



Q1 2022

Jon André Løkke, CEO
11 May 2022

Forward-looking information

This Presentation includes and is based, inter alia, on forward-looking information and statements relating to the business, financial performance and results of Nel ASA and/or industry and markets in which it operates that are subject to risks and uncertainties that could cause actual results to differ materially from the statements expressed or implied in this Presentation by such forward-looking statements. These statements and this Presentation are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Nel ASA and Nel ASA's (including subsidiaries and affiliates) lines of business. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates", "aims", "anticipates", "intends", "plans", "projects", "targets" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for Nel ASA's businesses, raw material prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and other factors.

Although Nel ASA believes that its expectations, estimates and projections are based upon reasonable assumptions, it can give no assurance that these will be achieved or that forecasted results will be as set out in the Presentation, and you are cautioned not to place any undue reliance on any forward-looking statements. Nel ASA is making no representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the Presentation, and neither Nel ASA nor any of its, or its subsidiaries' directors, officers or employees will have any liability to you or any other persons resulting from your use of this Presentation. This presentation was prepared in connection with the Nel ASA first quarter 2022 presentation 11 May 2022. Information contained in this Presentation is subject to change without notice and will not be updated. This Presentation should be read and considered in connection with the information given orally during the presentation. The Nel ASA shares have not been registered under the U.S. Securities Act of 1933, as amended (the "Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Act. The global Covid-19 pandemic is expected to continue to cause disruptions in Nel ASA's operations and financials in the near- and medium-term. Production, order intake, customer dialogue, installations, commissioning and associated revenue recognition have all been impacted by "stay home" policies.



Agenda

1. Nel in brief
2. Q1 highlights
3. Commercial developments
4. Political events
5. Summary and outlook
6. Q&A

Leading pure play hydrogen technology company with a global footprint



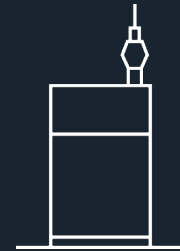
Pure play hydrogen technology company listed on Oslo Stock Exchange (NEL.OSE)



Manufacturing facilities in Norway, Denmark, and U.S., with a global sales network

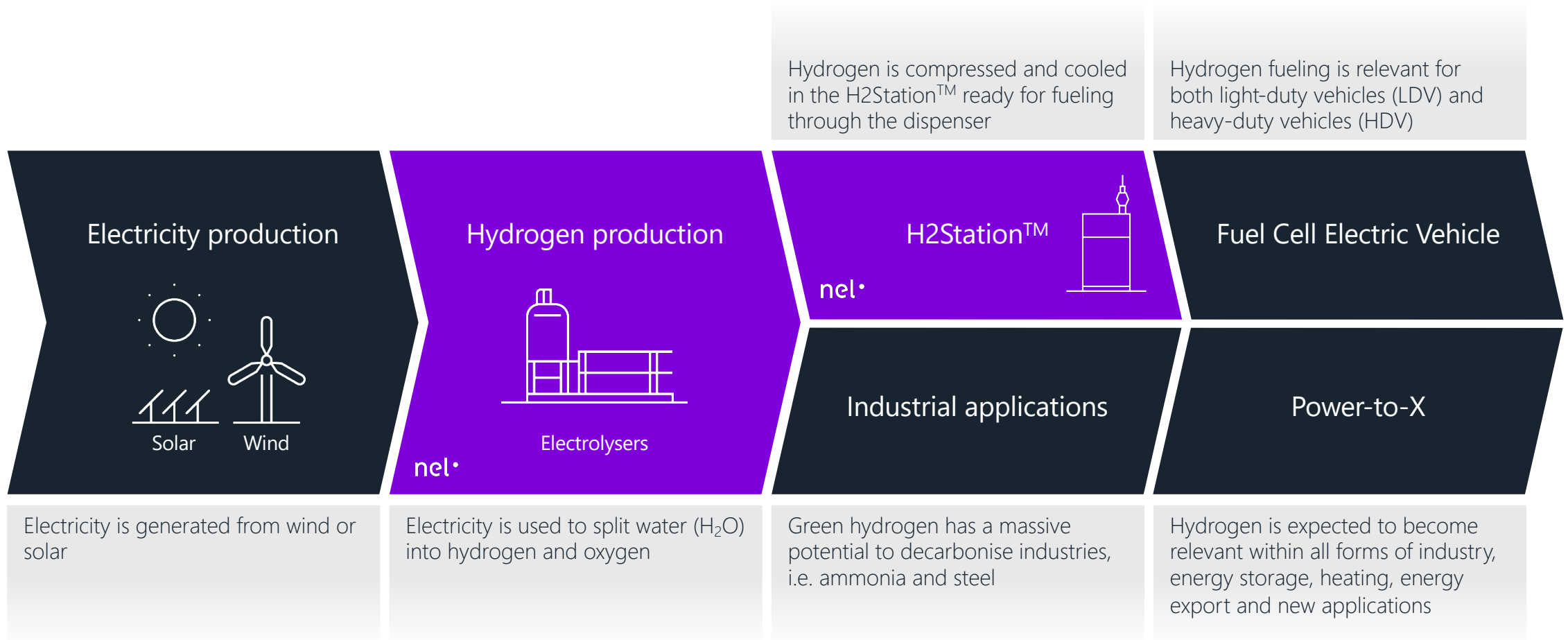


World's largest electrolyser manufacturer, with >3,500 units delivered in 80+ countries since 1927



