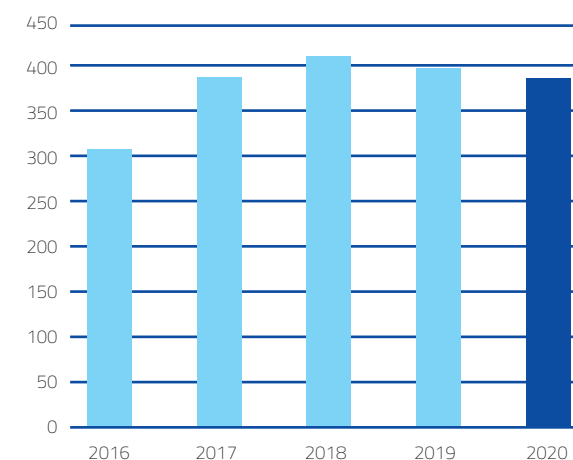
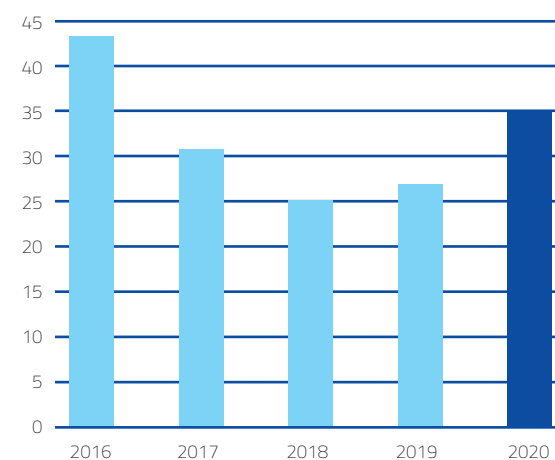


THE TEKNOS GROUP IN FIGURES

Net Sales, EUR million



EBITDA, EUR million



Review

	2016	2017	2018	2019	2020
Net Sales, EUR million	307	384	408	398	384
EBITDA, EUR million	43	31	25	27	35
Personnel	1300	1800	1700	1800	1800
Equity ratio %	44,9 %	37,2 %	40,2 %	41,7 %	45,1 %

(Equity ratio includes subordinated loans and a minority interest.)

WE MAKE THE WORLD LAST LONGER

Teknos is a global coatings company with operations in more than 20 countries in Europe, Asia, and the USA. The company employs approximately 1,800 people, and the net sales for 2020 was EUR 384 million. Teknos is one of the leading suppliers of industrial coatings with a strong position in retail and architectural coatings.

Teknos wants to make the world last longer by providing smart, technically advanced paint and coating solutions to protect and prolong. Teknos always works in close cooperation with its customers. Teknos was established in 1948 and is one of Finland's largest family-owned businesses. For further information, visit www.teknos.com.

2020 IN BRIEF

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CEO'S REVIEW 2020

IT IS TIME TO LOOK BACK ON THE CHALLENGING YET MEMORABLE YEAR OF 2020.

Teknos was hit like everybody else with the same situation of Covid-19. It impacted our business directly regarding the losses of sales and the health of our employees, and indirectly how our stakeholders were affected. The situation was mitigated with safety instructions and other preventive actions. New ways of working and collaborating with our customers, such as the use of virtual reality technology, increased efficiency and generated new service ideas.

Last year we continued our profitable growth strategy focusing on our

strategic initiatives; balance, customer experience, sustainability, continuous improvement culture and innovations. Even if we were not able to grow, we achieved a lot;

We managed to keep our net sales on a realistic though not targeted level with only a slight drop of 4% out of the previous year coming to 384 million EUR. Our profitability level increased significantly due to our efficiency projects and structural changes, and we managed to reach 35 million EUR in EBITDA. We released our plans to invest in a new site in Germany and

transfer operations from the existing three factories into this new site. We also informed of our plans to strengthen our focus on sales and services in the Netherlands and Sweden and transfer our production from the Netherlands and Sweden to other Teknos sites.

We succeeded to streamline our product portfolio. We started conceptualizing our service offering and are in a testing phase to utilize virtual reality to provide remote technical service to our customers mitigating any possible travel restrictions. We transformed our trainings to virtual trainings to

adapt to the new situation and still maintained good progress with e.g. leadership trainings. A good example of our sustainable innovations was the development and launch of new Teknos BIORA® AIR product with an extraordinary Nordic Indoor Air Purifier technology that cleans the air from harmful aldehydes.

In 2021, we will put efforts into the sustainability and into the innovations and finding new ways of utilising what we have learned. We continue focusing on our strategic targets with what we are unique in; being locally present,



being flexible and bringing new solutions and options for our customers.

We also need to be very mindful of where we currently are; we are still in the middle of pandemic. Due to that, there is a lot of uncertainty at present in the chemical supply chain. This directly effects the coatings industry and has led to unexpected increases in raw material prices, delivery issues, shortages and in some cases Force Majeure notices being issued by our suppliers. Please be assured that we are doing our utmost to find suitable customer-oriented solutions and to minimize the impact of

this unfortunate situation.

For 2021 the most important thing is going to be everybody's personal health and well-being. I know that together with all our stakeholders we can continue building Teknos towards our vision; to be sustainable coating solutions provider close to the customer.

Paula Salastie, CEO

