



Second quarter 2024 results presentation

17 July 2024



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Agenda

1. Nel in brief
2. Q2 2024 highlights
3. Strategic and commercial update
4. Production update
5. Technology update
6. Q&A



A fully dedicated electrolyser technology company

A century of
electrolyser innovation
and pushing for new
technologies

One focus:
Delivering the most
energy-efficient and
reliable electrolysers

World-class partners
for delivering best-in-
class turn-key systems

A fully dedicated electrolyser technology company



Listed on the Oslo Stock Exchange (NEL.OSE) since 2014



Leading pure-play electrolyser manufacturer with >3 500 units delivered to more than 80 countries since 1927



Manufacturing facilities in Norway and the US (Connecticut)



Investing heavily in R&D to develop next-generation pressurized alkaline and PEM technologies



Global sales network and offices



~430 employees



Preferred partner with industry leaders



NOK 2.2 billion in cash reserves

2. Q2 2024 highlights

Q2 2024

Quarterly highlights

Financial results and financing (from continuing operations)

Revenue

NOK 332 million

EBITDA

NOK -79 million

Order intake

NOK 270 million

Order backlog

NOK 2 071 million

Cash balance

NOK 2 228 million

Key developments in Q2 2024

- USD 41 million in additional tax credit for manufacturing expansion in Michigan
- Capacity reservation from Hy Stor Energy for more than 1 GW of alkaline electrolysers
- Technology Licensing Agreement with Reliance
- Fueling division spun-out and separately listed on the Oslo Stock Exchange as Cavendish Hydrogen

Subsequent events

- Follow-on contract of more than EUR 7 million for electrolyser equipment

Q2 2024

Group Financials

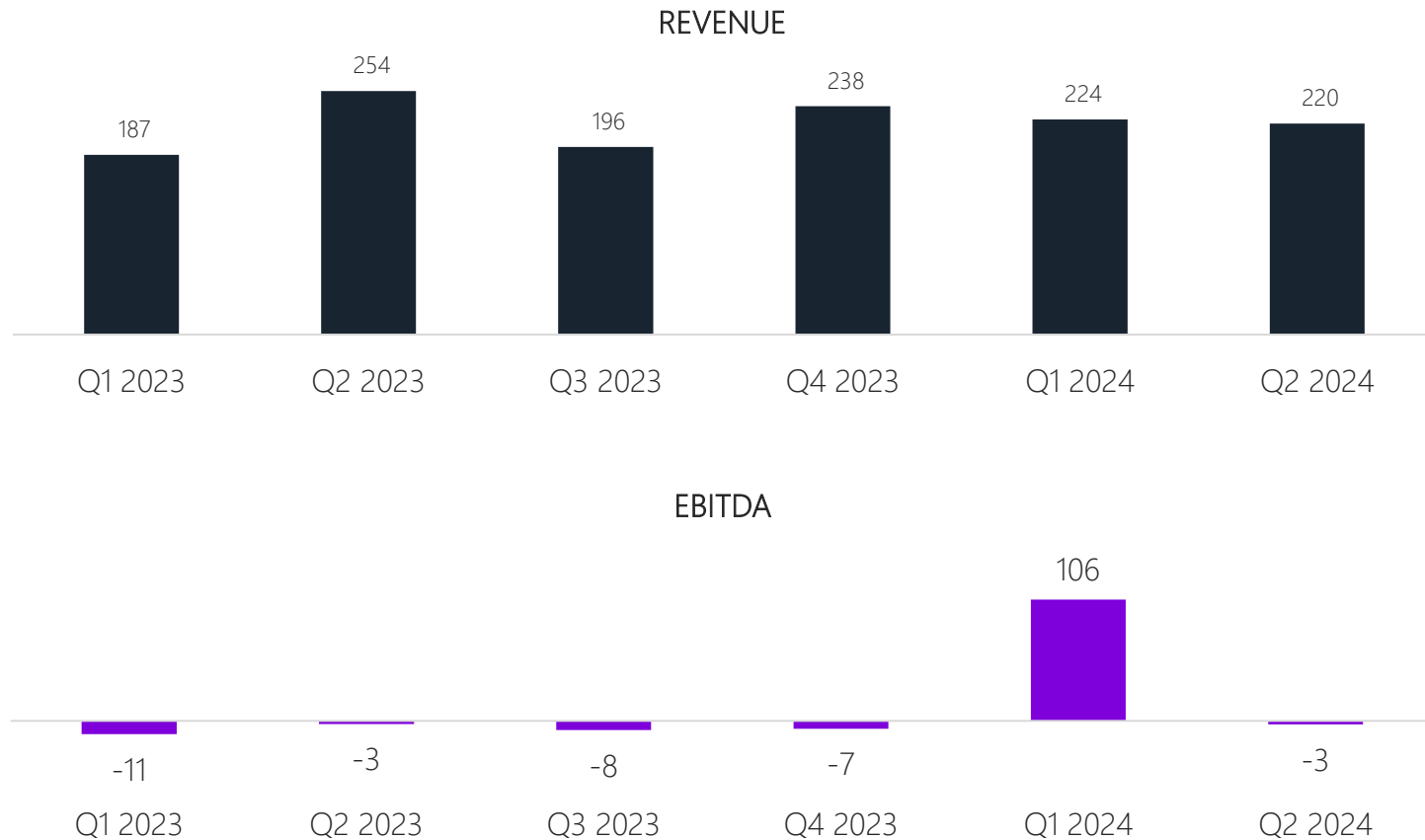
(continuing operations)