Leading manufacturer of hydrogen fueling stations, with ~120 H2Station™ solutions delivered/in progress to 14 countries

Technology offering to enable the green transition



Strong field know-how and manufacturing capacity

PEM electrolyzers

Wallingford, USA



Systems delivered: **2,700+**
Production capacity: **>50 MW/year**
History: **23 years**

Alkaline electrolyzers

Notodden/Herøya, Norway



Systems delivered: **800+**
Production capacity: **500 MW/year (~2 GW/year)**
History: **90 years**

Hydrogen fueling stations

Herning, Denmark



Stations delivered: **~120**
Production capacity: **300 station modules/year**
History: **16 years**

2. Q1 highlights

Q1 2022

Highlights

Financial results and financing

Revenues

NOK 213 million

Up 36% from NOK 157 million in Q1 2021

EBITDA

NOK -152 million

Decrease from Q1 2021

Order backlog

NOK 1 289 million

Up 19% vs. Q1 2021

Order intake

NOK 283 million

Up 7% vs. Q1 2021

Cash balance

NOK 3 940 million

Support Nel's leading position and accelerated investments in technology and organization

Key developments

- Received purchase orders for:
 - Multiple PEM electrolyzers from a leader in sustainable food production. Value approx. USD 5 million
 - Containerized electrolyser and hydrogen fueling equipment in the US. Value approx. USD 5 million
 - An alkaline electrolyser system for Solar Foods in Finland. Value approx. EUR 2 million
 - An alkaline electrolyser in Europe that will be used for multiple clients. Value approx. EUR 3 million
 - Several H2Station™ modules in Paris, France, fuelling the worlds largest fleet of hydrogen taxis
- Successful private placement completed, raising NOK 1.5 billion of new equity
- Håkon Volldal appointed as the company's new Chief Executive Officer

Subsequent events

- Received purchase orders for:
 - One H2Station™ hydrogen fueling module from HTEC in Canada. Value approx. USD 1.5 million
 - Hydrogen fueling equipment from Biproraf in Poland
 - Two H2Station™ fueling systems from a European client. Value approx. EUR 3 million
- Official opening of the 500 MW Herøya facility
- Decided to secure long-lead items for a new 500 MW alkaline production line

Financial highlights

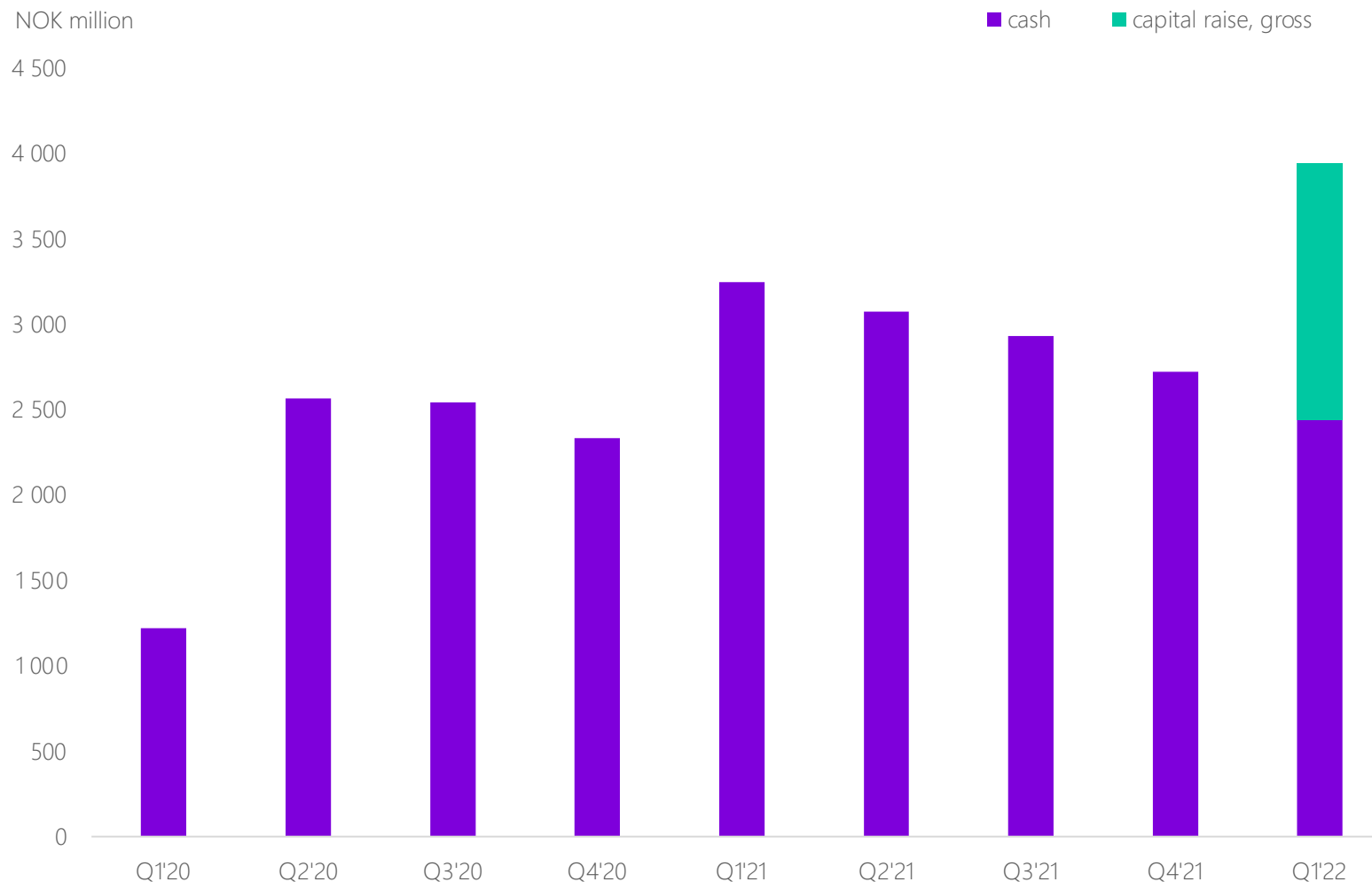
NOK million	2022 Q1	2021 Q1	2021	2020	2019
Operating revenue	213	157	798	652	570
Total operating expenses	-400	-255	1 381	1 066	823
EBITDA	-152	-74	-475	-252	-178
EBIT	-187	-98	-583	-414	-253
Pre-tax income (loss)*	82	-580	-1 684	1 246	-277
Net income (loss)*	84	-578	-1 667	1 262	-270
Net cash flow from operating activities	-159	-185	-449	-216	-200
Cash balance at end of period	3 940	3 248	2 723	2 333	526

