



BALLARD®

Q3 2019 Results Conference Call

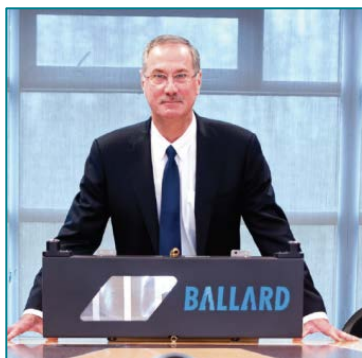
October 31, 2019

Nasdaq & TSX Ticker: BLDP

Conference Call Participants



Randy MacEwen
President & CEO



Tony Guglielmin
CFO

Forward-Looking Statements

This presentation contains forward-looking statements, including: estimated revenue; gross margin; cash operating costs; adjusted EBITDA; product cost reductions; liquidity; market size and growth projections; customer value propositions; and expected sales and product shipments. These forward-looking statements reflect Ballard's current expectations as contemplated under section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any such forward-looking statements are based on Ballard's assumptions relating to our financial forecasts and expectations regarding our product development efforts, manufacturing capacity, and market demand.

These forward-looking statements involve risks and uncertainties that may cause our actual results to be materially different, including, general economic and regulatory changes, detrimental reliance on third parties, successfully achieving our business plans and achieving and sustaining profitability. For a detailed discussion of these and other risk factors that could affect Ballard's future performance, please refer to our most recent Annual Information Form. Readers should not place undue reliance on Ballard's forward-looking statements and Ballard assumes no obligation to update or release any revisions to these forward looking statements, other than as required under applicable legislation.

All amounts are consolidated to include Ballard Power Systems Europe A/S and Protonex Technology Corporation results and are in U.S. dollars, unless otherwise noted.

Overview

- Q3 results in-line with expectations
 - Revenue \$24.8M
 - Gross Margin 25%
 - Adjusted EBITDA \$(7.2)M
 - End-Q3 Cash Reserves \$153.4M
- Reiterating full-year 2019 Outlook

Notable Industry Developments

- CNH Industrial announced partnership with Nikola and plans to invest \$250M
- Cummins & Hyundai signed MOU and announced expected production of 700,000 fuel cell systems per year, by 2030
- Daimler Trucks announced plan to bring fuel cell-powered trucks to series production by the end of 2020's



Notable Industry Developments (Cont'd)

- CARB introduced CORE program to promote clean off-road freight technologies
- Continental Corp. → fuel cells will become increasingly relevant in the auto industry
- 30 members at the Hydrogen Energy Ministerial Meetings pledged to deploy 10M FCEVs + 10,000 H2 refueling stations over the next 10-years

