to date, the estimate of costs to be incurred, and factors impacting the amount of time and cost to complete the project.
- Compared the original budget expected on the contract to actual.
- Compared the costs incurred and the estimated costs to complete to the original total estimated costs.

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We considered inventory valuation to be a key audit matter due to the significant net book value of inventory and because estimating net realizable value is subjective, including slow-moving inventory. It is subject to significant management judgement. Leading to a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence relating to the estimate. Addressing the matter by performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements.

We found that assumptions used, and judgements made by management were reasonable. We also read the disclosures in note 7 and found it to be appropriate.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with FRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as Management deems necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Independent auditor's report (continued)									
 As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: • identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control. • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. • conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view. • obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion. We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied. From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about a matter or when in extremely rare circumstances, we determine that a matter should not be disclosed in our report because the disclosure of doing so would reasonably be expected to outweigh the public interest benefits of such communication.									
 Report on Other Legal and Regulatory Requirements <i>Opinion</i> As part of the audit of the financial statements of Tekna Holding ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name Tekna Annual Report 2023 zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and XBRL tagging of the consolidated financial statements. In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation. <i>Management's Responsibilities</i> Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary. <i>Auditor's Responsibilities</i> For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see https://revisorsforeningen.no/teknasberetning/. Arendal, 10 April 2024 PricewaterhouseCoopers AS  Lars Ole Lindel State Authorised Public Accountant									



Tekna Holding ASA

Corporate Governance

Report 2023

(part of Annual Report Tekna Group)