*The first quarter 2022 includes a net unrealised fair value adjustment of financial instruments of NOK 270 million. The net unrealised fair value adjustment was NOK -479 million in the first quarter 2021.

Negative effect on EBITDA and earnings

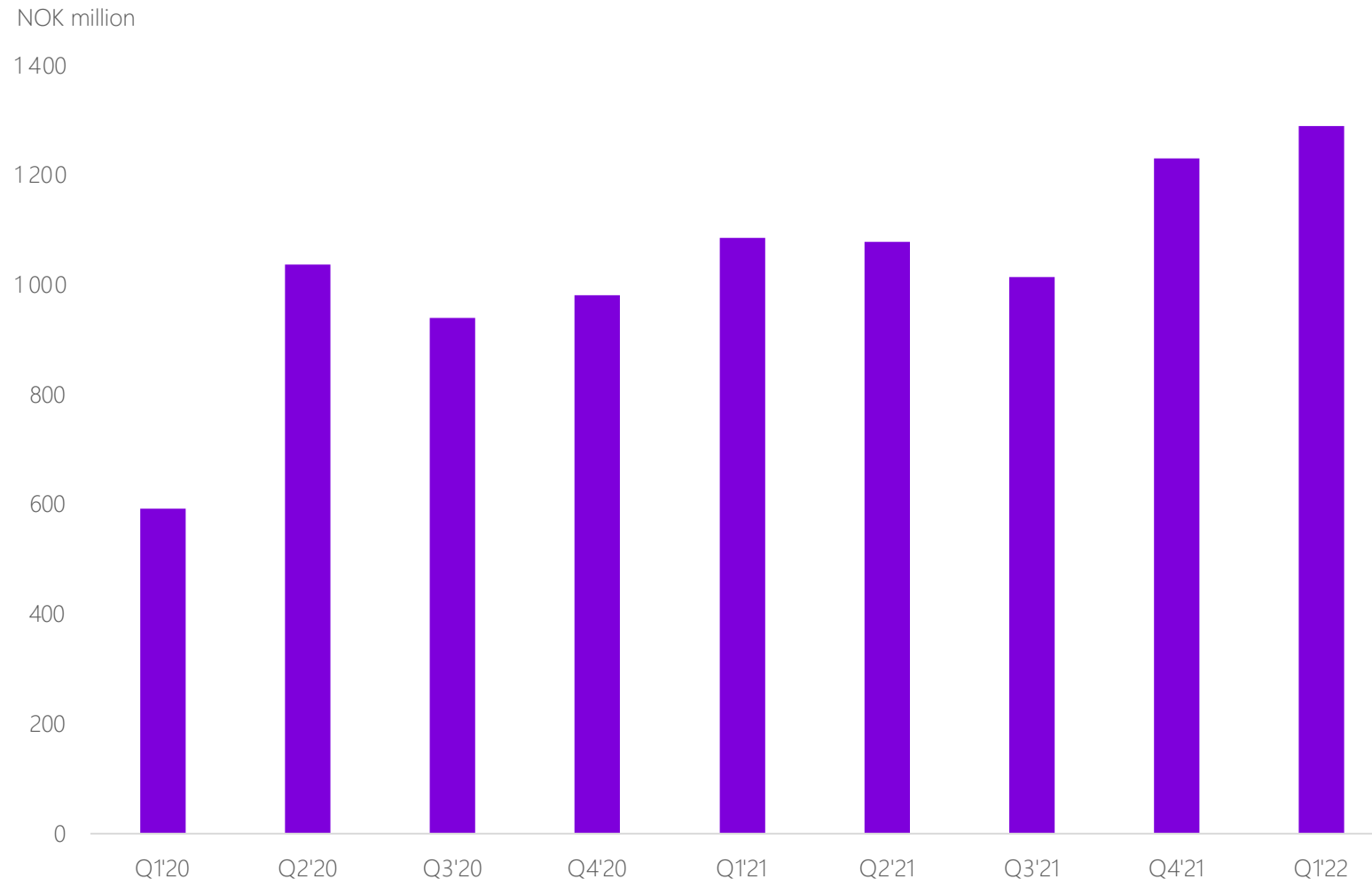
- EBITDA continues to be impacted by preparations and investments for the future
 - Projects are getting larger, and we continue to recruit to meet growing demand
 - Across the entire organization; in particular, within project execution
 - Tuning and ramp-up of Herøya, full cost with less than full revenue effect
 - Projects often include new geographies, customer segments, technological components, and/or products leading to additional costs and risk
- Global supply chain disruptions complicates processes and potentially also earnings
 - Expect a general price increase from suppliers due to cost increases for raw materials, energy and transport
 - Key suppliers are challenged with the aftermath of Covid-19 and the Russian invasion of Ukraine, and sees higher cost levels and more complicated allocation of goods
 - Nel seeks to mitigate and limit the allocation issues and price increases through close cooperation with our suppliers, and to forward as much commodity price risk to our clients as possible

