

Nel ASA: Constructing the world's largest electrolyzer manufacturing plant

(Oslo, 22 August 2018) Nel ASA ("Nel") today announces the construction of the world's largest electrolyzer plant, fully automated and able to deliver the most efficient electrolyzers at a game changing cost. The total development will have a name plate capacity of 360 MW/year, approximately ten times the current annual production capacity, and the new facility will accommodate the multi-billion NOK order from Nikola Motor Company (Nikola). The manufacturing plant will be constructed as an extension of the current facility at Notodden, Norway, with total planned investments of around NOK 150 million.

"We want to change the world and make renewable hydrogen mainstream, not a niche product like it is today. As a market leader, Nel is now stepping up to make available technology that can outcompete fossil alternatives like natural gas reforming. This will be the world's largest electrolyzer manufacturing plant, fully automated and designed according to lean manufacturing principles, capable of making the most efficient electrolyzers at a cost the world has never seen before. This expansion will also fully support the ambitions of Nikola, as well as accommodate other customers wanting to make a significant change to their business model," says Jon André Løkke, Chief Executive Officer of Nel.

During 2018, the Notodden facility was expanded from a production capacity of 25 to 40 MW/year, through debottlenecking and optimizing the existing plant. After the first stage expansion, Nel has been awarded a contract for the delivery of 448 electrolyzers to Nikola as part of Nikola's development of a hydrogen station infrastructure in the US for trucks and passenger vehicles. Under the multi-billion NOK contract, Nel will deliver up to 1 GW of electrolysis plus fueling equipment.

"We already have the largest and most sophisticated manufacturing plant for hydrogen fueling equipment. Today, we confirm our leadership position also within electrolyzer manufacturing, which will enable us to offer complete solutions at a benchmark price. The target is clear: customers should be able to switch from fossil to renewable solutions without compromising on cost," Løkke says.

When fully expanded, optimized and ramped up, the total Notodden facility will be able to deliver up to 360 MW worth of electrolyzers per year at a five-shift operation, representing more than 160 A485 units per year.

"The expansion is fully aligned with the Nikola roadmap and we will formally kick-off the project during the second half of 2018. The facility will be operational early 2020, and ramp-up will be aligned with customer requirements", says Løkke.

The expansion of the Notodden facility represents investments of approximately NOK 150 million and will add 30 - 40 new employees.

Nel will host a presentation at 08:00 CET at Hotel Continental in Oslo on 23 August 2018. A live webcast of the presentation will also be available on the company's website and at <http://webtv.hegnar.no/presentation.php?webcastId=92032306>.

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About Nel ASA | www.nelhydrogen.com

Nel 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.