January 1—December 31

Corporate Governance Report

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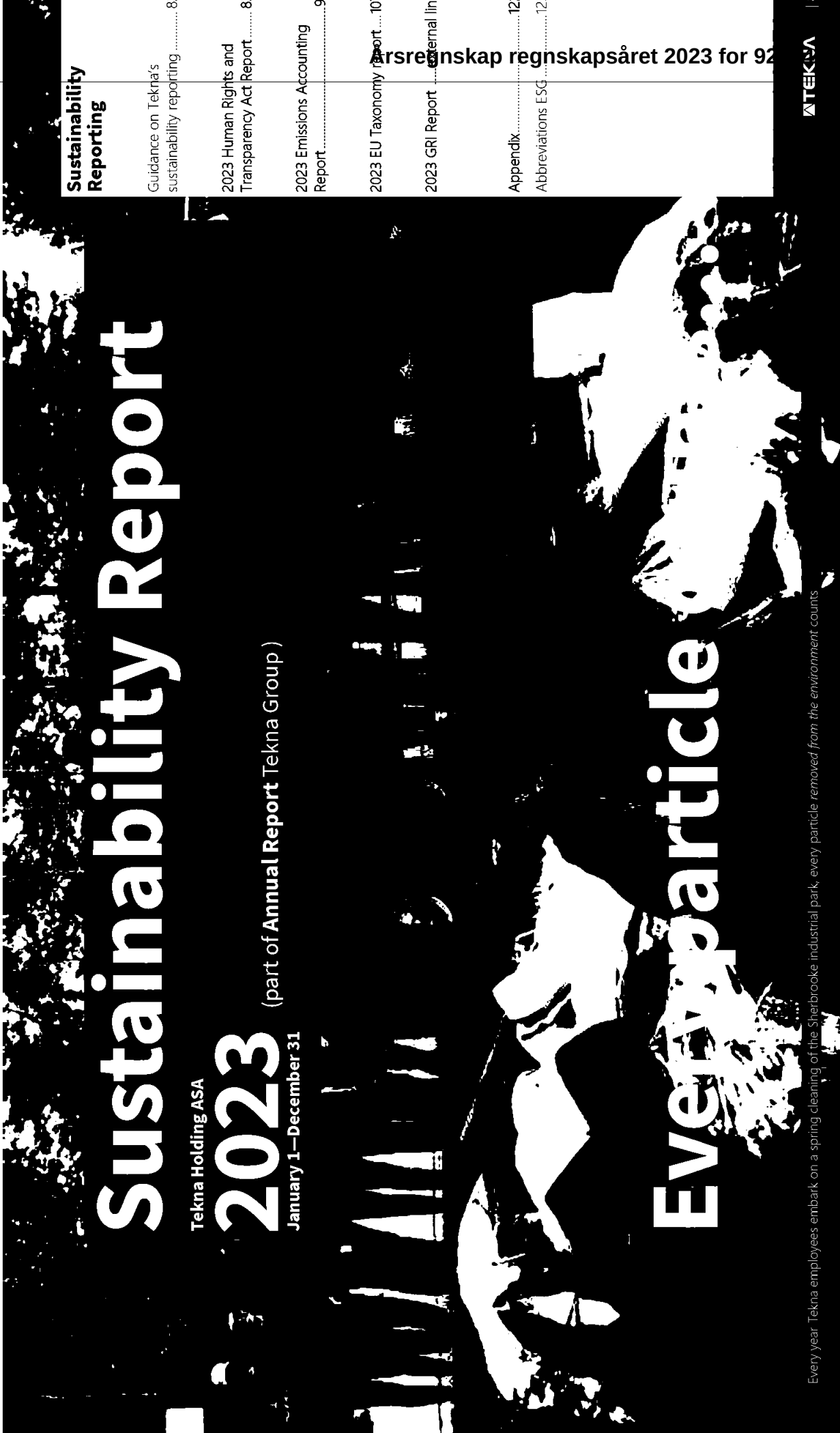
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Corporate Governance report Tekna aims to maintain high standards for corporate governance. In the Company's opinion, good corporate governance is an important condition for value creation. Tekna Holding ASA's (the "Company") corporate governance defines the business framework within which all activities in the Company should operate and clarifies the roles and responsibilities between governing bodies in the Company. The Company is subject to corporate governance reporting requirements as defined in the Norwegian Accounting Act, section 3-3b and the Norwegian Code of Practice for Corporate Governance (the "Code") available at www.nues.no. The Board of Directors' Statement of Corporate Governance follows the structure of the Code. This report provides an overview of how Tekna follows the 15 points set out in the Code and the deviations from the Code in Tekna's operations. This report should be viewed in conjunction with all the measures relating to corporate governance detailed in the Company's annual report 2023. 1. Implementation and reporting on corporate governance Our governance structure The Board has the overall responsibility for ensuring that the Company has a high standard of corporate governance. The Board has adopted a corporate governance policy document (the "Policy"). This Policy describes the Company's main principles for corporate governance and addresses the framework of guidelines and principles regulating the interaction between the Company's shareholders, the Board of Directors, the Chief Executive Officer (the "CEO") and the Tekna Group senior management (the "Executive Leadership Team"). The Company is a holding company, and the operations of the Tekna group of Companies are carried out through the operating subsidiaries of the Company (the "Tekna Group"). The Policy is based on the Code, the Company's goal is to act in accordance with every recommendation in the Code. The Board and Executive Leadership Team perform an annual assessment of its principles for corporate governance. The Board members and the Executive Leadership Team are requested once a year to complete a Directors and Officers compliance questionnaire, disclosing any conflicts of interest. Board of Directors Chair CEO Executive Leadership Audit Committee Ethics and Compliance Committee External Assurance (Auditors) Internal Audit (to be created) Occupational Health & Safety Management Committee (ORD) Executive Leadership Occupational Health & Safety Committee Employee Committee (CORE) Environmental Committee Code of Conduct for suppliers and for employees In 2021 Tekna has developed the supplier code of conduct ("sCoC") and the employee code of conduct ("eCoC"). The sCoC, signed off by the CEO in August 2021, gives clear guidance to our employees and business partners that we expect clean, transparent and fair business dealings.									
The employee code of conduct was signed off at the most senior level by the Board of Directors of Tekna on February 8, 2022 as part of the corporate code of governance. Both documents can be found here: www.tekna.com/esg. <u>Deviations from the Code of Practice:</u> None 2. The business The Company business is to conduct business development, including investments, and to be co-owner of other companies. The Company is the owner of the Tekna Group. The Tekna Group's core business is to produce 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. The Board has prepared clear goals, strategies, and a risk profile for the Company. The Company has guidelines for how it integrates the interests of the society at large into its value creation for shareholders in a sustainable manner. The ESG – Environmental, Social, Governance - report is included in the annual report and is available on the Company's website. The Board evaluates targets, strategies and a risk profile on an annual basis, at a minimum. <u>Deviations from the Code of Practice:</u> None 3. Equity and dividends Equity Total equity for the group at 31 December 2023 was NOK 38.4 million, corresponding to a long-term debt/equity ratio of 0.0. Considering the nature and scope of Tekna's business, the Board considers									
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that the Company has adequate equity and capital structure. The Board constantly assesses the company's financial capacity in light of its objectives, strategy and risk profile.									
Dividend policy									
The Company strives to follow a dividend policy favourable to its shareholders. The amount of any dividend to be distributed will be dependent on, inter alia, the Company's investment requirements and rate of growth. In deciding whether to propose a dividend and in determining the dividend amount, the Board takes into account legal restrictions as well as capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility.									
The Company has not distributed any dividends since the date of its incorporation.									
Capital increase and Repurchase of shares									
Existing mandates granted to the Board, to issue shares and to purchase its own shares, are presented in the shareholder information section of the annual report. The mandates are restricted to defined purposes and limited in time to no later than the date of the next Annual General Meeting, but in no event later than 30 June 2024.									
Deviations from the Code of Practice: None									
4. Equal treatment of shareholders and transactions with close associates									
Equal treatment of shareholders									
There is only one class of shares, and all shares have equal voting rights. At 31 December 2023 there were 125,227,346 ordinary shares each with a par value of NOK 2.00. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the									
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Corporate Governance report (continued)									
tors have normally not participated in the general meeting. Matters under consideration at the general meeting of shareholders have not previously required this. The Chair of the Board of Directors is always on hand to present the report and answer any questions. Other board members participate as needed. The Board considers this to be adequate.									
2) "the general meeting is able to elect an independent Chair for the general meeting": The General Meetings are opened by the Chair of the Board. Normally, the Board proposes that the Chair of the Board shall also chair the General Meetings. The Board will propose an independent Chair for the General Meeting if any of the matters to be considered calls for such arrangement.									
7. The nomination committee									
The Company has not established a nomination committee.									
The remuneration of the members of the Board has been voted by the General Meeting.									
Deviations from the Code of Practice: The Company has not established a nomination committee. The function and responsibilities of a nomination committee are considered by the Company to have been sufficiently handled by the Board of Directors in close dialog with the major shareholders.									
8. Board of directors: composition and independence									
Composition and election									
According to the Articles of Association, the Board shall consist of minimum three and maximum nine members. At 31 March 2024, the Board consisted of seven members. Four of the seven Board members are women. The Public Limited Companies Act states that there should be at least 40 per cent of each gender on the Board of Directors.									
tors. None of the Board members are executive personnel. The Board members are elected for a period of up to two years. The Board members including the Chair are elected by the General Meeting. There is no corporate assembly in Tekna. The Board of Directors currently has the following composition: • Dag Teigland, Chair of the Board elected on October 3, 2022 • Torkil Sigurd Mogstad, re-elected on May 3, 2023 • Barbara Thierart-Perrin, elected on April 1, 2022 • Anne Lise Meyer, elected on May 30, 2022 • Kristin Åbyholm, elected on May 3, 2023 • Lars Magnus Eldrup Fagernes, elected on May 3, 2023 • Ann-Kari Amundsen Heier, elected on December 19, 2023 See presentation of Board members in the annual report for details.									
Independence of the Board of Directors									
The composition of the Board ensures that it can operate independently of any special interest. The current Board meets the requirement set forth in the Code that the majority of board members should be independent of the Group's executive personnel and material business contacts, and that at least two of the seven board members should be independent of the main shareholders. Executive Vice President Torkil Mogstad, Executive Vice President Ann-Kari Amundsen Heier, Business Developer Lars Magnus Eldrup Fagernes and Dag Teigland engaged by Arendals Fossekompani ASA ("AFK"), are not considered to be independent of the main shareholders due to their respective positions in, and engagement by AFK, the Company's majority shareholder. All other Board members are considered to be independent.									
sidered to be independent. The Board members are requested once a year to complete a Directors and Officers compliance questionnaire, disclosing any conflicts of interest.									
Board members' shareholdings									
Board members are encouraged to own shares of the Company. Board members' shareholdings in the Company are disclosed in Note 23 Related Parties of Tekna's consolidated financial statements. Deviations from the Code of Practice: None									
9. Work of the Board of Directors									
Duties of the Board of Directors									
The Board of Directors has adopted Rules of Procedure for the Board, which indicate rules as to the work and administrative procedures of the Board and as to the functions and duties of the CEO towards the Board. The overall management of the Company is vested in the Board and the Executive Leadership Team. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business, ensuring proper organization and allocation of responsibilities and duties, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts, and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties. The Board leads the governance system and meets with relevant Board Committees a minimum of four times a year to gain insight into the Company's activities.									
TEKNA									
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Corporate Governance report (continued)								
review and ensure proper implementation of internal control mechanisms and risk management processes for good governance. The Board meets the CEO, the CFO and the Executive Leadership Team as often as necessary to perform its duties. ESG, including climate-related risks and opportunities are subject to an annual review with the Board. Top risks and emerging risks are reported in the company's Enterprise Risk Management. The Board had 14 meetings during 2023 with 96 per cent participation. The Board has evaluated its performance in 2023. Agreements with related party The Board has also adopted Guidelines for Related Party Agreements to ensure proper handling of agreements between the Company and related parties. These Guidelines stipulate that Members of the Board and the Executive Leadership Team must notify the Board if they have any material direct or indirect interest in any agreement to be entered into by the Company. In each case, the Board will consider whether it is necessary to obtain an independent evaluation. In 2023, no Related Party Agreements were executed. The Audit Committee In light of the company's conversion to public limited company Tekna's Board established an Audit Committee in 2022 (the "Audit Committee") and adopted Guidelines for the Audit Committee. The Audit Committee is a subcommittee of the Board and acts as a preparatory and advisory body for the Board and supports the Board in the exercise of its responsibility for financial reporting, internal control, and risk management. The Audit Committee also reviews and monitors the independence of the Company's auditor. The Audit Committee consists of two members who are members of								
the Board: Anne Lise Meyer and Torkil Mogstad. They have been appointed by the Board which has also designated Anne Lise Meyer as the Chair of the Audit Committee. The members of the Audit Committee have collectively the expertise required for the performance of the tasks assigned to the Audit Committee. Deviations from the Code of Practice: "The majority of the members of the Audit Committee should be independent."; The Audit Committee has two members, one is independent, the other is not. The Board considers this to be adequate. 10. Risk Management and Internal Control The Board ensures that Tekna has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The internal control and the systems also encompass the Company's corporate values and ethical guidelines. The objective of the risk management and internal control is to manage exposure to risks to ensure successful conduct of the Company's business and to support the quality of its financial reporting. The Board carries out an annual review of the Company's most important areas of exposure to risk and the Board and the Executive Leadership Team conduct risk assessments related to various dimensions and aspects of operations to verify that adequate risk management systems are in place. The Board provides an account in the annual report of the main features of the Company's internal control and risk management systems as they relate to the Company's financial reporting. Internal control of financial reporting is conducted through day-to-								
day follow- up by Executive Leadership Team, and supervision by the Audit Committee. Deviations from the Code of Practice: None 11. Board remuneration The General Meeting determines the Board's remuneration annually. Remuneration of Board members is reasonable and based on the Board's responsibilities, work, time invested and the complexity of the enterprise. The remuneration of the Board members is not performance-related nor includes share option elements. The Board is informed if individual Board members perform tasks for the Company other than exercising their role as Board members. Work in sub-committees may be compensated in addition to the remuneration received for Board membership. Additional information on remuneration paid to the individual Board members can be found in Note 23 of the financial statements for 2023. Deviations from the Code of Practice: None 12. Salary and other remuneration for executive personnel The Board has resolved guidelines to the CEO for remuneration to the Executive Leadership Team, including performance-related remuneration. The Guidelines can be found in the Corporate Governance Policy of the Company.								
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The salary and other remuneration of the CEO are decided by the Board.									
The Company's senior executive remuneration policy is based primarily on the principle that executive pay should be competitive and motivating, in order to attract and retain key personnel with the necessary competence, in order to ensure the long terms interest of the Company.									
The performance-related remuneration portion is limited in the variable compensation plan.									
Details relating to the salary and benefits payable to the CEO and other subsidiaries' senior executives are available in note 23 to the financial statements and the Remuneration Report 2023.									
Deviations from the Code of Practice: None									
13. Information & communication									
Communication with shareholders, investors and analysts is a priority for the Company. The Board has implemented an Investor Relations Policy with the objective to provide the public with accurate, comprehensive and timely information to form a good basis for making decisions related to valuation and trade of the Company share. The Company's communication is based on openness and respects the requirement for equal treatment of all shareholders.									
All notices sent to the stock exchange are made available on the Company website and at https://newsweb.oslobors.no .									
Deviations from the Code of Practice: None									
14. Take-over situations									
The Board has adopted Guidelines relating to take-over bids. In the event of a take-over bid being made for the Company, the Board will follow the overriding principle of equal treatment for all shareholders and will seek to ensure that the Company's business activities are not disrupted unnecessarily. The Board will strive to ensure that shareholders are given sufficient information and time to form a view of the offer.									
The Board will not seek to prevent any take-over bid unless it believes that the interests of the Company and the shareholders justify such actions. The Board will not exercise mandates or pass any resolutions with the intention of obstructing any take-over bid unless this is approved by the General Meeting following the announcement of the bid.									
If a take-over bid is made, the Board will issue a statement in accordance with statutory requirements and the recommendations in the Code.									
In the event of a take-over bid, the Board will obtain a valuation from an independent expert. If a major shareholder, any member of the Board or Executive Leadership Team, or related parties or close associates of such individuals, or anyone who has recently held such a position, is either the bidder or has a particular personal interest in a take-over bid, the Board will arrange for an independent valuation.									
Deviations from the Code of Practice: None									
15. Auditor									
Role of Auditor									
PwC is the Company's Auditor.									
The primary task of the Auditor is to perform the audit work required by law and professional standards with the level of care, competence and integrity required by law and such standards. The Auditor participates in all meetings of the Audit Committee. The Minutes of the Audit Committee are shared with the Board Members. If required by the Board, the Auditor can assist to the Board.									
The Auditor has assisted the Board related to 2023 Annual financial results.									
Use of the Auditor for services other than the audit									
The Audit Committee reviews and monitors the independence of the Company's auditor, including the extent to which services other than auditing provided by the auditor or the audit firm represent a threat to the independence of the auditor.									
The Auditor provides the Board with an annual written confirmation that it continues to satisfy the requirements for independence.									
The Auditor annually provides the Board with a summary of all services in addition to audit work that have been undertaken for the Company. The fees paid for audit work and fees paid for other specific assignments are specified in the notes to the financial statements.									
Deviations from the Code of Practice: None									



Every year Tekna employees embark on a spring cleaning of the Sherbrooke industrial park, every particle removed from the environment counts

Sustainability Reporting

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This year we have started to include sustainability in the Board of Directors' report following the European Sustainability Reporting Directive. In this sustainability report we include a number of topic-specific in-depth reports for external frameworks. On the right we present an overview of the prepared reports available for download from our website. The relation between Tekna's material topics, our focus areas, UN Sustainable Development Goals and the GRI requirements are below. We also included direct links to the documents.																																																																																																													
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Tekna Holding ASA

2023

January 1 – December 31

Human Rights and Transparency Act

Report

(part of Annual Report Tekna Group)

