

Nel ASA: Fourth quarter 2021 financial results

(Oslo, 16 February 2022) Nel ASA (Nel) reported all time high revenues of NOK 248.1 million in the fourth quarter of 2021, up from NOK 229.1 million in the same quarter of 2020 and an EBITDA of negative NOK -167.7 million (Q4 2020: -96.2) following the global scale-up strategy to maintain the leadership position in a market set to grow rapidly. The company had an order intake of NOK 418 million in the period ending the quarter with a record order backlog. The addressable project pipeline doubled during the fourth quarter of 2021, providing a strong long-term outlook.

"The fourth quarter concluded a year characterised by our massive scale-up to maintain our leadership position in a market set to grow rapidly. During our Capital Markets Day in January 2021, we outlined our growth strategy towards 2025 where investments in people and organization were key to target the all-time-high pipeline of projects across the globe. In 2021 alone, we hired 114 new colleagues and have strategically expanded our cost-base and investments ahead of the demand curve. With an addressable pipeline more than doubling to USD 12 billion from the third quarter 2021, Nel is perfectly positioned with our partners to execute on the opportunities," says Jon André Løkke, Chief Executive Officer of Nel.

Nel reported all time high revenues in the fourth quarter of 2021 of NOK 248.1 million (229.1) with an EBITDA of NOK -167.7 million. The reported operating loss was NOK -196.7 million (-139.3), while the pre-tax loss ended at NOK -280.9 million (1 285.1) following the operating loss and a net negative unrealised fair value adjustment from shareholdings of NOK 89.1 million. The backlog grew 25% and ended at record levels of approximately NOK 1.2 billion from the fourth quarter of 2020, and the company holds over NOK 2.7 billion in cash.

The pipeline of potential orders continues to grow and stands at a record-high amount of more than USD 12 billion. The pipeline represents more than 22 GW of installed electrolyser capacity and over 1 000 projects.

"The projects are getting significantly larger, the customers will be more diversified and the geographical market will broaden. Nel has scaled up to be ready to accommodate this unprecedented pipeline and is effectively addressing all growth segments with over 90 own employees developing the pipeline from leads to execution," Løkke adds.

Nel is leading the race towards fossil parity with the commencement of production at Herøya, Norway, the world's first and largest fully automated electrolyser manufacturing facility. The plant is finished on time and budget, and is running production at three shifts with new production records every week. The company has initiated a site selection process for a large PEM and alkaline facility in the US, with an ambition to develop a global production capacity towards 2025 in the US, Europe and Asia.

"We have scalable solutions providing high quality and lower costs, are a technology leader on both alkaline and PEM, and have a product portfolio spanning from 2, 20, 200 and 800 MW hydrogen plants. With our leading technology and capacity expansion capabilities, we are preparing to build production facilities in the US, Europe and Asia totaling about 10 GW in 2025, pending the market demand. With the record-high pipeline and our leadership position within hydrogen technologies, we are well-positioned to be awarded significant contracts in 2022 and we reiterate our strong long-term outlook," 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 fourth quarter 2021 report on page 24.

The fourth quarter 2021 report and presentation are enclosed and available through www.newsweb.no (Ticker: NEL) and www.nelhydrogen.com. Nel will host a live pre broadcasted live at www.nelhydrogen.com and the event can also be streamed at https://channel.royalcast.com/landingpage/hegnarmedia/20220216_5/. 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

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.

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 Kjell Christian Bjørnsen, CFO at NEL ASA on the date and time provided.