(NOK million)	Q2 2024	Q2 2023 (restated)	YTD 2024	YTD 2023 (restated)
Revenue from contracts with customers	332	371	608	635
EBITDA	-79	-69	-48	-133
<i>EBITDA margin*</i>	-22%	-18%	-7%	-20%
EBIT	-125	-112	-138	-217
Pre-tax income (loss)	-120	-230	-83	-353
Net income (loss)	-118	-228	-79	-349
Net cash flow from operating activities	-24	-188	-60	-227
Cash balance at end of period	2 228	4 122		

- Fueling division now separately listed and not included as “ongoing operations”
- YoY revenue development negatively impacted by lower volume delivery of Alkaline electrolyser equipment, YTD down due to lower PEM volumes
- YoY EBITDA development flat when adjusted for one-off expenses, YTD at -7% shows a significant improvement from the same period last year
- Solid cash position and no immediate need to raise additional equity
- Utilization of the production capacity will be adjusted to market demand.

Alkaline Electrolyser financials

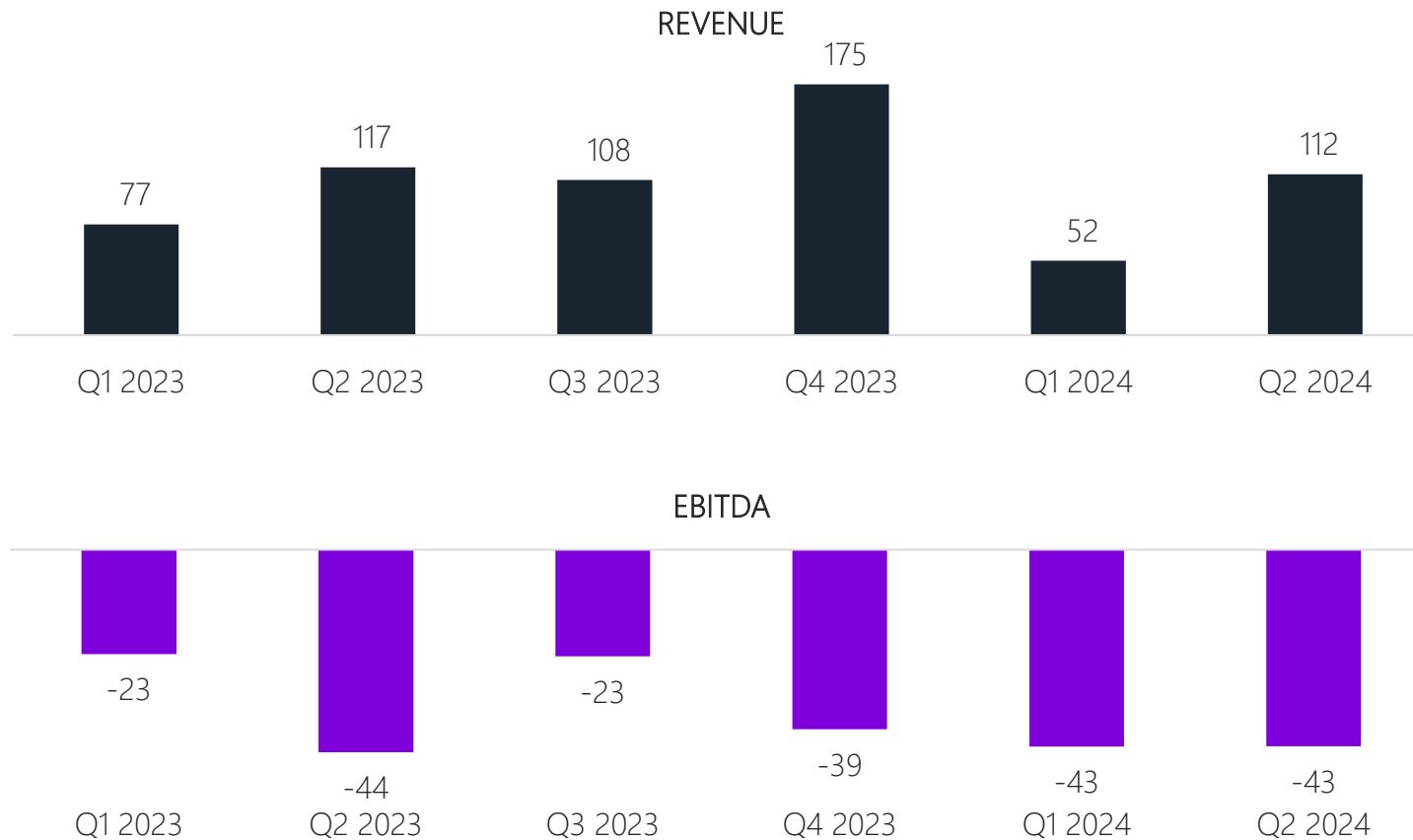
Alkaline Electrolyser Revenue and EBITDA (NOK million)