Successful private placement completed, raising NOK 1.5 billion of new equity



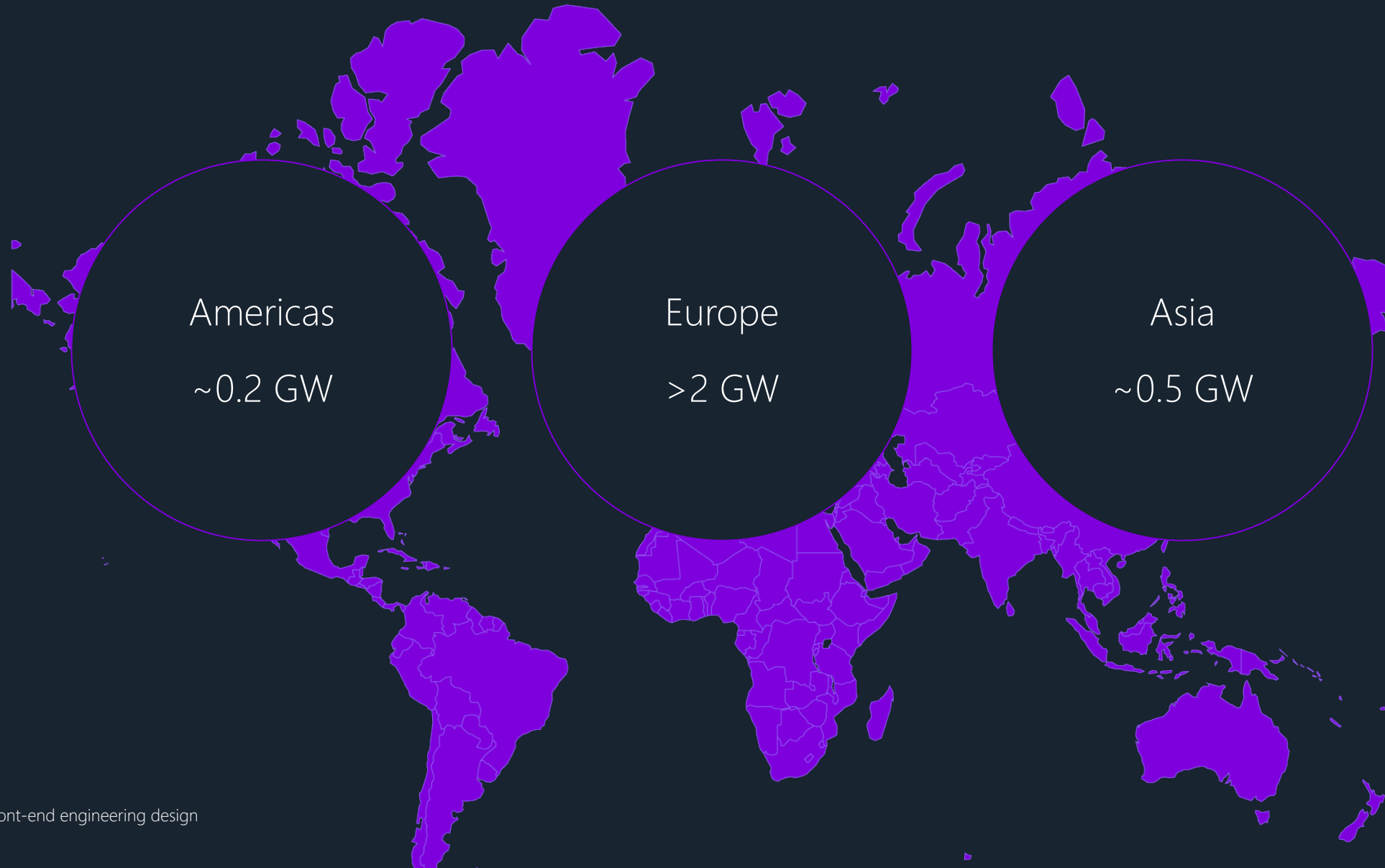
- On March 23 2022 the company completed a private placement, raising gross proceeds of NOK 1.5 billion at NOK 15.3 per share, the largest in Nel's history
- The book was 4.5x covered
- Use of proceeds is continued investments in production capacity, organizational growth linked to order intake and tender activity, and general corporate purposes

