



OSE-FILING

March 6, 2023 – Oslo, Norway

# Nel ASA: Contemplated private placement

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**(March 6, 2023 – Oslo, Norway) Nel ASA ("Nel" or the "Company") has retained Carnegie AS and Morgan Stanley & Co. International plc as joint bookrunners (together the "Managers") to advise on and effect a private placement of new ordinary shares in the Company (the "Offer Shares") to raise gross proceeds of approximately NOK 1,600 million (the "Private Placement"). The subscription price per Offer Share in the Private Placement (the "Subscription Price") will be determined by the Company's Board of Directors (the "Board") on the basis of an accelerated book-building process conducted by the Managers.**

Nel is experiencing ever-increasing interest and opportunities within the hydrogen industry. The pipeline continues to improve and mature, and the company has recently been able to secure attractive large-scale contracts. The Company is committed to capitalizing on its position as a technology frontrunner and will continue to invest in building scale to develop the organization and its technology platforms. This includes the already announced expansions at Herøya and Wallingford and organizational growth linked to order intake and tender activity, but also potentially further expanding the Herøya plant to 2 GW capacity and/or commencing construction of a new US Gigafactory related to the announced ongoing site selection process. The net proceeds from the Private Placement will be used to partially finance the expansion program and for general corporate purposes.

The application period in the Private Placement will commence today, 6 March 2023 at 16:30 CET and close on 7 March 2023 at 08:00 CET. The Managers and the Company may, however, at any time resolve to close or extend the application period without notice. If the application period is shortened or extended, any other dates referred to herein may be amended accordingly.

The Private Placement will be directed towards selected Norwegian and international investors (a) outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and (b) to investors in the United States who are "qualified institutional buyers" ("QIBs") as defined in Rule 144A under the U.S. Securities Act, in each case subject to an exemption being available from prospectus requirements and any other filing or registration requirements in the applicable jurisdictions and subject to other selling restrictions. The minimum application and allocation amount has been set to the NOK equivalent of EUR 100,000 per investor. The Company may, however, at its sole discretion, allocate an amount below EUR 100,000 to the extent applicable exemptions from the prospectus requirements pursuant to the Norwegian Securities Trading Act and ancillary

regulations are available. Further selling restrictions and transaction terms will apply.

Allocation of Offer Shares will be determined at the end of the application period at the sole discretion of the Board in consultation with the Managers. The Company may focus on allocation criteria such as (but not limited to) existing ownership in the Company, timeliness of the application, price leadership, relative order size, sector knowledge, investment history, perceived investor quality and investment horizon.

Allocated shares are expected to be settled on or around 9 March 2023 through a delivery versus payment transaction on a regular t+2 basis. However, the new shares will not be tradable before the new capital is registered by the Norwegian Register of Business Enterprises, expected on or about 8 March 2023, based on a pre-payment agreement with the Managers.

Completion of the Private Placement is subject to (i) approval by the Board pursuant to an authorisation to increase the share capital granted by the Company's general meeting held on 21 April 2022, (ii) the Board resolving to consummate the Private Placement and allocate the Offer Shares, (iii) the placement agreement entered into by the Managers and the Company on 6 March 2023 not being terminated in accordance with the terms thereof and (iv) payment for the Offer Shares and registration of the share capital increase in the Company pertaining to the Private Placement with the Norwegian Register of Business Enterprises (jointly the "Conditions").

The Company reserves the right, at any time and for any reason, to cancel, and/or modify the terms of, the Private Placement prior to completion. Neither the Company nor the Managers will be liable for any losses incurred by applicants if the Private Placement is cancelled, irrespective of the reason for such cancellation.

Subject to completion of the Private Placement, the Company has agreed to a 90 days lock-up for the Company, subject to customary exemptions (including for share issuances under employee share option plans) and the issuance of shares under the potential Subsequent Offering (as defined below).