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Introduction Tekna's value chain																																			
Tekna is a world-leading provider of advanced materials, headquartered in Sherbrooke, Canada. Tekna produces high-purity metal powders for applications such as 3D printing serving the aerospace, medical and consumer electronics industries, 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 microelectronics. Building on 30 years of delivering excellence, Tekna is a global player recognized for its quality products and its commitment to over 200 customers including multinational blue-chip customers.																																			
Tekna Holding ASA and its subsidiaries ("Tekna") consists of ten legal entities (including one joint venture), of which three are in Europe ("EU") (31 employees), four are in North America ("NA") (186 employees) and three are in Asia (5 employees). Manufacturing takes place in Canada and France, whereas the other entities are sales offices.																																			
In our sustainability journey, we have focused our attention on understanding the impacts of our own operations. However, Tekna has a diversity of interactions across the value chain: suppliers, customers, our own operations and interactions related to the end user and end-of-life process. Our supply chain and geographical footprint are examples of factors that affect the value chain and our impacts, risks and opportunities. Tekna can have a positive or negative impact on the value chain. Examples of a positive impact is the enabling																																			
strength of our high-quality additive manufacturing ("AM") materials converting more customers to resource efficient AM methods. As a global business, the need for business travel and the related Greenhouse gas emissions (GHG) is an example of a negative impact. Raw materials for the manufacturing of metal powders is the area with the highest risk for negative impact in our supply chain.																																			
Potential risk and impact areas in our value chain Notwithstanding our commitment to respecting all human rights, the human rights issues most relevant to our business operations are:																																			
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Introduction (continued)										
We have a general understanding of the potential impacts and risks associated with raw material extraction and refining in our supply chain. This may include child labor, forced labor, pollution of land, soil, water and air, perilous working conditions, hazardous workplaces, exposure to hazardous chemicals, conflict and disputes in local communities and GHG emissions. We need to study the impacts specifically for the feedstock materials we use, from extraction to delivery at Tekna. Only this way can we mitigate negative impacts. In 2023 we have started to focus our attention to upstream impacts and much work remains to be done to complete the understanding. Afterwards we will shift and continue downstream.					REACH, RoHS and potential conflict minerals Our procurement team has delivered third-party verification guaranteeing our powder products are meeting REACH (toxic chemicals) and RoHS (hazardous substances) requirements.					Below is a simplified overview of the Tekna value chain for the two business segments. We have indicated the part with highest negative impact, which materials are on the Critical raw material list, and which are potential conflict material.
Introduction 84 Tekna's value chain.....84 Guidelines and routines.....86 Code of Conduct 86 Supplier Code of Conduct.....86 Whistleblowing 87 Handling requests of information – The Transparency Act.....87 Subjects for the Board 88 Risks of negative consequences.....88 Performance.....88 KPI 89 Process to remediate negative impacts 89 Measures 90 Action plan 90					Risk mitigation 80 per cent of Tekna's global spend comes from suppliers based in the EU or NA, which we deem well governed by legal standards. The remaining 20 per cent, approximately, is spent on a key raw material, titanium, supplied by two regularly audited manufacturers in China. Both are well-established and qualified suppliers to major western industrial conglomerates.					
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Value chain Business Segments

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3. Signing includes online acceptance on our Document Management System ISOVISION. HUMAN RIGHTS AND TRANSPARENCY ACT REPORT 2023 - ANNUAL REPORT 2023 TEKNA 925317884									

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Tekna's value chain		84							
Guidelines and routines		86	Handling requests of information - The Transparency Act						
Code of Conduct		86	Tekna has published the Routine for processing requests on information according to the Transparency Act which solidifies our dedication to transparency by outlining a systematic approach to managing and responding to information requests according to the Norwegian law. By establishing clear guidelines for information disclosure, we aim to bolster trust among our stakeholders and contribute to a more informed and engaged community.						
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Risks of negative consequences

In the dashboard in figure 2, the colour coded risk level shows a summary of the overall score on four axes: Climate & Environment, Country risk, Corporate Social Responsibility & Ethics and Occupation Health & Safety. To date we have not received a response classified as "High Risk". However, response rate is low, particularly amongst the suppliers with highest estimated risk. For 2024 the focus will be on gathering data.

KPI

in 2023, there were no reported incidents of discrimination, anti-corruption or breaches of the SCoC or CoC. See figure 3 for further key performance indicators.

Figure 3: Key performance indicators 2023

Figure 3: Key performance indicators 2023	2023	2022
Percentage of new suppliers that were screened using social criteria	not started nor planned, priority focus on risk suppliers	
Number of suppliers assessed for social impacts	9 (+3 in progress)	4 (+1 in progress)
Number of suppliers identified as having significant actual and potential negative social impacts	0	0
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	0 (high risk)	0 (high risk)
Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment and why	0	0

Process to remediate negative impacts

Early 2023, raw material suppliers in China were audited and no human rights violations were observed. and both partners were showing visible care for the well-being of their employees (security equipment, safety reminders & practices).

We will obtain more responses and expand the supplier base that we ask to respond to the assessment. In order to make the most out of the resources we have, we will first focus our efforts on the suppliers with the most improvement potential.

We will pay particular attention to those suppliers that disclose not having a policy against the use of child labour and / or forced labour in line with the UN Global Compact principle 5.

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Progress on Action plan 2023 Supplier audits Increase Supplier SCoC signatories Complete routine for request for information related to Transparency Act Complete Factlines due diligence on 25 most critical suppliers Employee CoC 100% signature <i>and training</i> Adjust SCoC to specifically address all Business Partners Develop and implement Anti-corruption policy <i>and training</i> Board approval for Anti Corruption policy External whistleblowing system Creation and board approval for Competition Law Compliance Policy									
Actions 2024 Supplier audit standard agenda to include E,S,G and climate risk topics Increase Supplier SCoC signatories - simplify process Employee training in CoC Employee training in Anti-Corruption and Compliance Update and adjust SCoC to specifically address all Business Partners Board approval for CoC for Business Partners Create Human Rights Policy Board approval Human Rights Policy ECC to follow due diligence on 25 most critical suppliers									



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Tekna Holding ASA
2023
January 1 – December 31

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Emissions Accounting

Report

(part of **Annual Report** Tekna Group)

(Carbon and non-GHG)





Tekna's climate footprint at a glance

Energy Intensity per kg metal powder produced

Performance vs baseline FY19

Direct electricity of plasma systems within Tekna | Ti64 and AISiMg | in kWh per kg

FY19: 16.3 kWh/kg baseline

FY22: 13.1 kWh/kg -20 % (vs FY19)

-24 % (vs FY19)

Our capacity improvement program increases the productivity of the plasma atomization systems, i.e. higher output for the same energy.

Renewable energy share

72 % ▲

vs 66% (+6 pp) in 2021 (Location based).

Scope 1

589 tCO₂e

vs 577 (+2%) in 2021. Tekna has added a third facility in Canada in 2022 increasing natural gas consumption for heating compared to baseline 2021.

Scope 2

30 tCO₂e

vs 42 (-29%) in 2021. Tekna continues to improve energy efficiency in its powder production². It reduced operating hours in France by 50% reducing electricity consumption.

Scope 3 (incomplete)

248k tCO₂e

The total emissions number will continue to increase due to broader emissions mapping in scope 3 and improved data quality. Within subcategories reduction efforts have started.

SUSTAINABILITY STATEMENTS

1: Historical data should not change, but we always revise historical figures if data quality or science has improved. 2: Tekna increased its production output by 32% since 2021 (baseline), while only increasing scope 1 emissions by 2%, and even reducing scope 2 emissions by 29%.

EMISSIONS ACCOUNTING REPORT 2023 - ANNUAL REPORT 2023

Tekna's climate footprint at different stages of the value chain

(GHG protocol¹) in tCO₂e

Purchased goods and services (scope 3)

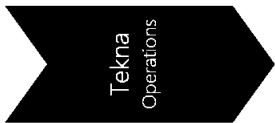
Baseline estimations for upstream emissions (scope 3) expected in 2024.

Capital goods (scope 3)



Fuel- and energy-related activities (scope 3)

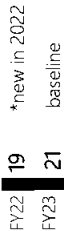
Upstream transportation and distribution (scope 3)



Production (scope 1 + scope 2)



Employees (business travel + daily commute - scope 3)



Waste (scope 3)

Downstream transportation and distribution (scope 3)

Processing of sold products (scope 3)

Use of sold products (scope 3)

End-of-life treatment (scope 3)

Baseline estimations for downstream emissions (scope 3) expected in 2025.

End-users & End-of-life

Target 2030

Reduce in absolute t compared to baseline

-50% linked to scope 1 and 2

under development

50 %

under development

under development

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This report comprises the following organisational Tekna Holding ASA [THASA], Norway Tekna Holding Canada Inc [THC], Canada Tekna Plasma Systems Inc [TPS], Canada, HQ Tekna Advanced Materials Inc [TAM], Canada Tekna Microelectronics Unit [TMC], Canada Tekna Plasma Europe SAS [TPE], France Tekna Plasma Suzhou Co Ltd [TPZ], China Tekna Plasma Korea Co Ltd [TPK], Korea Tekna Inc [TCU], USA Only when specifically mentioned: Imphytek Powders SAS [Imphytek], France, JV									
Restatements In 2022, for a leased building in Canada, Tekna (TMC) was incorrectly allocated a electricity meter. The consumption of ~75.000 kWh has been deducted from the energy consumption reported in 2022. No material impact on emissions as no concern hydropower. For 2022, the treatment of hazardous waste in Canada was reclassified due to new information. This has also not lead to a change in total emissions in the category. External Assurances Internally the Audit Committee approves the Emissions Accounting report. This report was not externally assured in its publication date; Note that the CO2 metrics in scope 1 and scope 2 were assured for our main shareholder Arendals Fossekompagn ASA ("AFK"). Tekna aims to implement assurance for its next reporting period.									
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Introduction (continued)

Non GHG air emissions

Tekna's standard process does not produce a significant amount of any of the common air pollutants, which includes NO_x, SO_x, volatile organic compounds (VOCs), hazardous air pollutants (HAPs), particulate matter (PM₁₀), and persistent organic pollutants (POPs). We do not consider Non GHG air emissions to be a material topic for Tekna, but will report when we do emit air pollutants. As part of a nonstandard system test for a client, argon and air were combined in a research plasma system and produced an estimated 250g/h of NO_x, for a total of 3750g.

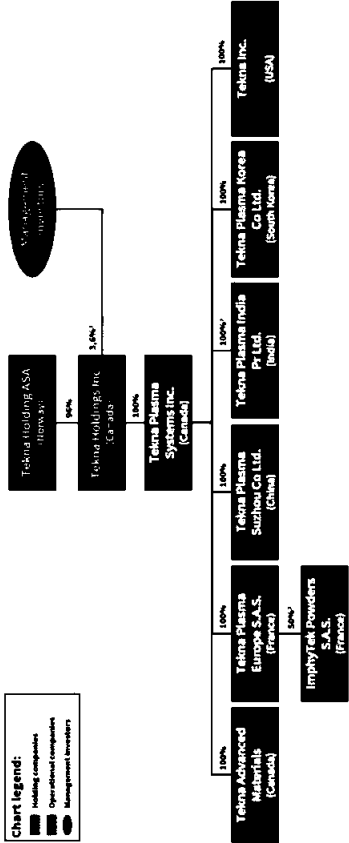
Decarbonization

Scope 1 emissions have been stable since baseline year 2021. The source of emissions is the natural gas heating system in the Canadian facilities. We are looking to so-identify the decision for the best alternative with lower emissions, which we plan to budget for before 2030.