Order backlog continued to build in Q1 2022



- Order backlog continues to grow
- NOK 283 million added in Q1 2022
- Up 5% from Q4 2021
Up 19% from Q1 2021
- Order intake is expected to vary between quarters as order sizes increases
- The pipeline continues to grow across all segments and industries

Top 5 FEED study involvements currently ongoing



Top 5 FEED study involvements currently ongoing

Project	Location	MW
FEED 1	Europe	800
FEED 2	Europe	750
FEED 3	Europe	700
FEED 4	Asia	500
FEED 5	Americas	200
Etc.		...

- Announced involvement in the FEED study for EverWind Fuels' Point Tupper project
- Nel is involved in several FEED/pre-studies, giving a head start to compete for potential firm contracts
- Still substantial commercial risk up until potential FID is taken

Positioned for capacity expansion

- Decided to secure long-lead items for a new 500 MW alkaline production line
- Site selection initiated in Europe and US
 - Europe: At Herøya or a new site outside Norway
 - US: Search for new sites for both technologies
- Active search for strategic partnerships in Asia
- Future expansions will build on experience from successful launch at Herøya

Well positioned to move fast
on both alkaline and PEM



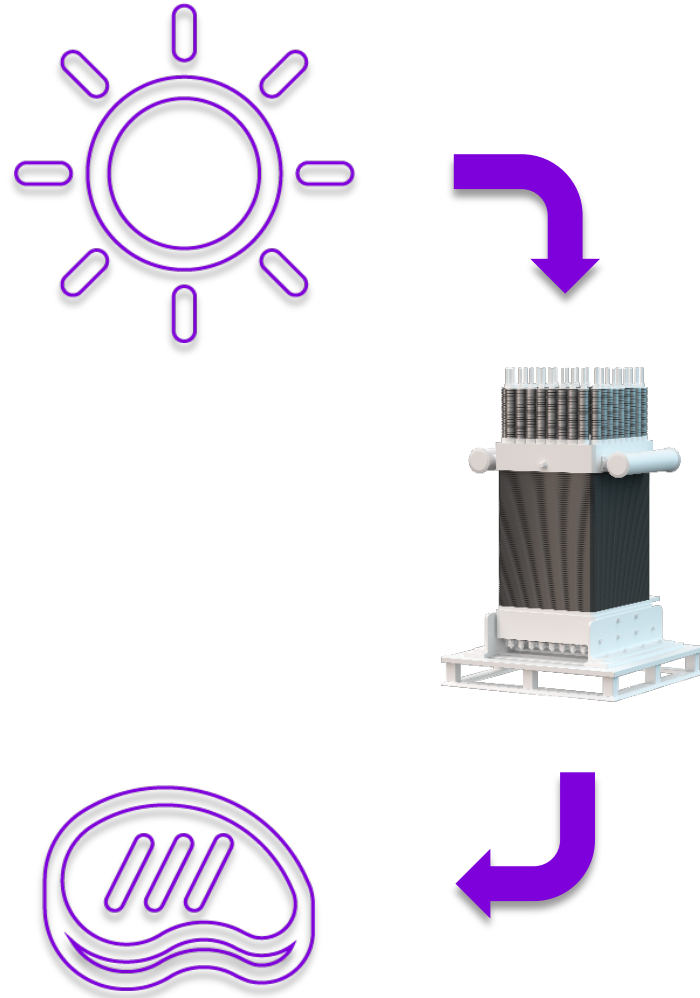
3. Commercial developments

Contract for containerized electrolyser and hydrogen fueling equipment



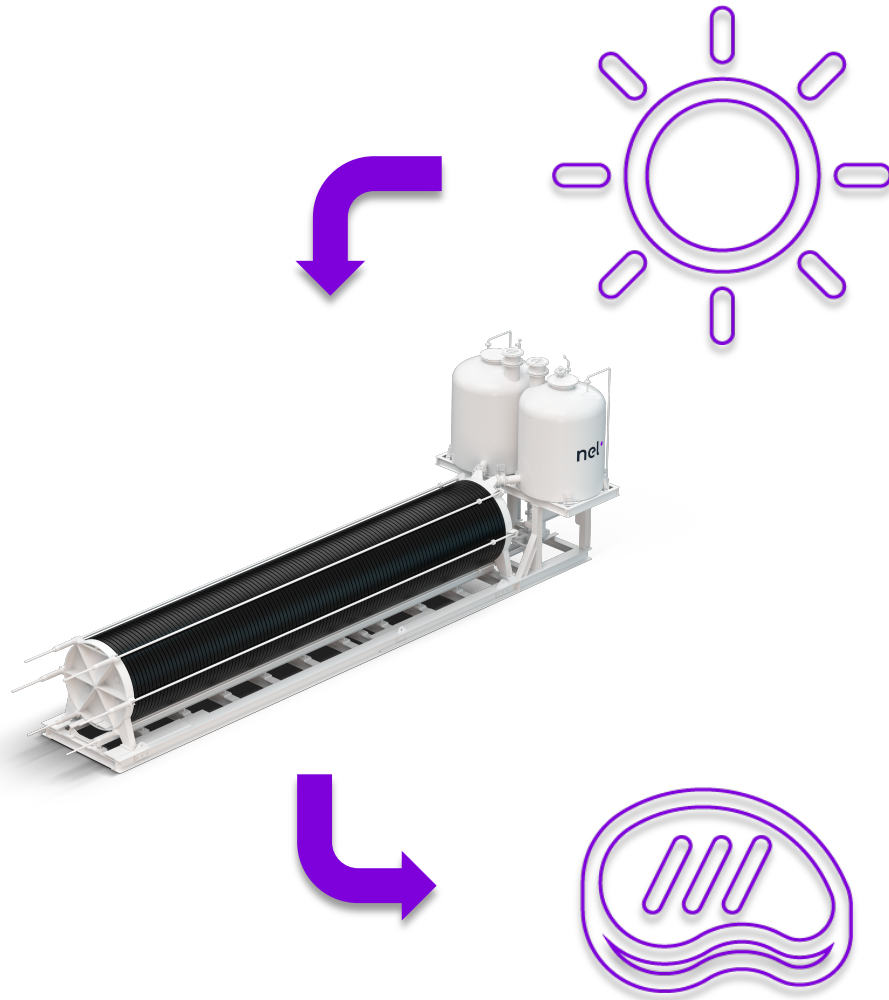
- Client: Undisclosed
- Delivery: late 2022 - 2023
- Value: Approx. USD 5 million
- Containerized PEM electrolyser and light-duty hydrogen fueling station package for a power and gas utility in the US
- An important opportunity to demonstrate the flexibility and multiple value streams offered by green hydrogen

Contract for PEM electrolyzers to be used in food production



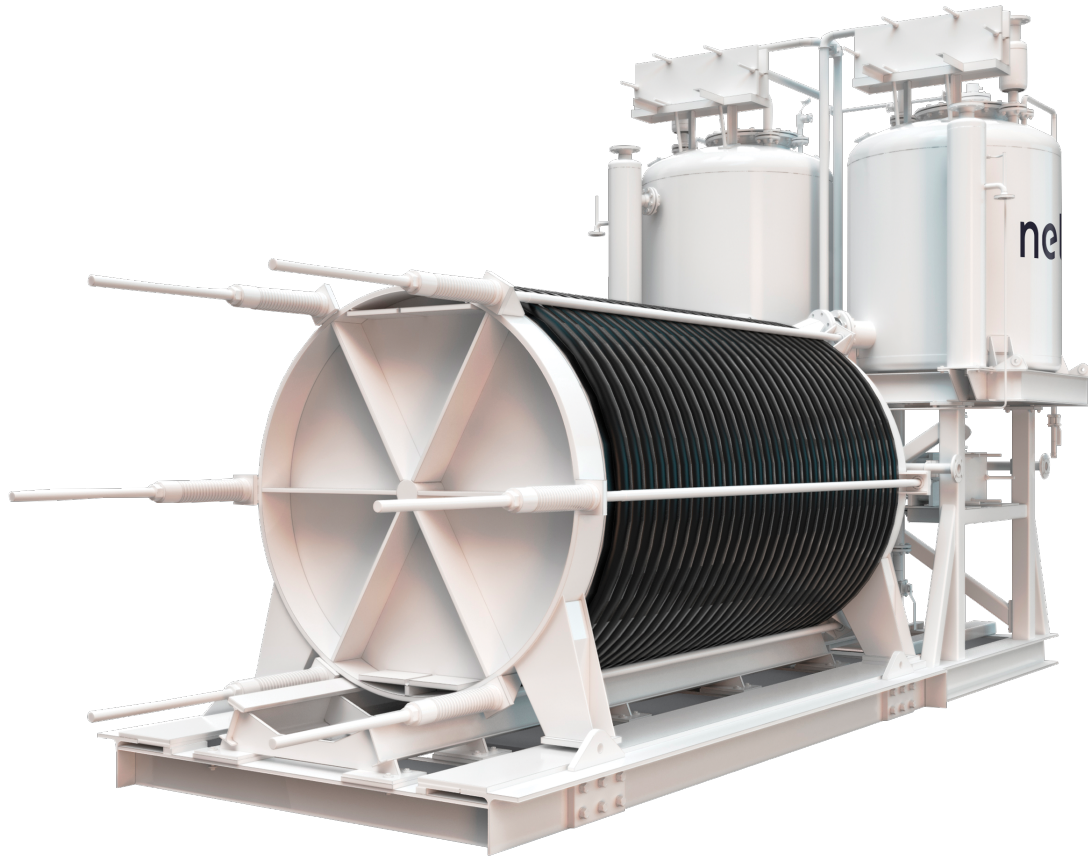
- Client: Undisclosed
- Delivery: 2022 - 2023
- Value: Approx. USD 5 million
- Leader in the commercialization of sustainable protein technology
- A novel and exciting approach to addressing both climate change and food production for the world