水素閣僚会議

Ministerial Meeting

September 25th, 2019 Tokyo, Japan

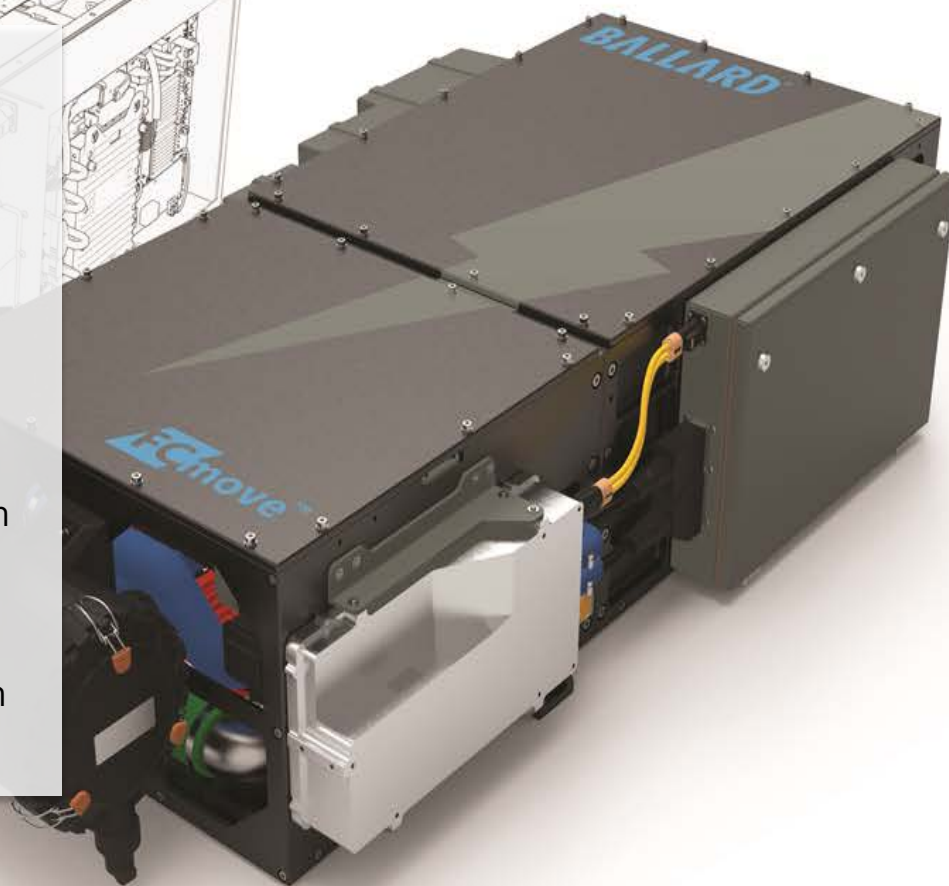
Hydrogen Energy Ministerial Meeting
H₂EM 2019

H₂EM
2019

Mr. Randy MacEwen

Corporate Strategy Execution

- Growing market interest in next-gen products launched earlier in 2019 → LCS fuel cell stack & FCmove™ power module
- Progressing advanced manufacturing plan in Vancouver operations
- Tracking to plan on technology transfer to Weichai-Ballard JV and facility preparation



Recent Orders

- BEHALA PO for 3 x 100kW modules to power world's first zero-emission push boat
 - Planned for 2020 deployment in Germany
- Anglo American PO for 9 x 100kW modules to power an Ultra-class mining truck
 - 2020 demonstration in South Africa
 - Planning deployments at sites around the world

China Update

- ~4,000 FCEVs in China
- Cities such as Shenzhen and Foshan planning to procure only zero-emission buses going forward
- Gaoming Tram Project being commissioned

Europe Update

- Wrightbus
 - Entered into administration
 - Purchase of certain Wrightbus assets by Bamford Bus Company; planning to feature FCEB as differentiator
 - Jo Bamford also Chairman of Ryse Hydrogen, which is contracted to provide H2 station for TfL buses

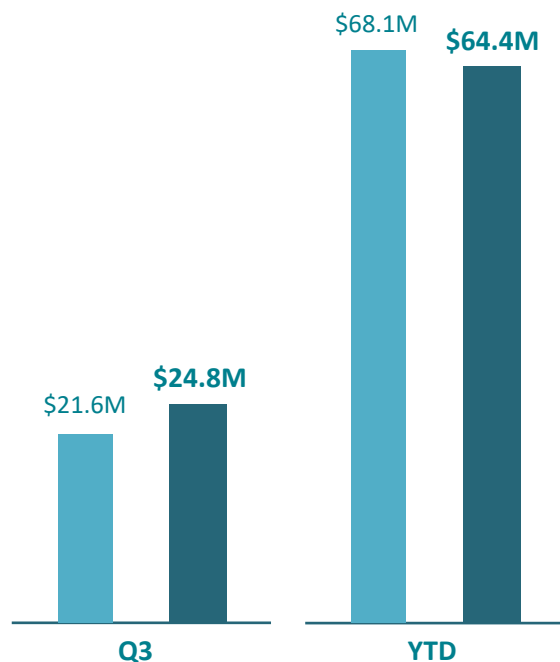
Europe Update

(Cont'd)

- Marine Center of Excellence (CoE)
 - CoE will design & manufacture HD modules for marine powertrains
 - Manufacturing facility substantially complete now at Hobro offices in Denmark
 - CoE will have annual production capacity of 15MW of fuel cell modules