The Board has considered the structure of the contemplated capital raise in light of the equal treatment obligations under the Norwegian Public Limited Companies Act, the Norwegian Securities Trading Act and the rules on equal treatment under Oslo Rule Book II for companies listed on the Oslo Stock Exchange and the Oslo Stock Exchange's guidelines on the rule of equal treatment, and is of the opinion that the proposed Private Placement is in compliance with these requirements. By structuring the transaction as a private placement, the Company will be in a position to raise capital in an efficient manner, with a lower discount to the current trading price and with significantly lower completion risks compared to a rights issue. In addition, the Private Placement is subject to marketing through a publicly announced bookbuilding process and a market-based offer price should therefore be achieved. Furthermore, the number of New Shares to be issued in connection with the contemplated Private Placement implies that the dilution of existing shareholders will be limited. On this basis and based on an assessment of the current equity markets, the Board has considered the Private Placement to be in the common interest of the Company and its shareholders. As a consequence of the private placement structure, the shareholders' preferential rights to subscribe for the New Shares will be deviated from.

The Company may, subject to, among other things, completion of the Private Placement, carry out a subsequent offering of new ordinary shares in the Company (the "Subsequent Offering") at the Subscription Price towards existing shareholders as of 6 March 2023 (as registered in the Norwegian Central Securities Depository as of 8 March 2023), who (i) were not allocated Offer Shares and (ii) are not resident in a jurisdiction where such offering would be unlawful or, would (in jurisdictions other than Norway) require a prospectus, a registration or similar action. Whether a Subsequent Offering will be carried out will inter alia depend on the results of the Private Placement and the subsequent development of the Company's share price.

## Advisors

Carnegie AS and Morgan Stanley & Co. International plc are acting as joint bookrunners in the Private Placement. Advokatfirmaet Schjødt AS is acting as the Company's legal advisor and Advokatfirmaet Thommessen AS and Cleary Gottlieb Steen & Hamilton LLP are acting as the Managers' legal advisors.

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 Flinder, Head of Investor Relations, at NEL ASA on the date and time provided.

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## About Nel ASA | [www.nelhydrogen.com](http://www.nelhydrogen.com)

Nel has a history tracing back to 1927 and is today a leading pure play hydrogen technology company with a global presence. The company specializes in electrolyser technology for production of renewable hydrogen, and hydrogen fueling equipment for road-going vehicles. Nel's product offerings are key enablers for a green hydrogen economy, making it possible to decarbonize various industries such as transportation, refining, steel, and ammonia.

## Important Notices

This announcement is not for publication or distribution in, directly or indirectly, Australia, Canada, Japan, Hong Kong, South Africa or the United States or any other jurisdiction in which such release, publication or distribution would be unlawful, and it does not constitute an offer or invitation to subscribe for or purchase any securities in such countries or in any other jurisdiction where to do so might constitute a violation of the local securities laws or regulations of such jurisdiction.

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In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation, i.e., only to investors who can receive the offer without an approved prospectus in such EEA Member State. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (together with any applicable implementing measures in any Member State).

In the United Kingdom, this communication is only addressed to and is only directed at Qualified Investors who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (ii) are persons falling within Article 49(2)(a) to (d) of the Order (high net worth companies, unincorporated associations, etc.) (all such persons together being referred to as "Relevant Persons"). These materials are directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this announcement relates is available only to Relevant Persons and will be

engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

The Managers are acting for the Company in connection with the Private Placement and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to the Private Placement or any transaction or arrangement referred to in this press release.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "anticipate", "believe", "continue", "estimate", "expect", "intends", "may", "should", "will" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this announcement speak only as at its date and are subject to change without notice. This announcement is made by and is the responsibility of, the Company. The Managers are acting exclusively for the Company and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, or for advice in relation to the contents of this announcement or any of the matters referred to herein. Neither the Managers nor any of their respective affiliates makes any representation as to the accuracy or completeness of this announcement and none of them accepts any responsibility for the contents of this announcement or any matters referred to herein.

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