- Revenue relatively flat over the last quarters, while 13% down YoY
- Steady EBITDA development over the last quarters
- Business model proven with clear scale effects
- Completion of line 2 at Herøya allows for growth in order intake and revenues

PEM Electrolyser financials

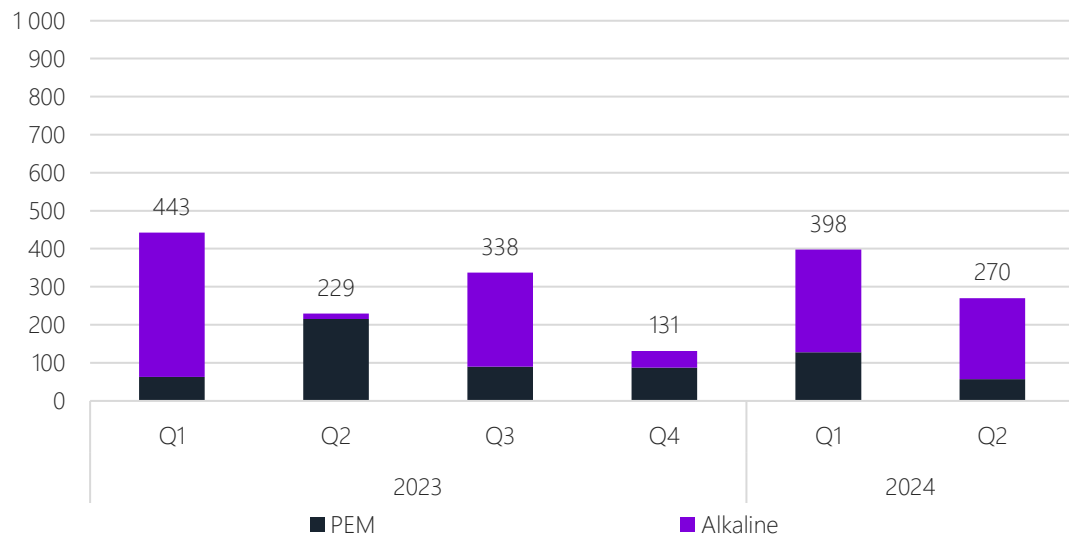
PEM Electrolyser Revenue and EBITDA
(NOK million)



- 4% decrease in revenue compared to the same quarter last year
- Flat EBITDA development last three quarters, and in-line YoY
- Completion of the 500 MW PEM production line will allow for growth in order intake and revenues

Order intake and backlog

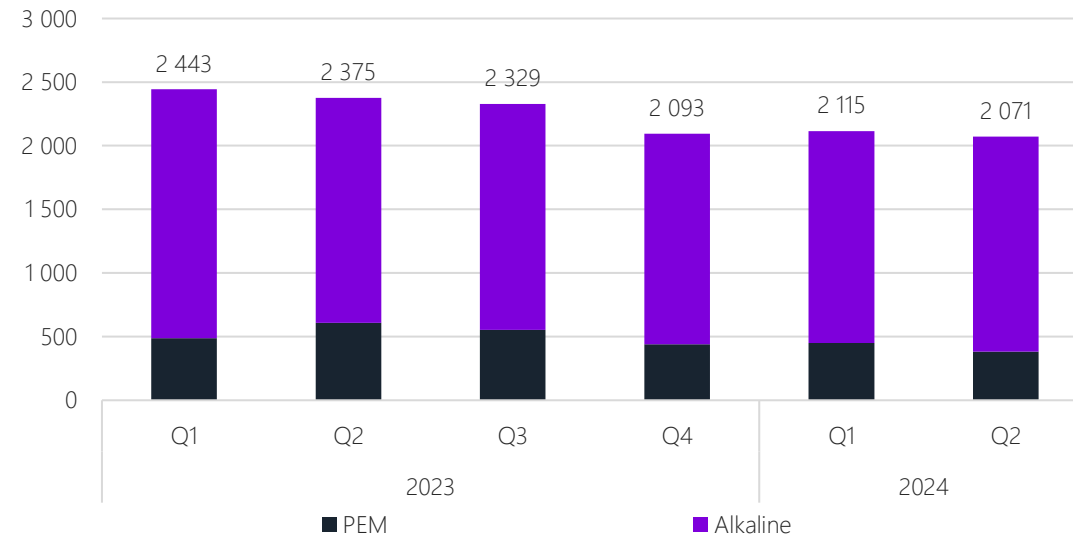
Order intake (NOK million)



