

## Nel ASA: First quarter 2022 financial results

(Oslo, 11 May 2022) Nel ASA (Nel, OSE:NEL) reported revenues of NOK 213 million in the first quarter of 2022, up from NOK 157 million in the same quarter of 2021. Nel continues with its scale-up strategy to maintain the leadership position in a market set to grow rapidly. After a reported order intake of NOK 283 million for the period, the company now has a record-high backlog.

### Quarterly highlights

- Nel ASA (Nel) reported revenue and operating income in the first quarter 2022 of NOK 213 million, up 36% from the first quarter 2021 (Q1 2021: 157).
- Order intake this quarter of NOK 283 million (Q1 2021: 263). At quarter end, Nel reported the highest ever order backlog of NOK 1 289 million, up 19% from the first quarter 2021 (up 5% compared to the fourth quarter 2021).
- EBITDA of NOK -152 million (Q1 2021: -74).
- Strong cash balance of NOK 3 940 million (Q1 2021: 3 248) following a successful private placement during the quarter which raised NOK 1 500 million in gross proceeds.
- Ramp-up of production at the new 500 MW line at the Herøya facility continued successfully and the first electrolyser systems were delivered during the quarter.
- Nel appointed Håkon Volldal as new Chief Executive Officer from July 1, 2022.
- Subsequent to the quarter, Nel has decided to secure long-lead items for a new 500 MW alkaline production line. Location in Europe to be decided.

Results continue to be affected by the company's strategy to pursue growth and higher activity levels, including an increasing number of employees working to develop projects, including paid large-scale FEED studies. Increasing price pressure on raw materials and supply chain challenges following the aftermath of Covid-19 and the war in Ukraine is also impacting the results.

"We remain committed to our growth strategy and are confident in the long-term potential for the industry. Both backlog and pipeline are growing, and we continue to see a strong outlook for green hydrogen", says CEO Jon André Løkke. "By industrializing our technology platforms, designing large-scale hydrogen plants, and further develop our technology, we will continue to reduce cost and take large steps towards our goal of reaching fossil parity by 2025".

Nel recently inaugurated its new and fully automated electrolyser manufacturing facility at Herøya in Norway. The factory has a current production capacity of 500 MW which can be extended to 2 GW. The company has now decided to secure long-lead items for a second 500 MW alkaline production line.

"We have enough space to expand our production capacity at Herøya, but are also considering other locations in Europe outside of Norway, where the authorities can offer favorable frame-work conditions," says Løkke.

At quarter-end the cash balance was NOK 3 940 million (Q1 2021: 3 248) following a successful private placement on 23 March 2022. The company raised gross proceeds of NOK 1 500 million at NOK 15.3 per share, the largest in Nel's history. The book was substantially oversubscribed at 4.5x. This capital raise puts Nel in a solid financial position to pursue its growth strategy.

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 2022 report on page 21.

The first quarter 2022 report and presentation are enclosed and available through [www.newsweb.no](http://www.newsweb.no) (Ticker: NEL) and [www.nelhydrogen.com](http://www.nelhydrogen.com). Nel will host a live broadcast at [www.nelhydrogen.com](http://www.nelhydrogen.com) and the event can also be streamed at <https://channel.royal-cast.com/hegnarmedia/#!/hegnarmedia/20220511> 1. The presenters will be Chief Executive Officer Jon André Løkke and Chief Financial Officer Kjell Christian Bjørnsen. The presentation will be held in English.

The presentation will be held at Hotel Continental, Oslo at 08:00 CET. The presentation will be followed by Q&A based on submitted questions during the call. As Covid-19 restrictions are lifted in Oslo, physical participation is welcome.

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**About Nel ASA | [www.nelhydrogen.com](http://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 origins 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.

This information is subject to a duty of disclosure pursuant to Section 5-12 of the Norwegian Securities Trading Act.

This information was issued as inside information pursuant to the EU Market Abuse Regulation, and was published by Wilhelm Finder, Head of Investor Relations, at NEL ASA on the date and time provided.