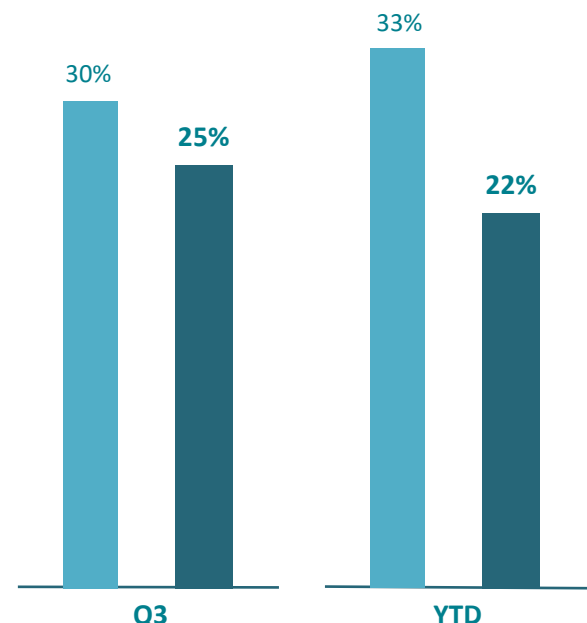
Q3 & YTD Revenue and Gross Margin

REVENUE



- **Q3 2019 Revenue +15%, to \$24.8M**
 - -28% Power Products, to \$8.0M
 - -21% Heavy Duty Motive, to \$5.0M
 - -95% Portable Power/UAV, to \$0.1M
 - +6% Material Handling, to \$2.8M
 - -54% Backup Power, to \$0.2M
 - +61% Technology Solutions, to \$16.8M

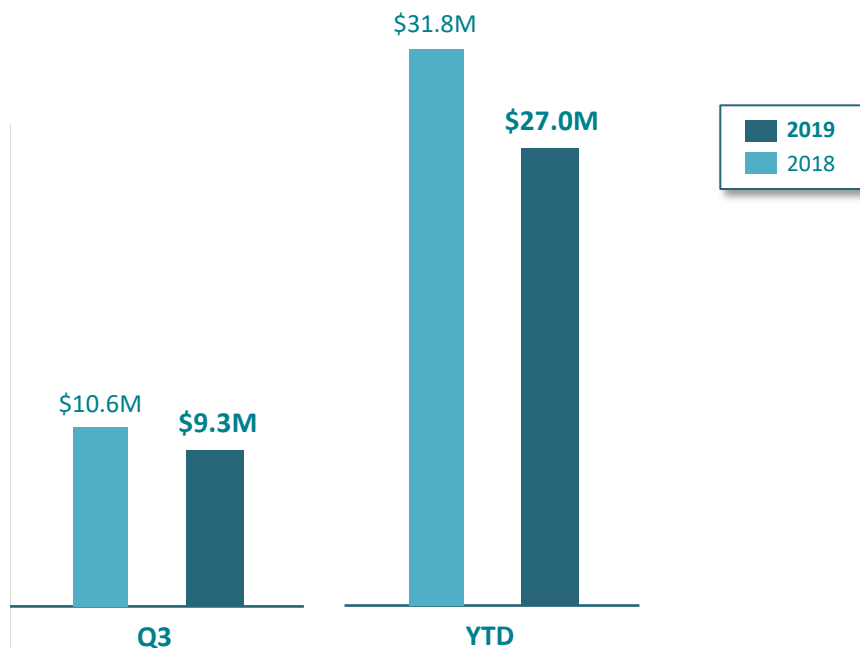
GROSS MARGIN



- **Q3 2019 Gross Margin -5-points, to 25%**
 - Reflects shift to lower overall margin product & service revenue mix and loss of higher margin revenue due to disposition of Power Manager assets in Q4 2018