Order intake Q2 2024:	NOK	270 million	+18%	y/y
- Alkaline	NOK	213 million	+1 379%	y/y
- PEM	NOK	57 million	-73%	y/y

Order intake expected to vary between quarters as order sizes have increased

Order backlog (NOK million)



Order backlog Q2 2024:	NOK	2 071 million	-13%	y/y
- Alkaline	NOK	1 689 million	-4%	y/y
- PEM	NOK	383 million	-37%	y/y

The order backlog is subject to risks such as delays and/or cancellations

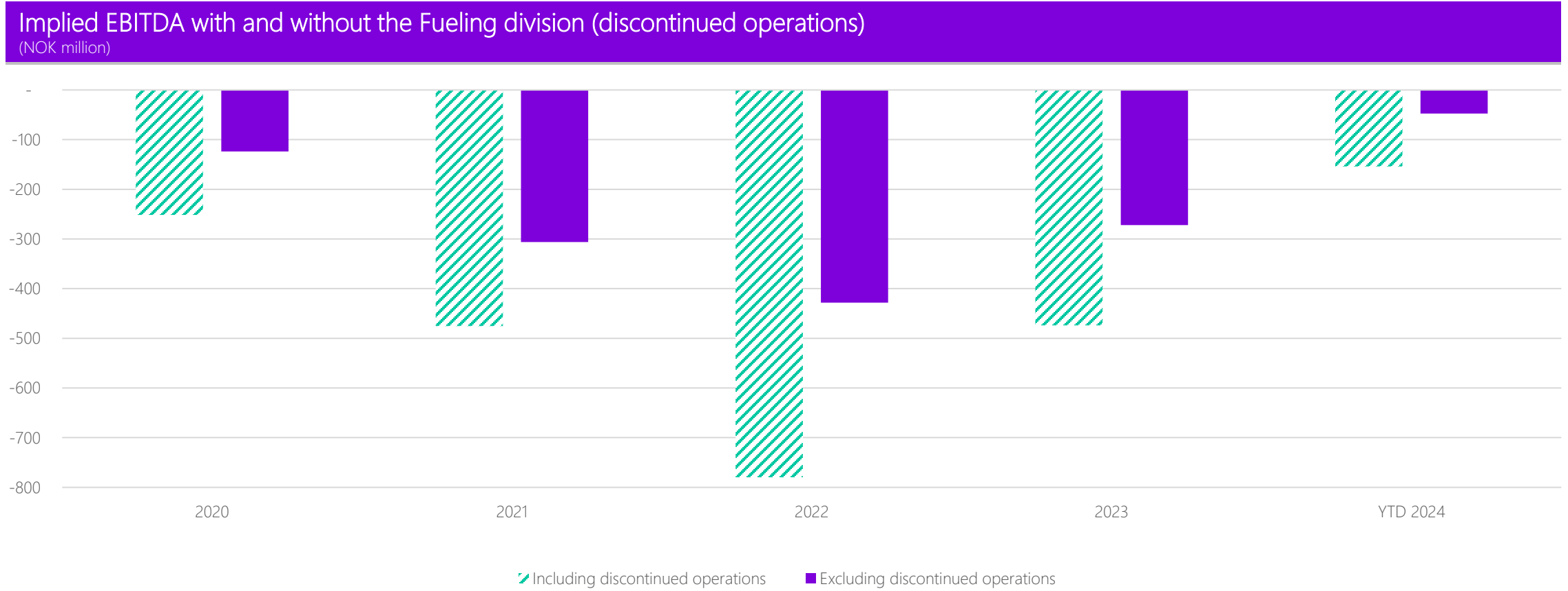
3. Strategic and commercial update

Cavendish successfully spun-out, making Nel a fully dedicated electrolyser company



- Nel's Fueling division was successfully spun-out as a separate listed company on the Oslo Stock Exchange on 12 June 2024
- Nel is now a 100% focused electrolyser company, dedicating all its capacity and hydrogen know-how to developing and delivering the world's most reliable and energy-efficient electrolysers
- Following the spin-off, Nel takes a step closer to profitability and reduces cash burn

The Fueling spin-off takes Nel closer to profitability



NOK 956 million implied accumulated EBITDA improvement since 2020 without the Fueling division