Scope 2 emissions are down by 29%. We are approaching scope 2 in the two obvious ways, ie a) by moving to renewable energy sources, and b) reducing consumption. The renewable energy share (a) is up by 6 percentage points since 2021 baseline (2023: 72%).

in reduction (b) we are focusing on increasing the productivity of our powder production. Compared to 2019 we have reduced by 24% the kWh required to produce 1 kg of powder (2023: 12.4 kWh/kg).

Organization chart per 31.12.2023



By the partial emissions information we have gathered for scope 3 up to 2023, it is clear that this is where the most significant emissions are. Tekna has yet to communicate reduction targets for the scope 3 categories. Nonetheless, as you can read in the Carbon Emissions section of this report, we have started taking actions to reduce those emissions.

Replacing single-use packaging

As the volumes of AM materials are increasing, the business case for returning the powder to Teknor for reconditioning will become stronger.

ap regns

The key benefits of this solution:

- Enabling resource efficiency, circularity and eGHG reduction: the sturdy containers can be reused “indefinitely” and will be used to deliver pristine powder to the customer and the customer can return degraded material back to Tekna
- Eliminating the use of single-use packaging and disposal activities

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Decarbonization (continued)									
- Allowing for safer handling both during transportation and at the point of use. This means 1) reducing the risk of exposure to powder, 2) since the container has wheels, eliminating the risk of drops and lifting related injuries, and 3) based on the plug-and-play nature of the container solution, increasing user-friendliness and reducing the risk of handling mistakes - Increasing efficiency as more material is loaded to the machine per packaging unit The container is ready to be put into operation. Given Tekna's projected volumes, the company will avoid ~1 Million tCO2e over the next 5-years in the category Purchased goods & services (upstream) and the category Use of sold products (downstream as single-use waste)									
Reducing logistics emissions									
In 2023, we completed the assessment of the category Upstream transportation and distribution and with 246.7k tCO2e it is substantially higher than any of our other categories. Initial meetings have taken place with the logistics team to identify which part we can influence and reduction opportunities worth pursuing.									
High level thoughts:									
- Reduce air transport in favor of boat or train - Divert transport to carriers with a "green" fleet - Consolidate shipments - Improve packaging to reduce shipping "air"									
Scope 1 and scope 2									
Scope 1									
Scope 2									
1 Carbon neutrality is achieved by reducing our carbon footprint to zero through a combination of efficiency measures in-house and supporting external emission reduction projects.									
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Carbon Emissions				
Scope 1 and scope 2				
Scope 1 includes all direct emission sources. This includes all use of fossil fuels for stationary combustion or transportation, in owned and, depending on the consolidation approach selected, leased, or rented assets.				
Scope 2 includes indirect emissions related to purchased energy, electricity and heating/cooling where the organisation has operational control.				
Baseline 2021 was chosen as it was the first year we collected data of our worldwide emissions instead of just Canada.				
At Tekna, natural gas is only used for heating the buildings in Canada and Korea.				
At the end of 2021 and throughout 2023 Tekna has added Additive Manufacturing production equipment in Canada increasing electricity consumption. It reduced operating hours in TPE by 50% reducing electricity consumption in France.				
Leased building emissions are included in scope 1 and 2. Lease car consumption is included in Scope 3 business travel.				
Although we are working on replacing the refrigerants we consider the consumption non material for this report (~20lbs in TPS).				
Actions taken in 2023:				
- Optimization of temperature in the offices. - Firming up decarbonization plan				
status				
included worldwide per entity				
included worldwide per entity				
baseline				
2021				
2021				
2030 commitment				
-50% vs baseline				
-50% vs baseline				
2050 ambition				
carbon neutral				
TEKNA				
EMISSIONS ACCOUNTING REPORT 2023 - ANNUAL REPORT 2023				
Carbon neutrality is achieved by reducing our carbon footprint to zero through a combination of efficiency measures in-house and supporting external emission reduction projects.				

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Scope 3									
Scope 3 includes indirect emissions resulting from value chain activities. The scope 3 emissions are a result of the company's upstream and downstream activities, which are not controlled by the company, i.e. they are indirect.									
For scope 3 the baseline year is chosen based on when we have worldwide data available for a category.									
The scope 3 emissions compared to 2022 increased due to broader emissions mapping in scope 3 and improved data quality.									
This report is incomplete in scope 3. Multiple categories up- and downstream have still to be assessed. Only categories which we can substantiate with data have been included.									
Scope 3 categories in GHG protocol:									
1: Purchased Goods and Services									
2: Capital Goods									
3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2									
4: Upstream Transportation and Distribution									
5: Waste Generated in Operations									
6: Business Travel									
7: Employee Commuting									
8: Upstream Leased Assets									
9: Downstream Transportation and Distribution									
10: Processing of Sold Products									
11: Use of Sold Products									
12: End-of-Life Treatment of Sold Products									
13: Downstream Leased Assets									
14: Franchises									
15: Investments									
Scope 3 Upstream									
Fuel and energy related activities Not Included in Scope 1 or Scope 2 [3]									
This category includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in scope 1 or scope 2.									
Includes exactly the same consumption data as reported in scope 1 and 2.									
Upstream Transport and Distribution [4]									
All transportation paid by the company, inbound and outbound, as well as if the customer is billed for the transport and in addition also inbound transportation not paid by the company (upstream).									
This category was calculated based on transaction reports received from transportation and distribution companies Tekna has contracted in the past year. Most reports directly provided the estimated CO2 emissions. The reports from two service providers only include departure and arrival location and cargo mass. Therefore those emissions were calculated via cemasys b using the tkm unit (cargo mass * distance in km). The distances were estimated based on information provided by the companies.									
Arsgrenskap regnskapsåret 2023 for 92537884									
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	External assurances	93	• Scheduled first meeting with logistics team to start creating a reduction plan						
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		Waste Generated in Operations [5]							
		Includes emissions from third-party disposal and treatment of waste generated in the reporting company's owned or controlled operations in the reporting year. This category includes emissions from disposal of both solid waste and wastewater.							
		In 2022, we estimated how waste from Canada was treated after pick-up. In 2023, we have obtained clear data with significant shifts in volumes and emissions. We have therefore made 2023 the baseline for waste.							
		The increase in hazardous waste is due to new Health and Safety measures (single-use protective equipment) and R&D. The rest waste or municipal waste category for Canada or France does not exist in CEMASys as of yet. We have used the closest description to it, in essence "Residual waste, landfill". The emissions are expected to be in the same range.							
		Composition of hazardous waste: (flammable) metallic powder, rags, acids, coolants and non-chlorine solvents and single-use protective equipment from the nano							



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GHG Emissions

Summary		Unit	2019	2020	2021	2022	2023	▲ to base year
Total Scope 1	tCO2e		453,4	474,1	576,6	585,1	589,0	2
Total Scope 2	tCO2e		4,1	3,5	41,7	33,7	29,6	-29
Total Scope 3	tCO2e		-	135,7	434,3	755,4	247 482,0	n/
Total	tCO2e		457,5	613,3	1 052,7	1 374,2	248 100,5	n/
Scope 1		Unit	2019	2020	2021	2022	2023	▲ to base year
Category								
Stationary combustion								
Natural gas		tCO2e	453,4	474,1	576,6	585,1	589,0	
Stationary combustion Total		tCO2e	453,4	474,1	576,6	585,1	589,0	2
Scope 1 Total		tCO2e	453,4	474,1	576,6	585,1	589,0	2
Scope 2								
Electricity location-based								
Electricity France		tCO2e	-	-	32,1	26,6	22,7	
Electricity China		tCO2e	-	-	5,0	1,9	1,5	
Electricity Korea		tCO2e	-	-	0,6	0,5	0,4	
Electricity location-based Total		tCO2e	-	-	37,6	29,0	24,7	-34
Electricity general								
Hydropower, Quebec		tCO2e	4,1	3,5	4,1	4,7	4,9	
Electricity general Total		tCO2e	4,1	3,5	4,1	4,7	4,9	20
Scope 2 Total		tCO2e	4,1	3,5	41,7	33,7	29,6	-29

	This is Tekna	CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
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Climate footprint at a glance.....	92	Scope 3							
Introduction	93	Fuel-and-energy-related activities							
Restatements.....	93	Natural gas (WTT)	tCO2e	-	-	98,0	98,9	96,5	
External assurances	93	Electricity Canada (upstream)	tCO2e	-	135,7	284,2	277,2	269,5	
Non GHG air emissions.....	94	Electricity France (upstream)	tCO2e	-	-	7,1	8,3	10,3	
Organisation chart.....	94	Electricity China (upstream)	tCO2e	-	-	1,6	0,5	0,3	
		Electricity Korea (upstream)	tCO2e	-	-	0,2	0,1	0,1	
		Fuel-and-energy-related activities	tCO2e	-	135,7	391,2	385,1	376,8	-4
Decarbonization	94	Upstream transportation and distribution							
Carbon Emissions	95	Sea Cargo Avg load	tCO2e	-	-	-	-	-	
Scope 1 and Scope 2	95	Truck avg.	tCO2e	-	-	-	-	36,1	
Scope 3	96	Air freight avg. (WTT)	tCO2e	-	-	-	-	67 541,1	
Key figures		Rail freight	tCO2e	-	-	-	-	3,2	
		Sea ship avg. (WTT)	tCO2e	-	-	-	-	179 169,0	
		Transportation	tCO2e	-	-	-	-	7,6	
		SCOPE3_UPSTREAM_TRANSPORT. tCO2e		-	-	-	-	246 757,0	n
GHG emissions	98	Waste							
Energy	101	Hazardous waste, recycled	tCO2e	-	-	-	-	1,3	
Energy consumption	102	Hazardous waste, re-used	tCO2e	-	-	-	-	-	
Methodology	104	Hazardous waste, treated	tCO2e	-	-	-	1,0	0,1	
Sources	105	Hazardous waste, landfill	tCO2e	-	-	0,3	0,2	0,4	
Abbreviations	106	Residual waste, landfill	tCO2e	-	-	2,5	14,4	16,3	
		Cardboard waste, recycled	tCO2e	-	-	-	0,3	0,3	
		Paper waste, recycled	tCO2e	-	-	0,1	0,1	0,1	
		EE waste, recycled	tCO2e	-	-	-	-	-	
		Plastic waste, recycled	tCO2e	-	-	-	-	-	
		Metal waste, recycled	tCO2e	-	-	-	0,1	0,2	
		Wood waste, recycled	tCO2e	-	-	-	0,2	0,4	
		Mineral oil waste, incinerated	tCO2e	-	-	-	2,5	1,5	
		Organic waste, composting	tCO2e	-	-	-	-	-	
		Sorted waste, recycled	tCO2e	-	-	-	0,2	0,2	
		Waste Total	tCO2e	-	-	2,9	19,1	20,7	n



