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## **Nel ASA: Contemplated private placement and secondary sale**

**(Oslo, 28 June 2018)** Reference is made to the stock exchange announcement published by Nel ASA ("Nel" or the "Company") earlier today regarding the award of a multi-billion NOK electrolyzer and fueling station contract by Nikola. The Company has retained Arctic Securities and Carnegie (the "Managers") to advise on and effect an undocumented private placement of new shares (the "Private Placement"). In addition, F9 Investments, LLC ("F9 Investments") is, subject to approval by the Company, considering a potential secondary sale (the "Secondary Sale", and together with the Private Placement the "Transaction"). The Transaction will be directed towards Norwegian and international investors after the close of Oslo Stock Exchange today.

In the Private Placement, the Company is offering up to 90,000,000 new shares, representing up to approximately 9% of the outstanding capital of the Company. In connection with the Private Placement, the Company is also considering to allow a sell-down of up to 50,000,000 shares (equivalent to 5% of the shares outstanding) from F9 Investments (controlled by Tom Sullivan, founder of Proton OnSite, acquired by Nel in 2017 – not a primary insider). F9 Investments currently holds 146,138,713 shares in the company (representing 14.56% of the shares outstanding). Remaining shares not sold in the offering will be subject to a customary lock-up.

The price in the Transaction will be determined through an accelerated bookbuilding process. The minimum application and allocation amount has been set to the NOK equivalent of EUR 100,000. The Company may however, at its sole discretion, allocate an amount below EUR 100,000 to the extent applicable exemptions from the prospectus requirement pursuant to the Norwegian Securities Trading Act and ancillary regulations are available.

The proceeds will be used to accommodate the Nikola order announced today and to fund the potential expansion of the production facility at Notodden. The investment required is estimated to approximately NOK 150 million and the expansion would give Nel a maximum production capacity of 340 MW/year compared to its current facility which can produce up to 40 MW/year. The announced Nikola Order of 448 electrolyzers will require a production of 2.2MW per electrolyzer. In addition, the Company has been invited to invest up to USD 5 million in Nikolas upcoming fundraising and will consider using parts of the proceeds from the share issue for such an investment. The proceeds will also fund additional working capital in response to increased order volumes and improved positioning to benefit from markets with high activity and growth momentum, as well as general corporate purposes.

The bookbuilding period for the Transaction opens today at 16:30 CET and closes 29 June 2018 at 08:00 CET. The Managers and the Company may, however, at any time resolve to close or extend the bookbuilding period at their sole discretion and on short notice.

The new shares to be issued in connection with the Private Placement will be issued based on a Board authorisation granted by the Company's general meeting held 15 May 2018. The new shares allocated in the Private Placement will be delivered as soon as practically possible after the registration of the share capital increase in the Norwegian Register of Business Enterprises, expected on or about 2 July 2018. The new shares issued in the Private Placement will be made available for trading on Oslo Børs under the Company's existing ISIN upon delivery. The shares allocated as part of the potential Secondary Sale will be settled through a delivery versus payment transaction on a regular t+2 basis by delivery of existing and unencumbered shares in the Company that are already listed on the Oslo Stock Exchange, and will thus be tradable upon allocation. Investors participating in the Transaction will be allocated shares in the Private Placement and the Secondary Sale on a prorated basis.

The waiver of the preferential rights inherent in a private placement is considered necessary in the interest of time and successful completion. However, the Board of Directors of the Company will consider to conduct a subsequent offering directed towards existing shareholders in the Company as of the end of trading today, 28 June 2018 (and as registered in the VPS as of the end of 2 July 2018) who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action who were not allocated shares in the Private Placement (the "Subsequent Offering"). The subscription price in a potential Subsequent Offering will be equal to the subscription price in the Private Placement. Taking into consideration the time, costs and expected terms of alternative methods of the securing the desired funding, as well as the subsequent offering considered, the board has concluded that the conclusion of the Private Placement on acceptable terms at this time is in the common interest of the shareholders of the Company.

More information is included in the attached presentation.

ENDS

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**About Nel Hydrogen | [www.nelhydrogen.com](http://www.nelhydrogen.com)**

Nel Hydrogen is a global, dedicated hydrogen company, delivering optimal solutions to produce, store and distribute hydrogen from renewable energy. We serve industries, energy and gas companies with leading hydrogen technology. Since its foundation in 1927, Nel has a proud history of development and continual improvement of hydrogen plants. Our hydrogen solutions cover the entire value chain from hydrogen production technologies to manufacturing of hydrogen fueling stations, providing all fuel cell electric vehicles with the same fast fueling and long range as conventional vehicles today.