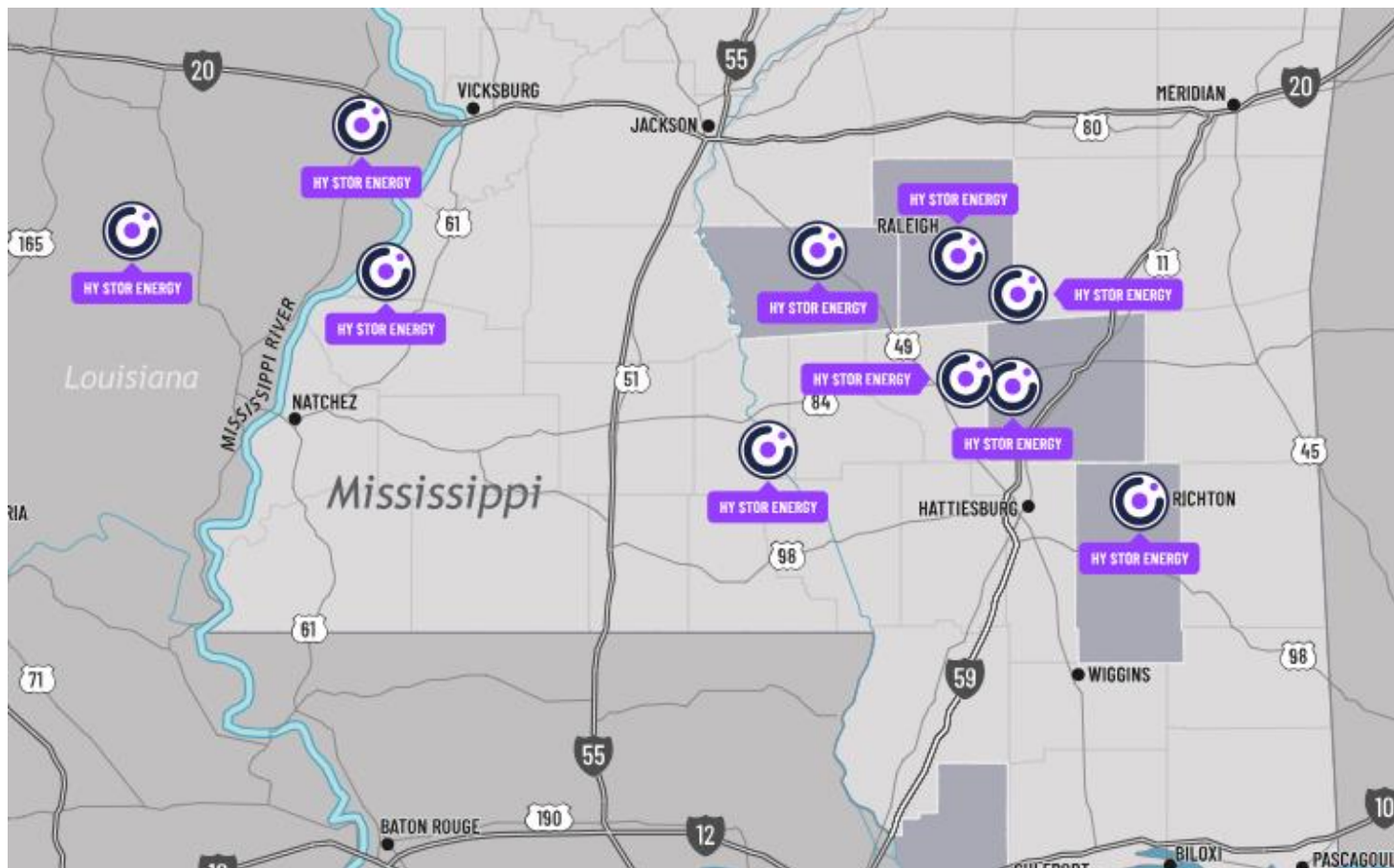
Technology Licensing Agreement with India's largest privately owned company



- Reliance (RIL) is renowned for its ability to execute large-scale industrial strategies and is building a multi-GW fully integrated end-to-end new energy value chain
- The licensing agreement allows Reliance to produce Nel's alkaline solutions for captive use globally and non-captive use in India
- RIL and Nel will collaborate on R&D, value engineering, standardization and modularization to improve the competitiveness of the electrolyser platform

STRATEGIC AND COMMERCIAL UPDATE

Capacity reservation for more than 1 GW of alkaline electrolyzers from Hy Stor Energy