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GHG Emissions

	Category	Unit	2019	2020	2021	2022	2023
Scope 3 (continued)							
Business travel							
	Hotel nights, world	tCO2e	-	-	6,2	42,1	40,6
	Train International	tCO2e	-	-	-	0,1	0,1
	Mileage all. avg. car	tCO2e	-	-	11,3	21,4	16,1
	Flights	tCO2e	-	-	22,8	51,7	64,9
	Mileage all. el car EU27	tCO2e	-	-	-	-	0,2
	SCOPE3_BUSINESS_TRAVEL Total	tCO2e	-	-	40,3	115,4	121,8
Employee commuting							
	Car, petrol (avg.)	tCO2e	-	-	-	170,3	138,6
	Motorbike, small	tCO2e	-	-	-	-	0,2
	Car, petrol (medium)	tCO2e	-	-	-	56,2	51,9
	Car, Hybrid Electric Vehicle (HEV)	tCO2e	-	-	-	-	3,0
	Electric car EU27	tCO2e	-	-	-	6,5	9,1
	Bus local avg.	tCO2e	-	-	-	2,8	2,7
	SCOPE3_EMPLOYEE_COMMUTING Total	tCO2e	-	-	-	235,8	205,6
							-13
	Scope 3 Total	tCO2e	-	135,7	434,3	755,4	247 482,0
Annual Market-Based GHG Emissions							
	Total (Scope 1 + 2)	tCO2e	457,5	477,6	618,4	618,8	618,6
	Total (Scope 1 + 2 + 3)	tCO2e	457,5	613,3	1 052,7	1 374,2	248 100,5
		%		34.1%	71.6%	30.5%	17954.2%
	Percentage change						
	Electricity Total (Scope 2) with M₂	tCO2e	-	-	40,6	27,4	56,3
	Scope 2 Total with Market-based	tCO2e	4,1	3,5	44,7	32,1	61,3
	Scope 1+2+3 Total with Market-b.	tCO2e	457,5	613,3	1 055,6	1 372,6	248 132,2
	Percentage change		100%	34.1%	72.1%	30%	17977.1%

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Energy

Category	Unit	2019	2020	2021	2022	2023
Scope 1						
Stationary combustion						
Natural gas	MWh	2 466,1	2 578,4	3 125,9	3 182,6	2 882,1
Stationary combustion Total	MWh	2 466,1	2 578,4	3 125,9	3 182,6	2 882,1
Scope 1 Total	MWh	2 466,1	2 578,4	3 125,9	3 182,6	2 882,1
Scope 2						
Electricity						
Electricity France	MWh	-	-	593,6	521,3	434,8
Electricity China	MWh	-	-	8,0	3,0	2,5
Electricity Korea	MWh	-	-	1,1	1,1	1,0
Electricity Total	MWh	-	-	602,7	525,4	438,3
Electricity general						
Hydropower, Quebec	MWh	6 822,8	5 798,8	6 832,6	7 800,1	8 242,9
Electricity general Total	MWh	6 822,8	5 798,8	6 832,6	7 800,1	8 242,9
Scope 2 Total	MWh	6 822,8	5 798,8	7 435,4	8 325,5	8 681,2
Total (Scope 1 + 2 + 3)	MWh	9 289,0	8 377,2	10 561,2	11 508,1	11 563,2
Percentage change	GJ	33 440,3	30 158,1	38 020,4	41 429,3	41 627,6
		%	-9,8%	26,1%	9%	0,5%
Scope 1 renewable energy	MWh	-	-	-	-	-
Scope 1 renewable energy share	%	0%	0%	0%	0%	0%
Scope 2 renewable energy (Location-based)	MWh	6 822,8	5 798,8	6 964,5	7 932,2	8 348,0
Scope 2 renewable energy share (Location-based)	%	100%	100%	93,7%	95,3%	96,2%
Total renewable energy (Location-based)	MWh	6 822,8	5 798,8	6 964,5	7 932,2	8 348,0
Total renewable energy share (Location-based)	%	73,5%	69,2%	65,9%	68,9%	72,2%
Scope 2 renewable energy (Market-based)	MWh	6 822,8	5 798,8	6 832,6	7 800,1	8 242,9
Scope 2 renewable energy share (Market-based)	%	100%	100%	91,9%	93,7%	95%
Total renewable energy (Market-based)	MWh	6 822,8	5 798,8	6 832,6	7 800,1	8 242,9
Total renewable energy share (Market-based)	%	73,5%	69,2%	64,7%	67,8%	71,3%

Årsregnskap regnskapsåret 2023 for 925347884

Årsregnskap regnskapsåret 2023						
Category	Unit	2019	2020	2021	2022	2023
Scope 1						
Stationary combustion						
Natural gas	m3	-	-	283 396	288 018	286 774
Natural gas	tCO2e	453	474	-	-	-
Scope 2						
Electricity						
Electricity France	kWh	-	-	593 646	521 288	434 822
Electricity China	kWh	-	-	7 950	3 034	2 470
Electricity Korea	kWh	-	-	1 132	1 111	981
Electricity general						
Hydropower, Quebec	kWh	6 822 817	5 798 792	6 832 642	7 800 094	8 242 881
Scope 3						
Fuel-and-energy-related activities						
Natural gas (WTT)	m3	-	-	283 396	288 018	286 774
Electricity Canada (upstream)	kWh	-	5 798 792	6 832 642	7 874 674	8 242 881
Electricity France (upstream)	kWh	-	-	593 646	521 288	434 822
Electricity China (upstream)	kWh	-	-	7 950	3 034	2 470
Electricity Korea (upstream)	kWh	-	-	1 132	1 111	981
Upstream transportation and distribution						
Sea Cargo Avg load	tkm	-	-	-	-	-
Truck avg.	tkm	-	-	-	-	82
Truck avg.	tCO2e	-	-	-	-	36
Air freight avg. (WTT)	tkm	-	-	-	-	294 168
Air freight avg. (WTT)	tCO2e	-	-	-	-	67 451
Rail freight	tCO2e	-	-	-	-	3
Sea ship avg. (WTT)	tkm	-	-	-	-	16 113
Sea ship avg. (WTT)	tCO2e	-	-	-	-	179 169
Transportation	tCO2e	-	-	-	-	8



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Scope 3 (continued)

Waste

Category	Unit	2019	2020	2021	2022	2023
Hazardous waste, recycled	kg	-	-	364	240	61 009
Hazardous waste, re-used	kg	-	-	-	948	-
Hazardous waste, treated	kg	-	-	1 636	46 441	4 337
Hazardous waste, landfill	kg	-	-	12 976	11 457	19 866
Residual waste, landfill	m3	-	-	22	15	-
Residual waste, landfill	kg	-	-	-	28 620	32 738
Cardboard waste, recycled	kg	-	-	-	13 207	13 207
Paper waste, recycled	m3	-	-	16	18	-
Paper waste, recycled	kg	-	-	-	-	3 208
EE waste, recycled	m3	-	-	-	-	2
EE waste, recycled	kg	-	-	-	2 000	-
Plastic waste, recycled	m3	-	-	5	9	-
Plastic waste, recycled	kg	-	-	-	-	776
Metal waste, recycled	kg	-	-	-	6 563	7 197
Wood waste, recycled	tonne	-	-	2	2	1
Wood waste, recycled	kg	-	-	-	10 000	19 000
Mineral oil waste, incinerated	liters	-	-	-	1 000	600
Organic waste, composting	kg	-	-	-	1 139	2 254
Sorted waste, recycled	kg	-	-	-	7 200	7 200

Business travel

Hotel nights, world	nights	-	-	137	1 067	1 025
Train International	pkm	-	-	3 035	29 886	23 829
Mileage all. avg. car	km	-	-	67 103	125 445	96 339
Flights	tCO2e	-	-	23	52	65
Mileage all. el car EU27	km	-	-	-	-	3 381

Employee commuting

Car, petrol (avg.)	km	-	-	-	998 903	845 838
Motorbike, small	km	-	-	-	-	3 002
Car, petrol (medium)	km	-	-	-	304 423	291 310
Car, Hybrid Electric Vehicle (HEV)	km	-	-	-	-	25 615
Electric car EU27	km	-	-	-	171 880	204 000
Bus local avg.	pkm	-	-	-	28 790	26 904



