

OSE-FILING

May 7, 2020 – Oslo, Norway

Nel ASA: First quarter 2020 financial results

(Oslo, 7 May 2020) Nel ASA (Nel) reported revenues of NOK 126.5 million in the first quarter of 2020, slightly up from NOK 122.4 million in the same quarter of 2019 and an adjusted EBITDA of negative NOK 41.7 million. The order backlog grew 46% to NOK 590 million and the company currently holds approximately NOK 1.3 billion in cash. Nel expects the Covid-19 pandemic to continue to impact financial results, but reiterates the long-term outlook.

"As we communicated in our Covid-19 market updates 22 and 26 March, in addition to 21 April, Nel implemented strict regulations to ensure safety of customers, employees, partners and co-citizens. These "stay home - stay safe" policies impact our production, installation, commissioning and associated revenue recognition. We reiterate a positive long-term outlook as the markets in which we operate are still showing high activity and strong growth momentum. In addition, we see various governmental interest in developing and supporting major green initiatives as part of building new industries and infrastructure post Covid-19, says Jon André Løkke, Chief Executive Officer of Nel.

Nel reported revenues in the first quarter of 2020 of NOK 126.5 million, slightly up from NOK 122.4 million in the corresponding quarter in 2019. The adjusted EBITDA was NOK -41.7 million, adjusted for non-recurring and other ramp-up costs, and the backlog grew 46% to approximately NOK 590 million (no adjustment has been made for Covid-19 effects).

During the first quarter of 2020, Nel completed a successful private placement raising NOK 846 million in gross proceeds, in addition to the subsequent offering in April 2020, bringing the cash position to exceed NOK 1.3 billion.

"Nel targets to have a strong financial position to execute strategic plans. The private placement and subsequent offering were both oversubscribed showing a solid backing from our shareholders. We target to maintain and strengthen our leading position in a growing market through accelerated investments in technology and organization, and experience an increased importance of being a financially strong counterpart, especially for larger contracts," says Løkke.

The visibility on the duration and size of the effects from the Covid-19 situation is currently low. Nel remains committed to the growth strategy and has through 2019 taken on additional employees and costs to prepare for future growth. Nel holds the workforce largely intact to maintain the momentum when the situation normalizes and will continuously assess the situation.

"The hydrogen market is expected to grow significantly, and green hydrogen is on a trajectory to outcompete fossil hydrogen and fossil fuels. There is an increased adoption of industrial hydrogen applications with a large overall potential. In addition, there is a momentum within mobility and especially within heavy-duty-vehicles. We reiterate our confidence in the long-term potential for the industry", Løkke concludes.

EBITDA and other alternative performance measures (APMs) are defined and reconciled to the IFRS financial statements as a part of the APM section of the first quarter 2020 report on page 21.

The first quarter 2020 report and presentation are enclosed and available through www.newsweb.no (Ticker: NEL) and www.nelhydrogen.com. Nel will host an open investor presentation at 08:00 CET and the presentation will be broadcasted live at www.nelhydrogen.com and can also be streamed at https://channel.royalcaster.com/webcast/hegnarmedia/20200507_4/. The presenter will be Jon André Løkke, CEO, and the presentation will be held in English.

The presentation will be supplemented by a guest speaker, Jorgo Chatzimarkakis, who is Secretary General of Hydrogen Europe, the European Hydrogen and Fuel Cell Association. Mr. Chatzimarkakis will present a recently launched European initiative which aims to deploy 80 GW of green hydrogen production in and around Europe by 2030.

ENDS

For further information, please contact:

Jon André Løkke, CEO, +47 907 44 949

Bjørn Simonsen, VP Investor Relations & Corporate Communication, +47 971 79 821

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. Our roots date back to 1927, and since then we have had a proud history of development and continuous improvement of hydrogen technologies. Today, our solutions cover the entire value chain: from hydrogen production technologies to hydrogen fueling stations, enabling industries to transition to green hydrogen, and providing fuel cell electric vehicles with the same fast fueling and long range as fossil-fueled vehicle, without emissions.