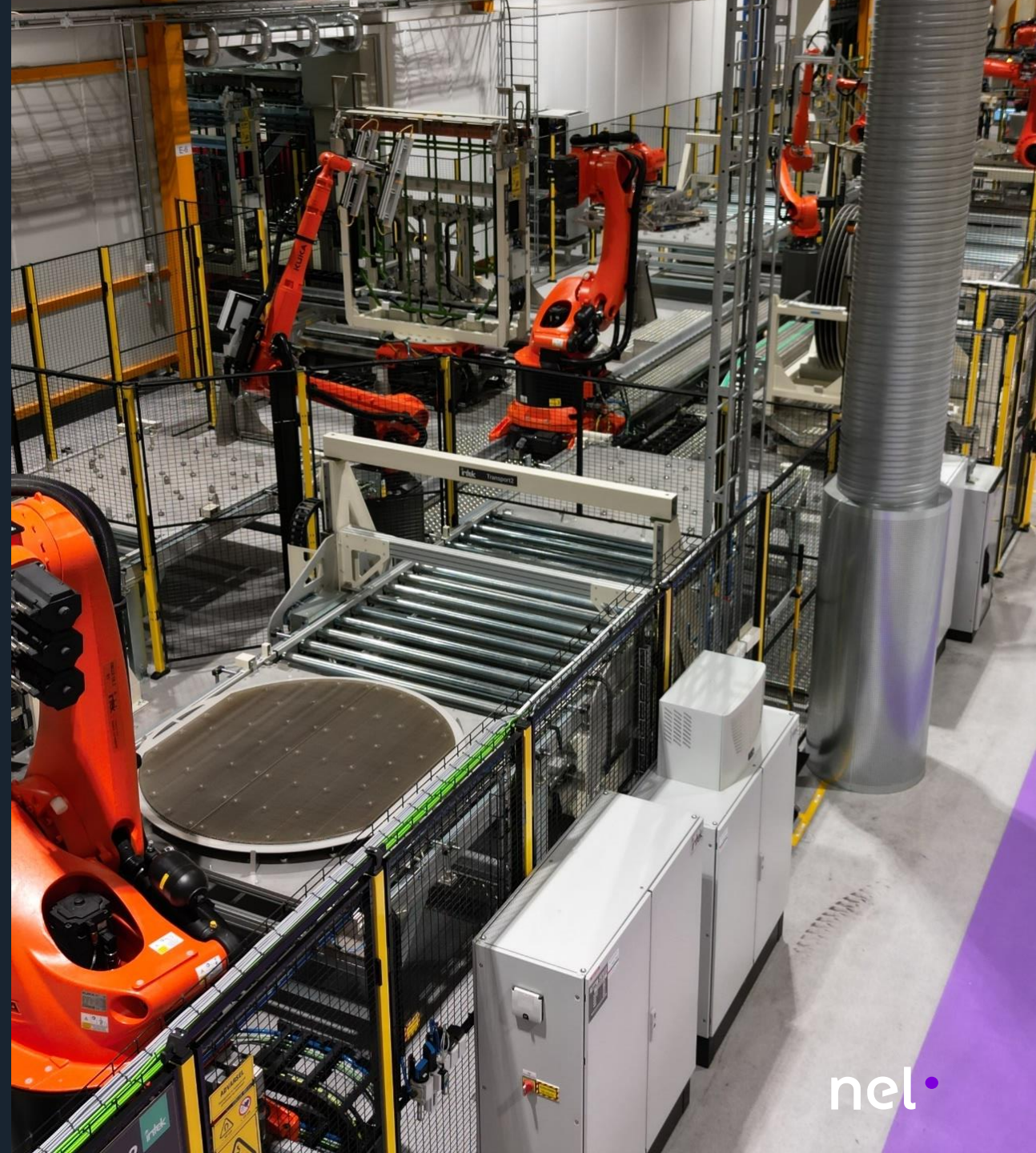


- Hy Stor Energy's Mississippi Clean Hydrogen Hub (MCHH) will be the largest zero-carbon, off-grid hydrogen production and salt cavern storage hub in the US
- The MCHH project will supply renewable hydrogen to support the production of green steel in the US
- Nel and Hy Stor Energy signed a contract for a Front-End Engineering Design (FEED) study in December 2023
- Nel is now the exclusive electrolyser partner for phase one (>1 GW) of the MCHH and will provide alkaline and PEM technology at scale

4. Production update

Alkaline capacity at 1GW

- Construction of the second 500 MW atmospheric alkaline production line at Herøya is completed
- Nel currently has 1 GW of real, fully automated, production capacity for atmospheric alkaline electrolysers at its disposal
- No further major CAPEX commitments, but the facility can be expanded to 2 GW given sufficient market demand



PEM capacity increase on schedule

- The production capacity increase to 500 MW annually for PEM electrolyzers in Wallingford (CT) is progressing according to plan
- All major production steps will be optimized and automated, some previously outsourced processes will also be insourced
- Committed investment CAPEX to completion for the expansion is NOK ~120 million



Additional USD 41 million support for the planned electrolyser facility in Michigan



- Nel was awarded USD 41 million in tax credits through the Qualifying Advanced Energy Project Tax Credit (48C) program
- All in all, Nel has secured close to USD 170 million in support and roughly half of this amount is cash incentives
- In the planned 4 GW facility, Nel is looking to manufacture its next-generation products
- FID for the Michigan facility is not yet taken