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WBCSD/WRI (2004). The greenhouse gas protocol. A corporate accounting and reporting standard (revised edition). World Business Council on Sustainable Development (WBCSD), Geneva, Switzerland /World Resource Institute (WRI), Washington DC, USA, 116 pp.	
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Legal entities per 31.12.2023									
THASA Tekna Holding ASA [THASA], Norway									
THC Tekna Holding Canada Inc [THC], Canada									
TPS Tekna Plasma Systems Inc [TPS], Canada, HQ									
TAM Tekna Advanced Materials Inc [TAM], Canada									
TMC Tekna Microelectronics Unit [TMC], Canada									
TPE Tekna Plasma Europe SAS [TPE], France									
Imphytek Imphytek Powders SAS [Imphytek], France, JV									
TPZ Tekna Plasma Suzhou Co Ltd [TPZ], China									
TPK Tekna Plasma Korea Co Ltd [TPK], Korea									
TCU Tekna Inc [TCU], USA									
Technical terms									
AU Australia - the CEMAsys carbon accounting system - has a Nordic origin. It does not include many codes for the territories Tekna is in yet.									
GHG Greenhouse gases: The main greenhouse gases whose concentrations are rising are carbon dioxide, methane, nitrous oxide, hydrochlorofluorocarbons (HFCs), hydrofluorocarbons (HFCs) and ozone in the lower									
EE waste EE waste describes all discarded electrical and electronic devices and									
TTW TTW stands for Tank-to-wheel, which are the emissions from actual usage									
WTT WTT stands for Well-to-tank. Well-to-tank emissions for Scope 1 input (fossil fuels such as diesel, petrol, natural gas) is relating to the production of the fossil fuel and transportation to the gas station. Well-to-tank emission for Scope 2 input (electricity, district heating/cooling, etc) is relating to the production of the electricity and the transportation and distribution of the electricity until it is used in your locations (transmission losses included).									
Units									
tCO ₂ e tCO ₂ e stands for tonnes (t) of carbon dioxide (CO ₂) equivalent (e). "Tonne" is a fancy way of writing metric ton, or 2,200 pounds. "Carbon dioxide equivalent" is a standard unit for counting greenhouse gas (GHG) emissions regardless of whether they're from carbon dioxide or another gas, such as methane.									
avg. average									
GJ A gigajoule, abbreviated as GJ, is a unit of measurement of energy consumption: a gigajoule is equal to one thousand million joules.									
kWh A kilowatt-hour is a unit of energy: one kilowatt of power for one hour.									
km kilometer, a metric unit of length equal to 1000 meters.									
m ³ The cubic meter is the unit of volume in the International System of Units (SI). Its symbol is m ³ .									
MWh Megawatt-hour: A unit of energy, especially of electrical energy, equal to that done by one megawatt acting for one hour.									
pkm A passenger-kilometre, abbreviated as pkm, is the unit of measurement representing the transport of one passenger by a defined mode of transport (road, rail, air, sea, inland waterways etc.) over one kilometre.									
tonne A tonne is a metric unit of weight that is equal to 1000 kilograms.									



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Tekna Holding ASA

2023
January 1 – December 31

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EU Taxonomy Report

(part of Annual Report Tekna Group)

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Index Introduction										The environmental objectives 3-6 were adopted in the EU in June 2023, through the Commission Delegated Regulations of June 2023, (EU) 2023/2484 and (EU) 2023/2485. In addition, amendments to Delegated Regulation (EU) 2021/2139 for the environmental objectives and 2 were also adopted as of June 2023. Due to delays in the legislative process in the European Economic Area, the June 2023 regulations did not enter into force in Norway in 2023. The Norwegian Ministry of Finance has communicated that Norwegian undertakings are encouraged, but not required, to report on their environmental objectives 3-6 for the financial year 2023. On 1 July 2023, the Norwegian Ministry of Finance has published climate change mitigation and climate change adaptation following Commission Delegated Regulation (EU) 2020/852 are required for the 2023 reporting in Norway.
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The EU Taxonomy aims to scale up sustainable investments and avoid greenwashing by defining a common language and understanding of sustainable activities. As part of the European Union's Green Deal, the EU Taxonomy is a classification system for sustainable economic activities, consisting of the following six environmental objectives:										
1. Climate change mitigation (CCM) 2. Climate change adaptation (CCA) 3. The sustainable use and protection of water and marine resources 4. The transition to a circular economy 5. Pollution prevention and control 6. The protection and restoration of biodiversity and ecosystems										
The environmental objectives 3-6 were adopted in the EU in June 2023, through the Commission Delegated Regulations of June 2023, (EU) 2023/2484 and (EU) 2023/2485. In addition, amendments to Delegated Regulation (EU) 2021/2139 for the environmental objectives and 2 were also adopted as of June 2023. Due to delays in the legislative process in the European Economic Area, the June 2023 regulations did not enter into force in Norway in 2023. The Norwegian Ministry of Finance has communicated that Norwegian undertakings are encouraged, but not required, to report on their environmental objectives 3-6 for the financial year 2023. On 1 July 2023, the Norwegian Ministry of Finance has published climate change mitigation and climate change adaptation following Commission Delegated Regulation (EU) 2020/852 are required for the 2023 reporting in Norway.										

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All companies of the Tekna group have been considered for reporting on the EU Taxonomy for 2023. Tekna evaluated its core activities for eligibility and did not assess its Systems service revenues (spare parts and maintenance) or R&D revenues. We have not included the joint ventures Imphytek Powders, as they are not consolidated in the group's financial statements (consolidation by equity method). We have assessed the business activities with regards to the EU Taxonomy economic activities within the scope of the six environmental objectives. As previously noted, for the 2023 reporting, the companies will not report on alignment for the activities adopted by the EU in June 2023.					Assessments have been performed in accordance with the structure of the EU Taxonomy, starting with eligibility assessments before assessing compliance with the criteria for substantial contribution and do no significant harm ("DNSH"). The minimum safeguards assessment has been conducted by Tekna on group level, based on policies and procedures covering the group. Eligible activities that meet the criteria for substantial contribution and DNSH, as well as the minimum safeguards, are reported as aligned.				
Introduction 108					1. Substantially contribute 2. Do no significant harm 3. Minimum safeguards Substantial contribution to the environmental objectives + Do no significant harm to the remaining environmental objectives + Comply with minimum social and governance safeguards (e.g. OECD guidelines)				
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Production of additive material powders Environmental Objective: Climate Change Mitigation Economic Activity: 3.6 Manufacture of other low carbon technologies Assessment Eligibility: "Production of additive material powders" involves the development and operation of proprietary plasma processes to produce and sell spherical powders for application in Additive Manufacturing, Metal Injection Molding and Binder Jetting.									
Substantial Contribution: Additive materials (AM) have the capacity to manufacture products with less GHG emissions than traditional manufacturing methods. Specifically, the additive manufacturing technologies can cut carbon emissions in four areas: materials, manufacturing, warehousing, and transportation. Materials: AM uses only the material necessary to create the finished product. It does not generate any significant amount of scrap. For instance, Airbus claims an average fly-to-buy ratio of 10:1, while a ratio closer to one is achievable with AM, especially if the unused powder can be recycled. Manufacturing: AM enable engineers to design parts that are lighter, stronger, and more efficient than their traditional counterparts. This makes products manufactured using AM technologies more efficient in its intended application, e.g. less fuel consumption and associated emissions for any vehicle as it is lighter than its traditional counterpart. This applies especially for small									
The systems do not release constituents other than the powder itself and the plasma gases which consists of Argon, together with a secondary gas like helium, nitrogen, hydrogen or oxygen. None of these gases are considered critical for the GHG emissions. The Additive Manufacturing powders aim to increase resource efficiency along the value chain reducing GHG emissions related to those resources (materials, manufacturing, warehousing, transportation and the utilization of the finished product). Warehousing: Because 3D printing enables on-demand production of parts and products, it can help reducing the need for storage space and, consequently, the energy once required to control temperature, humidity, and lighting of larger warehouses. This leads to a lower overall carbon footprint considering that between 5.5% and 13% of the global GHG emissions are caused by logistic activities in supply chains. Transportation: Locations with a 3D printer can become factories that makes products closer to end users. It dramatically reduces the need to move finished products over great distances. The impact on GHG emission can be significant since transport sector accounts for over 23% of all CO2 emissions globally. Laser powder bed fusion, metal injection molding, electron-beam powder bed fusion and direct energy deposition are considered as equivalent in terms of GHG footprint. These AM technologies are considered as the counterpart of conventional machining. When considering the entire manufacturing chain, AM processes are found to be up to 87 % less energy consuming, CO2 polluting and cheaper in respect to environmental cost compared to conventional machining. It must also be noted that AM can produce parts that conventional machining often cannot, which is accounted for in the comparison. While AM can reduce buy-to									
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1 Metals and composites: finding the right material for each application Airbus 1 1									

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Introduction.....	108	Production of turnkey plasma systems Environmental Objective: Climate Change Mitigation Economic Activity: 3.6 Manufacture of other low carbon technologies Assessment Eligibility: "Production of turnkey plasma systems" involves production of Inductively Coupled Plasma systems, including auxiliary equipment such as power feeders, probes and powder washing systems. The turnkey plasma systems are used to develop new materials and optimize material characteristics (spheroidization). The systems do not release constituents other than the material itself and the plasma gases which consists of Argon, together with a secondary gas like helium, nitrogen, hydrogen, or oxygen. None of these gases are considered critical for the GHG emissions. It is an efficient way of developing advanced materials compared to alternative chemical processes that usually generate byproducts. Advanced materials aim to improve the efficiency of the finished product. Substantial Contribution: Induction plasma units sold to customers are designed for different powder-related applications that fall into two categories, i.e. nano powder synthesis for powder spheroidization, and are available in different power levels depending on the throughput required in all cases. The systems do not release constituents other than the powder itself and the plasma gases which consists of Argon, together with a secondary gas like helium, nitrogen, hydrogen or oxygen. None of these gases are considered critical for the GHG emissions. As an elec							
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fly ratio by more than 75%, design optimization for AM can reduce parts weight by another 65%.									
Life-cycle GHG emission savings are based on an AMG-TA report. As such, the criteria related to savings being calculated in accordance with Commission Recommendation 2013/179/EU and verified by an independent third party are considered met.									
Do no significant harm: CCA: Climate risk assessment is performed in accordance with appendix A. The assessment is based on a TCFD-structured analysis conducted in 2021, performed at company level. A roadmap has been developed and Tekna is currently quantifying the financial impact and developing a mitigation plan.									
W&M: A water impact assessment has been conducted in accordance with Appendix B. Water is filtered before going back to wastewater in the sewers. Each year, quality checks are performed on the wastewater coming from Tekna Advanced Materials Inc, its powder production facilities, to confirm that the quality of the filtered water meets the requirements for wastewater of the city of Sherbrooke.									
CE: Tekna assess the availability and adopts techniques that support reuse and use of secondary raw materials, design for high durability, recyclability, disassembly and adaptability of products, waste management and traceability of substances of concern throughout the lifecycle of the manufactured products. Metals have a high recy-									

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Assessments (continued)

Electricity-intensive technology, the energy mix used to power induction plasma units will have a significant impact on carbon footprint of this technology which is otherwise a clean technology. There are no other technologies on the market that can perform the same functions as induction plasma for nano powder synthesis or powder spheroidization. This is confirmed in tender calls, where Tekna are not facing competing technologies but only competitors offering an induction plasma solution similar to ours.

