

## Nel ASA: Third Quarter 2017 Results

**(Oslo, 31 October 2017) Nel ASA (“Nel”) reported revenues in the third quarter of 2017 of NOK 111.7 million (Q3 2016: NOK 24.4 million), following the integration of Proton OnSite and increased overall interest for integrated hydrogen solutions. At the end of the quarter, the company had an all-time high order backlog of approximately NOK 460 million.**

“Nel experienced a satisfactory third quarter, following the integration of Proton OnSite and a number of contract awards and project deployments that provide a promising outlook for the company. Nel offers the full specter of electrolyzers in terms of capacity and technology, and as experienced during the quarter, we are well-positioned to support a growing market with both electrolyzers and complete hydrogen refueling solutions,” says Jon André Løkke, Chief Executive Officer of Nel.

In the third quarter of 2017, Nel reported revenues of NOK 111.7 million, up from NOK 24.4 million in Q3 2016. The underlying organic revenue growth was just over 50 percent, excluding Proton Onsite, while on a like-for-like pro-forma basis, the revenue growth was approximately 40 percent. The high activity level within business development, investments and preparations for productions ramp-up continues as planned. Also in the third quarter, the EBITDA was negatively affected by the ramp-up costs and ended at NOK -10.5 million, when adjusting for transaction costs related to the Proton acquisition and non-cash share options.

Nel’s cash balance at the end of the third quarter was NOK 85.6 million. On 27 September, the company completed a private placement of 88,000,000 new shares at a price of NOK 2.50 per share. The gross proceeds of NOK 220 million from the private placement were transferred to the company after the closing of the quarter.

“The private placement was oversubscribed, with good interest from existing shareholders and new, high-quality investors. Following the September private placement, the company’s current organic strategy and business plan is well-funded”, says Løkke.

During the third quarter, Proton OnSite received an additional order for an M-Series, Megawatt scale, hydrogen electrolyzer from Guangdong Synergy Hydrogen Power Technology Co. Ltd (“Synergy”) in China. The order has a value of up to USD 1.8 million, and is the fourth system under the previously announced agreement between the two parties, a total value of more than USD 22 million and 13 MW of systems. The additional order confirms the partnership between Nel/Proton, Synergy and the Guangdong province government.

The quarter further marked a strong start to Nel’s hydrogen partnerships in California, with a purchase order of USD 8.3 million on a combined PEM electrolyzer and H2Station® fueling solution for SunLine Transit Agency (SunLine), which will be the world’s largest combined hydrogen production and fueling facility currently being contracted. In addition, Nel received a second purchase order of just over NOK 50 million under the previously announced California framework contract with Shell. Delivery and installation is expected to take place during 2018 for both orders.

“It has been an exciting third quarter that has highlighted how Nel and Proton complement each other, both in terms of technology and market outreach. The new contracts and repeat purchase orders received during the quarter showcase our combined strength and cutting-edge technology solutions,” says Løkke.

At the end of the quarter, Nel had an all-time high order book of approximately 460 million.

"The underlying project-development pipeline continues to grow, and the company experiences a satisfactory activity level for its prospects and ongoing tender processes. With an all-time high level of sales leads, both in traditional and new markets, Nel is now working at further implementing synergies, targeting continued technology leadership, global presence, cost competitiveness and being the preferred partner for the hydrogen industry," says Jon André Løkke.

Nel will host a presentation at 08:00 CET at Hotel Continental in Oslo on October 31, 2017. A live webcast of the call will also be available on the company's website, [www.nelhydrogen.com/webcast](http://www.nelhydrogen.com/webcast), and on <http://webtv.hegnar.no/presentation.php?webcastId=67383010>

The third quarter 2017 report and presentation will be made available through [www.newsweb.no](http://www.newsweb.no) (Ticker: NEL) and [www.nelhydrogen.com](http://www.nelhydrogen.com)

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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 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.