Contract for alkaline electrolyser to be used in food production for Solar Foods



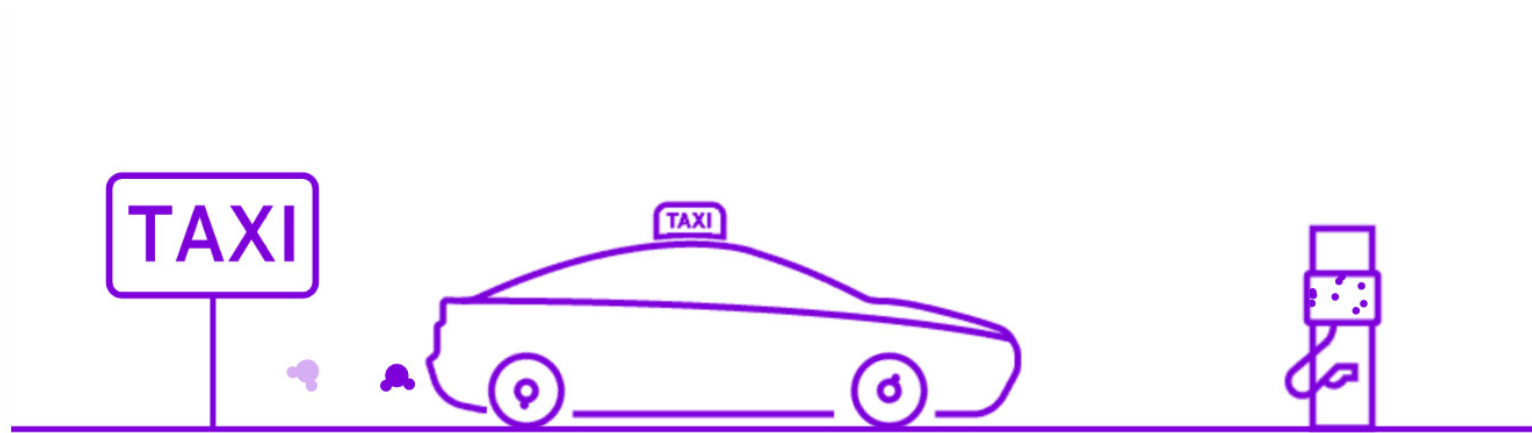
- Client: Solar Foods
- Delivery: 2022 / early 2023
- Value: Approx. EUR 2 million
- Hydrogen for production of Solein® using a bioprocess where microbes are fed with gases and small amounts of nutrients
- Showcasing a green hydrogen solution that supports carbon reduction in the food production industry

Purchase order for an alkaline electrolyser in Europe



- Client: Kraftanlagen for Hy2B
- Delivery: end of 2022 / 2023
- Value: Approx. EUR 3 million
- The project will provide green hydrogen to the European market. The unit will mainly serve fueling of trailers and industrial customers
- Hy2B Hydrogen has commissioned Kraftanlagen Energies & Services as a contractor to set up the electrolyser plant

Purchase order for several H2Station modules in Paris, France



- Client: HysetCo
 - Delivery: 2022
 - Value: Undisclosed
-
- Will be used for light-duty fuel cell electric vehicles in Paris
 - HysetCo owns the world's largest fleet of hydrogen taxis, deployed in the Paris region
 - Hydrogen to enable green transportation with high utilization and minimize periods without revenue

Purchase order for fueling equipment from HTEC



- Client: HTEC
- Delivery: 2023
- Value: Approx. USD 1.5 million
- HTEC, a market leader in clean hydrogen infrastructure in North America (17 stations in operation/development)
- This is the third station sold to the client
- Opportunity for further collaboration as the company continue to build out its network

Purchase order for fueling equipment for Biproraf



- Client: Biproraf
- Delivery: 2023
- Value: Undisclosed
- The company's first hydrogen fueling station to be used to fuel both light- and heavy-duty vehicles, and forklifts in Poland
- Biproraf, provides technologies and solutions for industry and economic infrastructure

Purchase order for H2Station™ fueling systems from a European client



- Client: Undisclosed
- Value: Above EUR 3 million
- The European fueling network continues to expand, and the units will mainly fuel heavy-duty vehicles with fast and reliable technology