As of today, Tekna does not have a life-cycle GHG emission savings analysis available. Therefore, the plasma systems segment is not considered compliant with the substantial contribution requirement.

Do no significant harm:

Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not yet been carried out.

Conclusion:

Activity is eligible, not aligned.

Production of PlasmaSonic wind tunnels

Environmental Objective: Climate Change Mitigation
Economic Activity: 3.6 Manufacture of other low carbon technologies

Assessment Eligibility:

With "Production of PlasmaSonic wind tunnels", Tekna designs, manufactures, and sells the PlasmaSonic Product line, which is a wind tunnel that simulates hypersonic conditions to enable scientific research, for instance space tourism and hypersonic flight. Providing the opportunity to test materials developed for space in a controlled environment with precise instruments, significantly reduces emissions compared to testing these materials in space, by avoiding combustion of fuel and contamination in the atmosphere (metal particles creating Greenhouse effect).

Substantial Contribution:

Ground testing facilities, combined with computational models, simulate space re-entry conditions. Their purpose is to develop heat shields made of specialized materials. Different ground testing technologies exist, each with specific operational ranges (temperature, velocity, heat flux, test duration, gas composition, etc.) and minimum overlaps between them (see figure 3). Considering their differences in operational ranges, they can hardly be compared in terms of GHG emissions. Therefore, flight testing is the counterpart of Tekna's Plasmasonic technology in terms of GHG emissions for developing supersonic vehicles.

Flight testing involve launching sounding rockets at very high altitude or even in space. While data on large rocket emissions are available in the literature, sounding rockets are rather niche and very little has been published. Depending on the fuel used, combustion by-products like CO₂, soot, NO_x and water vapor are generated in various concentrations, along with unburnt

fuel expelled. The fact that important amounts of combustion by-products are released in a short period of time and in a concentrated area up to $>15\text{ km}$ altitude (in opposition with commercial aircraft making 1000s km flight at $<10\text{ km}$ altitude) can severely impact wetland and habitat nearby launching pads. Furthermore, space flight is the only direct human cause of pollution above about 20 km altitude. Scientists recently found the stratosphere is peppered with particles containing metals vaporized from the re-entry of satellites and rocket boosters. Also, water vapor released in the stratosphere can act as a greenhouse gas while black soot particles can linger for years, acting like an umbrella, absorbing solar radiation.

As such, the Plasmasonic wind tunnels are believed to provide substantial life-cycle GHG emission savings compared to the best performing alternative. However, the substantial contribution criteria are not considered met due to the lack of documentation verified by a third party demonstrating life-cycle GHG emission savings.

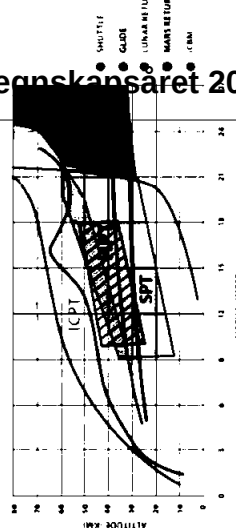


Figure 4: Vehicle trajectories vs PWT technologies, Plasma wind tunnel typical operating range by source.

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Introduction	108	Do no significant harm: CCA: Climate risk assessment is performed in accordance with appendix A. The assessment is based on a TCFD-structured analysis conducted in 2021, performed at company level. A roadmap has been developed and Tekna is currently quantifying the financial impact and developing a mitigation plan.							
Results	109	W&M: A water impact assessment has been conducted in accordance with Appendix B. Water is filtered before going back to wastewater in the sewers. Each year, a quality check is performed on the wastewater coming from the Tekna Plasma Systems facility to confirm that the quality of the filtered water meets the requirements for wastewater of the city of Sherbrooke.							
Scope.....	110	CE: Tekna assess the availability and adopts techniques that support reuse and use of secondary raw materials, design for high durability, recyclability, disassembly and adaptability of products, waste management and traceability of substances of concern throughout the lifecycle of the manufactured products. PlasmaSonic wind tunnels is a new product, with expected lifespan of more than 25 years. Further, it is estimated that more than 90% of the components can be recycled.							
Process.....	110	P&C: An assessment has been conducted in accordance with Appendix C. Tekna has compiled a list of the controlled and banned substances and chemicals in the regulations and directives named in Appendix C and inquired the laboratory team and building management to confirm that all substances and chemicals used in Tekna's operations are conform with the laws.							
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as the feedstock or precursor introduced in the system and the plasma gases which consists of Argon, together with a secondary gas like helium, nitrogen, hydrogen or oxygen. None of these gases are considered critical for the GHG emissions. With its nano-sized materials Tekna enables electrification through MLCC (downsizing electrical components), thereby enabling GHG emission reductions.									
Substantial Contribution: The documentation requirement regarding life-cycle GHG emissions calculation has not been fulfilled, hence the substantial contribution criteria is considered not met.									
Do no significant harm: Since the economic activity does not fulfill the criteria for substantial contribution, a complete assessment of the DNSH criteria has not yet been carried out.									
Conclusion: Activity is eligible, not aligned.									
(Development and) Production of nano materials for Multi-Layer Ceramic Capacitors (MLCC) Environmental Objective: Climate Change Mitigation Economic Activity: 3.6 Manufacture of other low carbon technologies									
Assessment Eligibility: With "development and production of nano materials for Multi-Layer Ceramic Capacitors (MLCC)", Tekna develops and operates their own proprietary plasma to produce and sell nano-sized metal powders for application in MLCC. The systems do not release constituents other than the powder itself (typically the same material									

Årsregnskap regnskapsåret 2023 for 925378

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Additional assessment against Environmental Objective Climate Change Adaptation (CCA)									
Environmental Objective: Climate Change Adaptation									
Economic Activity: 3.6 Manufacture of other low carbon technologies									
Assessment Eligibility:									
See description of the activities "Production of additive material powders", "Production of turnkey plasma systems", "Production of PlasmaSonic wind tunnels" and "development and production of nano materials for Multi-Layer Ceramic Capacitors (MLCC)" related to activity 3.6 regarding CCM above. A climate risk assessment and roadmap has been carried out, but an expenditure plan that complies with the requirements of Appendix a is currently not in place. As such, the economic activities are not considered eligible under climate change adaptation.									
Substantial Contribution & Do no significant harm:									
Since the economic activity is not considered eligible for the environmental objective Climate Change Adaptation, no further assessment of technical screening criteria has been carried out.									
Conclusion:									
Activity is not eligible under the Environmental Objective CCA									
Minimum Social Safeguards									
Minimum safeguard requirements are defined in article 18 of the EU Taxonomy regulation. According to which, an undertaking shall implement procedures to ensure the alignment with:									
- The OECD Guidelines for Multinational Enterprises (OECD Guidelines for MNE) - The UN Guiding Principles on Business and Human Rights (UNGPs), including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work - The International Bill of Human Rights									
When assessing compliance, the Platform on Sustainable Finance's final report on minimum safeguards was also considered.									
The Compliance documentation incorporates the OECD Guidelines for MNE and the OECD Due Diligence Guidance for Responsible Business Conduct (OECD DD Guidance), which are in line with the UNGPs. The Group's policies, such as the Code of Conduct and the Supplier Code of Conduct which can be found on our website, includes our policy on the internationally recognized human rights, that includes the International Bill of Human Rights and the ILO core conventions on Fundamental Principles and Rights at Work.									
The Enterprise Risk Management covers Responsible Business Conduct Principles as defined and interpreted									
Minimum safeguard requirements are defined in article 18 of the EU Taxonomy regulation. Our due diligence process covers topics such as social and employee matters, human rights, anti-bribery and anti-corruption, tax, consumer rights and competition. To ensure that the procedure is incorporated, Tekna policies and procedures are easily available to employees (in Isovision, the company document management system) and other relevant stakeholders (on www.tekna.com/eng). Furthermore, all employees receive training, which includes relevant topics addressed in the Code of Conduct and Ethics and the Compliance policies, and information about the whistleblowing channel. In addition to company-wide risk assessment, the company is subject to the Transparency Act and performs risk assessments in line with the regulatory requirement. This includes requirements such as providing information about adverse impacts and implementing or planned measures to cease or mitigate these impacts (refer the the Human Rights and Transparency Act report 2023).									
We are not aware of any breaches of the business conduct principles, as defined in the CoC. Further, we have not been convicted in court nor contacted by the OECD National Contact Points or the Business and Human Rights Resource Center with allegations on any of the topics covered by minimum safeguards.									
Based on our assessment, we believe that the Group's documentation, processes and policies meet the requirements of the minimum social safeguards and that we have established adequate human rights due diligence									
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gence processes as outlined in the UNGPs and OECD Guidelines for MNE. As such, we believe the Tekna Group complies with the minimum social safeguards requirement. For further details, please refer to our statements on Ethical Business Conduct in the sustainability report.

Future work

As we look to increase the share of aligned activities, we will endeavor to find clever, low-cost solutions to obtain the comparative independent studies, which are required to validate our alignment with Climate Change Mitigation.

We will continue retrieving and improving relevant documentation and assessing the technical screening criteria adopted by the EU in June 2023.

Further, we acknowledge that the EU Taxonomy is still evolving, where future FAQs and publications from the European Commission may shed new light on the interpretations substantiating this year's assessment. Having assessed eligibility for all environmental objectives for 2023, we are well-positioned to expand our reporting to alignment for new activities and objectives in 2024.



Tekna employees with a Powered Air Purifying Respirator Unit, personal protective equipment

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Accounting policies

Intro

Our accounting methodology for calculating and determining the financial key performance indicators (KPIs) disclosed by the EU Taxonomy Regulation follows the requirements in the EU Commission Delegated Regulation 2178/2021. In line with the regulation, Tekna reports on turnover, CapEx and OpEx for aligned and eligible, not-aligned economic activities.

The majority of Tekna's economic activities contribute to multiple environmental objectives and alignment has been assessed against each. For the purpose of allocating financial KPIs to a respective environmental objective, activity-specific considerations have been evaluated, in addition to Tekna's overall ESG strategy. Aligned with Tekna's strategy, Climate Change Mitigation ("CCM") is applicable to our activities.