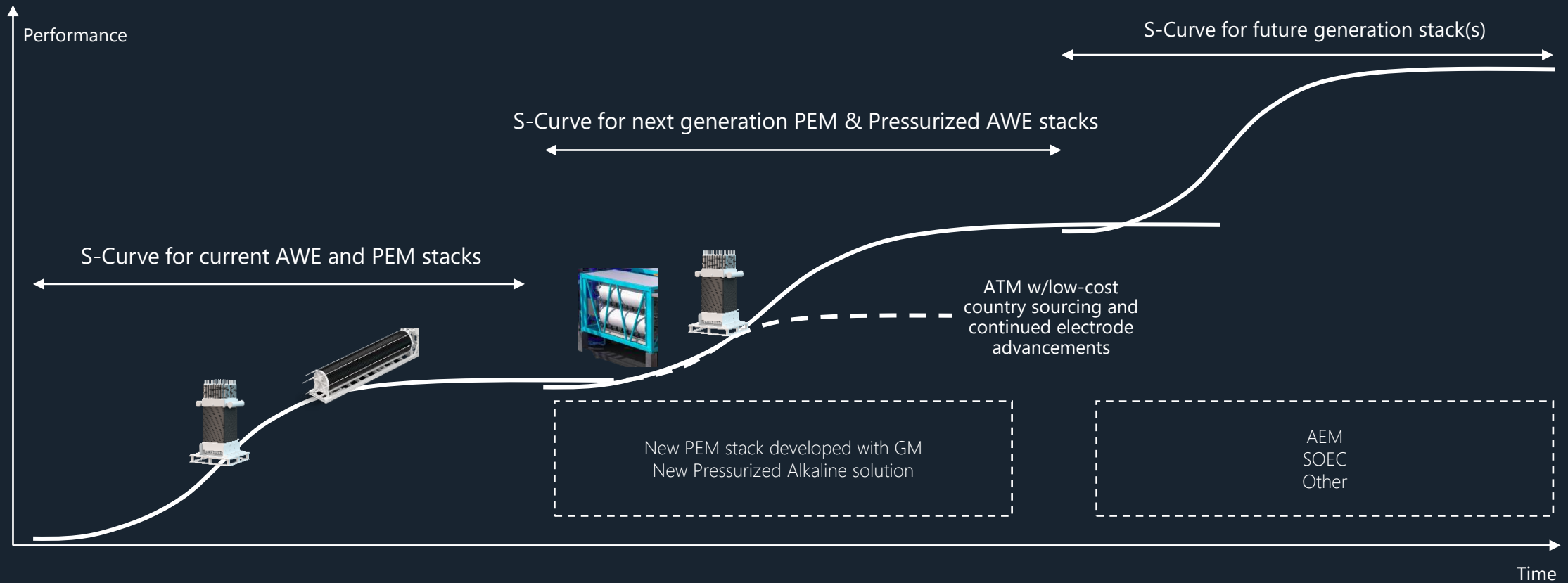
5. Technology update

Nel is developing ground-breaking technology together with world class partners



a selection of Nel's partners

Nel's perspective on electrolyser technologies



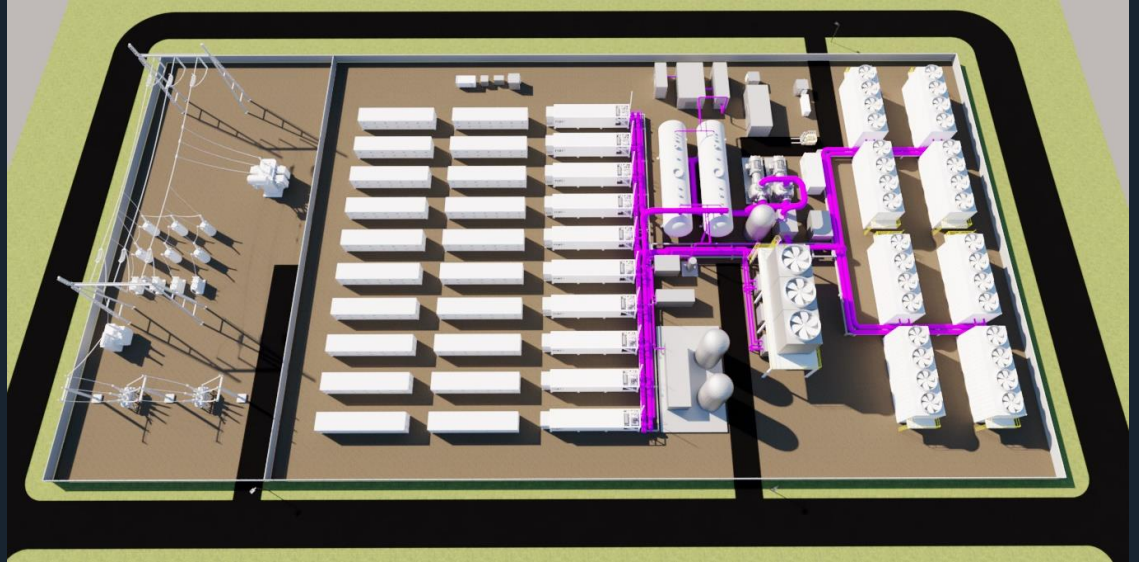
Additional features to increase competitiveness (lower USD/kW and kWh/Nm³)