Q3 & YTD Cash Operating Cost Base and Adjusted EBITDA

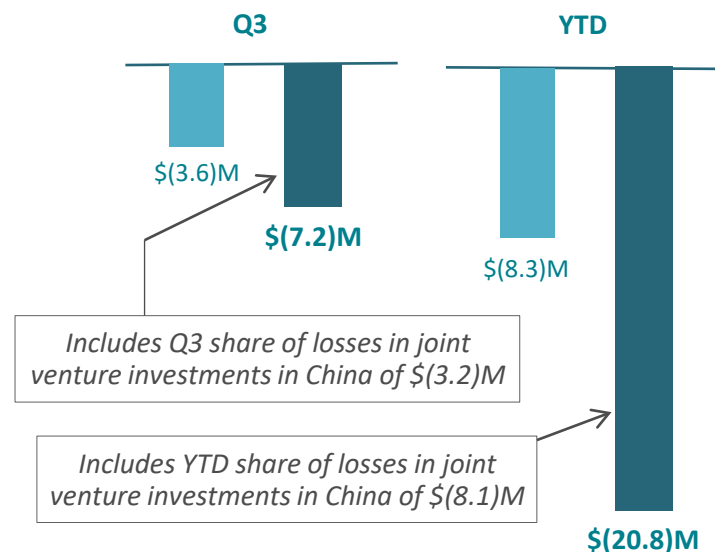
CASH OPERATING COST BASE *



Q3 2019 Cash Operating Costs -12%, to \$9.3M

- Due to lower product development costs and decrease in sales & marketing costs

ADJUSTED EBITDA



Q3 2019:

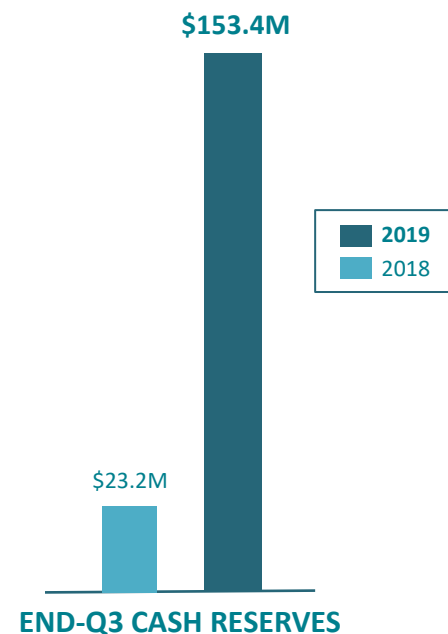
- Adjusted EBITDA \$(7.2)M
 - Includes impairment loss on A/R of \$1.5M related to modules shipped to Wrightbus
- Net Loss \$(9.8)M
- EPS \$(0.04)

* Measures operating expenses excluding stock-based compensation expense, depreciation and amortization, impairment losses or recoveries on trade receivables, restructuring charges, acquisition costs, impact of unrealized gains or losses on foreign exchange contracts and financing charges

Measures EBITDA adjusted for stock-based compensation expense, transactional gains and losses, asset impairment charges, finance and other income, impact of unrealized gains or losses on foreign exchange contracts and acquisition costs

- **Q3 2019 Cash Used By Operating Activities increased to \$(9.6)M**
 - Reflects cash operating losses of \$2.4 million and capital outflows of \$7.2 million

- **End-Q3 2019 cash reserves of \$153.4M, down \$10.3M from the prior quarter**



Order Backlog

**End-Q3 2019: Order Backlog¹ of \$199.6M and
12-Month Order Book² of \$123.6M**

| ORDER BACKLOG | Order Backlog at End-Q2 2019 | Orders Received in Q3 2019 | Orders Delivered in Q3 2019 | Order Backlog at End-Q3 2019 |
|--|---------------------------------|-------------------------------|--------------------------------|---------------------------------|
| Total Fuel Cell Products & Services | \$211.6M | \$12.8M | \$24.8M | \$199.6M |

¹ *Order Backlog* = aggregate value of orders received

² *12-Month Order Book* = aggregate value of that portion of Order Backlog expected to be delivered in the subsequent 12-month period

Other Developments

- BLDP now part of S&P/TSX Composite Index
 - Effective September 23rd, 2019
 - Index includes 240 companies
- BLDP named to inaugural 'TSX30'
 - New program recognizing 30 TSX-listed companies with greatest share price appreciation
 - Measured over 3-years (mid-2016 to mid-2019)

Q & A

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