Double counting

Tekna only qualifies under CCM and has allocated all its eligibility and alignment to this objective. No further preventative measures (such as allocation keys) have been deemed necessary to avoid any dual allocation of

Turnover per objective:		
Objective	Taxonomy-aligned	Taxonomy-eligible
CCM	62.8%	98.8%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Figure 5: Qualification per Environmental objective

EU Taxonomy Statements

Accounting policies

Intro

Our accounting methodology for calculating and determining the financial key performance indicators (KPIs) disclosed by the EU Taxonomy Regulation follows the requirements in the EU Commission Delegated Regulation 2178/2021. In line with the regulation, Tekna reports on turnover, CapEx and OpEx for aligned and eligible, not-aligned economic activities.

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CCM	62.8%	98.8%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Figure 5: Qualification per Environmental objective

CapEx per objective:

Objective	Taxonomy-aligned	Taxonomy-eligible
CCM	82.0%	100.0%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

OpEx per objective:

Objective	Taxonomy-aligned	Taxonomy-eligible
CCM	11.3%	26.7%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Proportion of turnover / Total turnover

Objective	Taxonomy-aligned	Taxonomy-eligible
CCM	62.8%	98.8%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Proportion of CapEx / Total CapEx

Objective	Taxonomy-aligned	Taxonomy-eligible
CCM	82.0%	100.0%
CCA	0.0%	0.0%
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	This is Tekna	CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
EU Taxonomy Statements (continued)									
Introduction	108	lated line items in the non-financial statement.							
Results	109	The numerator of the CapEx KPI mostly consists of capital expenditure directly associated with relevant projects (processes and assets) of Taxonomy-eligible/aligned economic activities as defined by letter (a) in the EU Commission Delegated Act 2178, section 1.1.2.2.							
Scope.....	110								
Process.....	110								
Assessments.....	111	Currently, Tekna does not have any material capital expenditures related to a CapEx plan (b) as part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned under conditions specified in the Delegated Act, nor does it purchase output from Taxonomy-eligible/aligned economic activities (CapEx c).							
Minimum Social Safeguards ..	115								
Future work.....	116								
EU Taxonomy Statements.....	117								
Accounting policies.....	117								
Contextual information about the KPIs	118								
Statements.....	19								
Calculation of OpEx									
The share of Tekna's aligned and eligible, not aligned OpEx is calculated as OpEx associated with aligned/eligible, not aligned economic activities divided by Tekna's total OpEx, as defined in the EU Commission Delegated Act 2178/2021.									
OpEx is defined as direct non-capitalized costs that relate to research and development, building renovation measures, short term lease, maintenance and repair and other direct expenditures relating to the day-to-day servicing of assets to property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.									
OpEx was determined using specific general ledger accounts related to maintenance and R&D. Allocations were as follow:									
For maintenance costs allocation keys were needed to segregate expenses for Microelectronics (ME) and Additive Materials (AM). Tekna production systems are dedicated either to AM or ME. Allocation was based on hours worked by specific system in 2023. 98% to AM and 2% to ME.									
For R&D: No allocation key used as we apply Project accounting.									
OpEx: CAD 2 736 899									
Change of definition from all OpEx in FY2020 to direct expenditures related to the continuation and effectiveness of functioning of assets in FY23.									
Note CapEx									
All capital expenditure is considered eligible, CAD 8 132 779.									
Property, Plant & Equipment: CapEx considered eligible CAD 7 401 606 (excluding ROU).									
Intangible assets: Capitalized patents and development fees: CAD 372 812.									
Investment properties: no change									
Right-of-Use assets: additions: CAD 385 361.									
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Note Turnover									
As the activities match our definition of business lines, no assumptions nor allocation keys are needed to determine the KPI's.									
Revenue from contracts with customers: CAD 40 399 489. R&D Income is excluded.									
No turnover is used for internal consumption, and all is relevant for the EU taxonomy assessment.									
Compared to 2022 EU taxonomy progress report the definition of activities has been narrowed resulting in four assessed activities in 2023 compared to two in 2022.									
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EU Taxonomy Statements (continued)

Revenue

Financial year 2023	Year		Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm*)						Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover {2023} (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)			
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Manufacture of other low carbon technologies	CCM 3.6	25 691 644	62.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		25 691 644	62.8%	62.8%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y		
Of which enabling		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y		E
Of which transitional		0	0.0%	0.0%						Y	Y	Y	Y	Y	Y	Y		

A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

Financial year 2023	Year		Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm*)						Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover {2023} (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)			
Manufacture of other low carbon technologies	CCM 3.6	14 707 845	36.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		14 707 845	36.0%	36.0%	0.0%	0.0%	0.0%	0.0%	0.0%									
A. Turnover of Taxonomy-eligible activities (A.1. + A.2.)		40 399 489	98.8%	98.8%	0.0%	0.0%	0.0%	0.0%	0.0%									

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy-non-eligible activities	488 913	1.2%
TOTAL	40 888 402	100%

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EU Taxonomy Statements (continued)
CapEx

Financial year 2023	Year		Substantial Contribution Criteria						DNSH criteria (“Does Not Significantly Harm”)					Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) capex, year 2022 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Code (2)	CapEx (3)	Proportion of CapEx (2023) (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)		
Economic Activities (1)																	
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
Manufacture of other low carbon technologies	CCM 3.6	6 668 436	82.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0%	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		6 668 436	82.0%	82.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y		
Of which enabling		0	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y		E
Of which transitional		0	0.0%	0.0%						Y	Y	Y	Y	Y	Y		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Manufacture of other low carbon technologies	CCM 3.6	1 464 343	18.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1 464 343	18.0%	18.0%	0.0%	0.0%	0.0%	0.0%	0.0%								
A. CapEx of Taxonomy-eligible activities (A.1. + A.2.)		8 132 779	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%								
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
CapEx of Taxonomy-non-eligible activities		0	0.0%														
TOTAL		8 132 779	100%														

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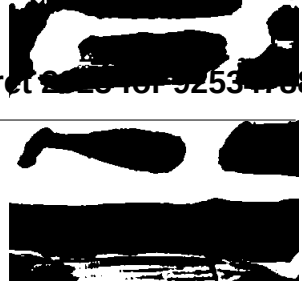
EU Taxonomy Statements (continued)
OpEx

Financial year 2023	Year		Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")					Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) opex, year 2022 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Code (2)	OpEx (3)	Proportion of OpEx (2023) (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)		
Economic Activities (1)																	
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
Manufacture of other low carbon technologies	CCM 3.6	1 160 351	11.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1 160 351	11.3%	11.3%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	
Of which enabling		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								E
Of which transitional		0	0.0%	0.0%													T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Manufacture of other low carbon technologies	CCM 3.6	1 576 548	15.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1 576 548	15.4%	15.4%	0.0%	0.0%	0.0%	0.0%	0.0%								
A. OpEx of Taxonomy-eligible activities (A.1. + A.2.)		2 736 899	26.7%	26.7%	0.0%	0.0%	0.0%	0.0%	0.0%								
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
OpEx of Taxonomy-non-eligible activities		7 510 869	73.3%														
TOTAL		10 247 768	100%														



Appendix

Alternative Performance Measures—definitions	12
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This is Tekna		CEO letter	Board and Management	Shareholder information	Board of Directors' report 2023	Financial Statements Auditors report	Corporate Governance Statement	Sustainability Reporting	Contact Information
Appendix Abbreviations									
Abbreviation	Clarification	Useful link	Abbreviation	Clarification	Useful link				
AFK	Arendals Fossekompani ASA	Home - Arendals Fossekompani	IR	Injury Rate	ISO - International Organization for Standardization				
AM	Additive Manufacturing		ISO	International Organisation for Standardisation					
AM/GTA	Additive Manufacturer Green Trade Association	Home - AMGTA	IT	Information Technology					
AR	Absentee Rate		KPI	Key Performance Indicator					
BoD	Board of Directors	investors/governance (tekna.com)	LCA	Life Cycle Assessment	Life-cycle assessment - Wikipedia				
CoC	Code of Conduct		LDA	Lost Day Rate					
CoP	Communication on Progress (Re: UN Global Compact)		LiB	Lithium-ion Battery					
CSR	Corporate Social Responsibility		LTI LTIFR	Lost Time Injury Rate Lost Time Injury Frequency Rate					
CSRD	Corporate Sustainability Reporting Directive (EU)		NACE	Nomenclature of Economic Activities					
eCoC	employee Code of Conduct	esg (tekna.com)	NGO	Non-Governmental Organisations					
eNPS	employee Net Promotor Score		NPS	Net Promoter Score					
ERP	Enterprise Resource Planning		OECD	The Organisation for Economic Co-operation and Development	Home page - OECD				
eSAT	employee Satisfaction Score		OEM	Original Equipment Manufacturer					
ESG	Environmental, Social and Governance	esg (tekna.com)	OHS	Occupational Health and Safety					
ESRD	European Sustainability Reporting Directive (EU)		R&D	Research & Development					
EU taxonomy	an European tool to help investors understand whether an economic activity is environmentally sustainable, and to navigate the transition	EU taxonomy for sustainable activities European Commission (europa.eu)	SASB	Sustainability Accounting Standards Boards	SASB				
EY	Ernst & Young		sCoC	Supplier Conduct of Conduct	esg (tekna.com)				
FTE	Full-time Employees		SDG	Sustainable Development Goals	THE 17 GOALS Sustainable Development (un.org)				
GDPR	General Data Protection Regulation		SFDR	Sustainable Finance Disclosure Regulation (EU)					
GHG	Greenhouse Gas		TCFD	Task Force on Climate-related Financial Disclosures	Task Force on Climate-Related Financial Disclosures TCFD) (fsb-tcfd.org)				
GRI	Global Reporting Initiative	GRI - Home (globalreporting.org)	TAM	Tekna Advanced Materials					
HSSE	Health, Safety, Security and Environment		TPE	Tekna Plasma Europe					
HR	Human Resources		TPS	Tekna Plasma Systems					
IoT	Internet of Things		UN	United Nations	Homepage UN Global Compact				
IPCC	Intergovernmental Panel on Climate Change	IPCC — Intergovernmental Panel on Climate Change							
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Tekna Holding ASA

Langbryggen 1

4841 Arendal

Norway

Headquarter

2935 Boul. Industriel

Sherbrooke, Québec

J1L 2T9 Canada

+1-819-820-2204

investors@tekna.com

www.tekna.com/investor

esg@tekna.com

www.tekna.com/esg

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