Next generation pressurized alkaline and PEM solutions will reset the S-curve

Future technology solutions may disrupt today's technology platforms

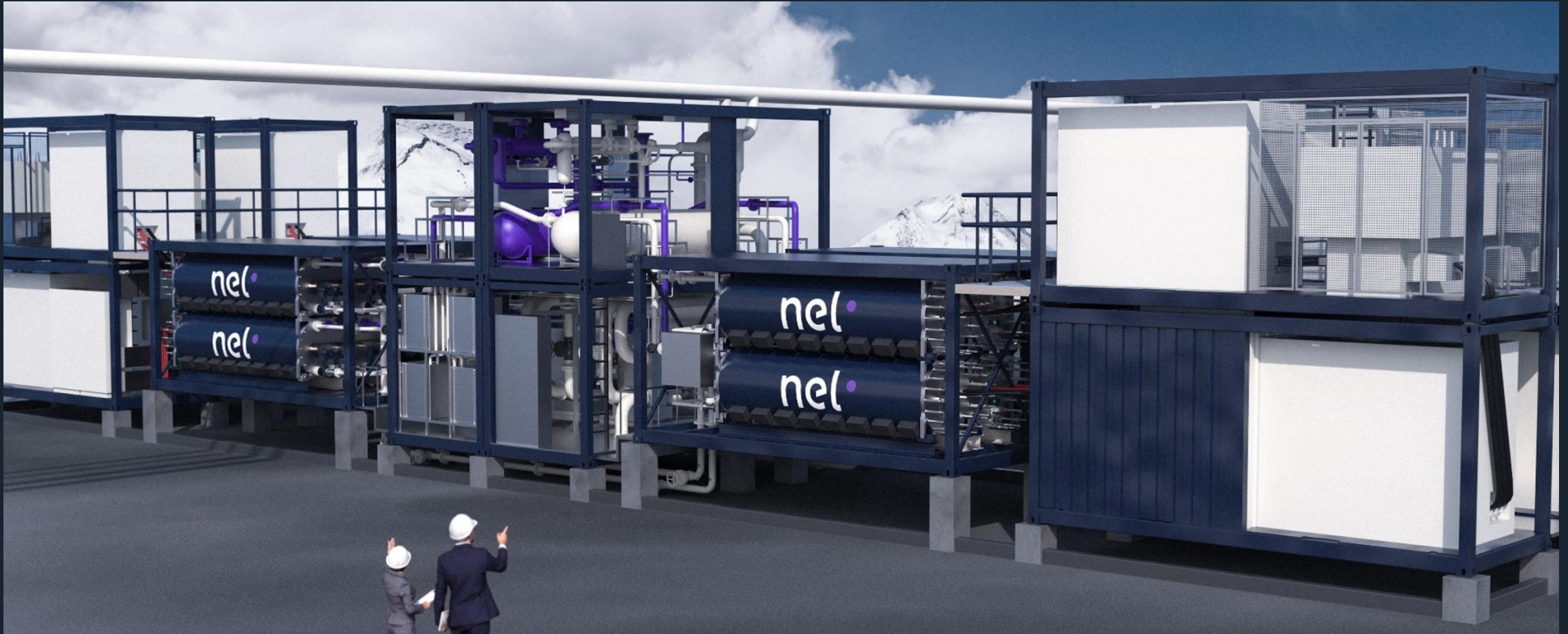
Development of 100 MW turn-key modules in partnership with world-class EPC companies

- Multiple strategic partnership agreements have been signed with world-class EPC partners, which cover different geographies, for developing 100 MW Alkaline and PEM turn-key solutions
- The new concepts reduce both price and footprint of large-scale electrolyser plants and allow Nel to focus its R&D on stack and balance of stack
- More details on different collaborations to be announced shortly



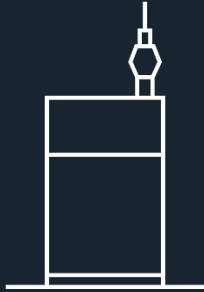
100 MW PEM concept example

Following a successful stack test in H1-24, a turnkey pressurized alkaline prototype will be built at Herøya in H2-24



6. Summary

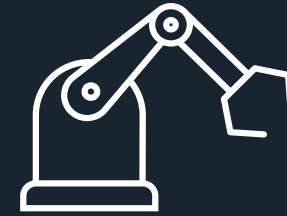
Summary



Completed spin-off and separate listing of Fueling division, creating a fully dedicated electrolyser company



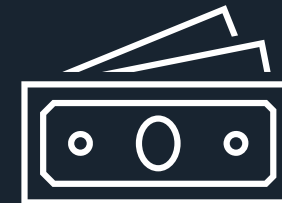
Signed a licensing agreement with Reliance for production and collaboration on technology development



Completed construction of line 2 at Herøya, bringing annual alkaline production capacity to 1 GW



Significantly improved YTD financials and shorter road to profitability following Fueling spin-off



NOK 2.2bn in cash reserves, no near-term need to raise additional cash

number one by nature