See video from opening of the Herøya facility on nelhydrogen.com

Automation: a key component for cost reductions

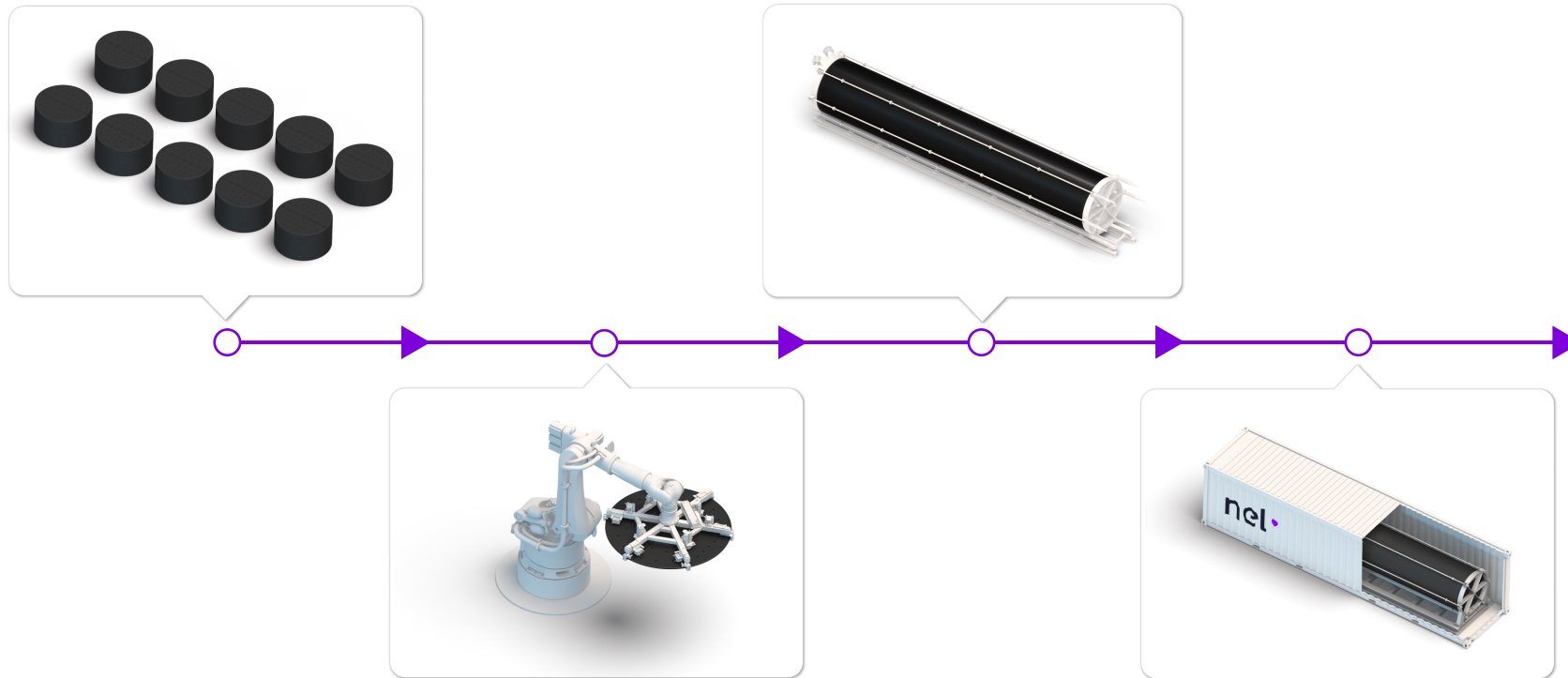
On track to reach the ambition to produce green hydrogen for \$1.5/kg by 2025, target to reduce CapEx cost by ~75%

Around half of this reduction relates to scale-up and cost-down through automation at sites like Herøya

- ✓ Higher volume
- ✓ More efficient designs
- ✓ Less usage of materials
- ✓ No use of rare-earth/exotic materials



Automated stacking process provides further cost reductions



- Planning to add an automated stacking station at Herøya
- Reduce installation time and cost as stacking can be done in the factory
- Faster and safer assembly process of the stacks
- Easier transportation and installation on site

Safe, cost-efficient and hassle-free installation



- Develop a skid that is easy to transport
 - Easy to unload
 - Easy to assemble
- Ensures scalability from 20 to 800 MW plants and beyond

4. Political events



POLITICAL EVENTS

Committed to support RePowerEU

Target to make Europe independent from Russian energy a.s.a.p. and accelerate the green transition

Nel will support this initiative and ramp-up production capacity when demanded by the market



RePowerEU ambitions

- Produce 10 million tons of renewable hydrogen in Europe by 2030, and 10 million tons outside of Europe to support total demand
- May 5th, the European Commission and European electrolyser industry signed a joint declaration to improve framework conditions for electrolyser manufacturers in Europe.
Key takeaways:
 - CAPEX and OPEX support
 - Scalable technologies needed
 - Only European manufacturers
- States Europe's ambitious goal for hydrogen production, part of plan to make Europe independent from Russian fossil fuels
- The EU Commission is expected to present a detailed plan for implementation of RePowerEU on May 18th, the so called 'Hydrogen Accelerator'



European Commissioner for Internal Market,
Thierry Breton

5. Summary and outlook

Nel a global leader within hydrogen technologies

Proven track record and established market leader

- Pure play, independent hydrogen technology company
- Decades of experience in PEM and alkaline electrolyser platforms
- Technology leadership, large-scale concepts ready to go

Scalability & cost leadership

- First to announce ambition on green hydrogen cost at USD 1.5/kg by 2025, reaching fossil parity
- Initiated site selection in US and Europe, and will continue to add capacity when required by the market
- Strong pipeline, and expect to break order-size records in 2022

Strong partnership strategy

- Global delivery and execution muscle for large-scale, complex projects
- Partnerships for development of complete applications for end-users
- Preferred partner across the green hydrogen value chain

number one by nature