Condensed Consolidated Interim Financial Statements
(Expressed in U.S. dollars)

BALLARD POWER SYSTEMS INC.

Three and nine months ended September 30, 2026 and 2025

BALLARD POWER SYSTEMS INC.

Condensed Consolidated Interim Statements of Financial Position

Unaudited *(Expressed in thousands of U.S. dollars)*

	Note	September 30, 2026	December 31, 2025
Assets			
Current assets:			
Cash and cash equivalents		**$ 373,898**	$ 527,052
Short-term investments		**2,000**	4,202
Trade and other receivables	6	**33,447**	24,202
Inventories	7	**56,499**	43,770
Prepaid expenses and other current assets		**6,310**	2,207
Current portion of loans receivable	8	**4,429**	—
Total current assets		**476,583**	601,433
Non-current assets:			
Property, plant and equipment	9	**115,444**	32,195
Intangible assets	10	**55,691**	248
Goodwill	5	**130,735**	—
Equity-accounted investments	11 & 24	**2,189**	—
Long-term financial investments	12	**42,794**	48,006
Loans receivable	8	**29,674**	—
Other long-term assets		**490**	506
Total assets		**$ 853,600**	$ 682,388
Liabilities and Equity			
Current liabilities:			
Trade and other payables	14	**$ 51,517**	$ 28,788
Deferred revenue	15	**8,455**	8,408
Provisions and other current liabilities	16	**13,797**	20,386
Current lease liabilities	17	**4,144**	3,412
Current portion of long-term debt	18	**14,815**	—
Total current liabilities		**92,728**	60,994
Non-current liabilities:			
Non-current lease liabilities	17	**17,808**	18,728
Non-current deferred revenue	15	**17,810**	9,917
Long-term debt	18	**58,279**	—
Other non-current liabilities	19	**15,177**	2,819
Total liabilities		**201,802**	92,458
Equity:			
Share capital	20	**2,548,449**	2,433,244
Contributed surplus	20	**310,962**	310,041
Accumulated deficit		**(2,204,534)**	(2,151,751)
Foreign currency reserve		**(3,079)**	(1,604)
Total equity		**651,798**	589,930
Total liabilities and equity		**$ 853,600**	$ 682,388

See accompanying notes to condensed consolidated interim financial statements.

Approved on behalf of the Board:

“Kathy Bayless”	“Jim Roche”
Director	Director

BALLARD POWER SYSTEMS INC.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

Unaudited *(Expressed in thousands of U.S. dollars, except per share amounts and number of shares)*

		Three months ended September 30,		Nine months ended September 30,	
	Note	**2026**	2025	**2026**	2025
Revenues:					
Product and service revenues	21	**$ 22,459**	$ 32,501	**$ 62,478**	$ 65,732
Cost of product and service revenues		**17,927**	27,539	**51,103**	65,873
Gross margin		**4,532**	4,962	**11,375**	(141)
Operating expenses:					
Research and product development		**13,390**	11,522	**33,119**	47,803
General and administrative		**5,192**	4,158	**15,156**	13,611
Sales and marketing		**1,761**	1,559	**4,655**	6,413
Other expense	22	**7,632**	17,659	**12,379**	24,228
Total operating expenses		**27,975**	34,898	**65,309**	92,055
Results from operating activities		**(23,443)**	(29,936)	**(53,934)**	(92,196)
Finance income and other	23	**3,609**	4,214	**3,574**	26,533
Finance expense	23	**(977)**	(453)	**(1,839)**	(1,454)
Net finance income		**2,632**	3,761	**1,735**	25,079
Equity in loss of investments in joint ventures and associates	11 & 24	**(312)**	(1,895)	**(312)**	(3,157)
Impairment charges on property, plant and equipment	9	**—**	—	**(257)**	(3,162)
Gain on sale of assets	9	**—**	—	**—**	73
Loss before income taxes		**(21,123)**	(28,070)	**(52,768)**	(73,363)
Income tax recovery (expense)		**8**	—	**(15)**	(24)
Net loss for the period		**$ (21,115)**	$ (28,070)	**$ (52,783)**	$ (73,387)
Other comprehensive loss:					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences		**(1,191)**	819	**(1,475)**	3,048
Total comprehensive loss for the period		**$ (22,306)**	$ (27,251)	**$ (54,258)**	$ (70,339)
Basic and diluted loss per share					
Loss per share for the period		**$ (0.07)**	$ (0.09)	**$ (0.17)**	$ (0.24)
Weighted average number of common shares outstanding		**320,031,582**	300,512,149	**307,551,645**	299,962,076

See accompanying notes to condensed consolidated interim financial statements.

BALLARD POWER SYSTEMS INC.

Condensed Consolidated Interim Statements of Changes in Equity

Unaudited *(Expressed in thousands of U.S. dollars except number of shares)*

	Number of shares	Share capital	Contributed surplus	Accumulated deficit	Foreign currency reserve	Total equity
Balance, December 31, 2025	**300,784,816**	**$ 2,433,244**	**$ 310,041**	**$ (2,151,751)**	**$ (1,604)**	**$ 589,930**
Net loss	**—**	**—**	**—**	**(52,783)**	**—**	**(52,783)**
Acquisition (note 5)	**49,584,212**	**111,564**	**—**	**—**	**—**	**111,564**
Deferred share consideration related to acquisition (note 5)	**—**	**—**	**1,991**	**—**	**—**	**1,991**
DSUs redeemed (note 20)	**69,697**	**241**	**(422)**	**—**	**—**	**(181)**
RSUs redeemed (note 20)	**1,180,167**	**3,235**	**(6,119)**	**—**	**—**	**(2,884)**
Options exercised (note 20)	**26,200**	**165**	**(51)**	**—**	**—**	**114**
Share-based compensation (note 20)	**—**	**—**	**5,522**	**—**	**—**	**5,522**
Other comprehensive loss:						
Foreign currency translation for foreign operations	**—**	**—**	**—**	**—**	**(1,475)**	**(1,475)**
Balance, September 30, 2026	**351,645,092**	**$ 2,548,449**	**$ 310,962**	**$ (2,204,534)**	**$ (3,079)**	**$ 651,798**

	Number of shares	Share capital	Contributed surplus	Accumulated deficit	Foreign currency reserve	Total equity
Balance, December 31, 2024	299,438,116	$ 2,428,618	$ 309,974	$ (2,060,837)	$ (4,765)	$ 672,990
Net loss	—	—	—	(73,387)	—	(73,387)
DSUs redeemed (note 20)	68,840	122	(271)	—	—	(149)
RSUs redeemed (note 20)	1,074,962	3,664	(5,462)	—	—	(1,798)
Share-based compensation (note 20)	—	—	6,120	—	—	6,120
Other comprehensive loss:						
Foreign currency translation for foreign operations	—	—	—	—	3,048	3,048
Balance, September 30, 2025	300,581,918	$ 2,432,404	$ 310,361	$ (2,134,224)	$ (1,717)	$ 606,824

See accompanying notes to condensed consolidated interim financial statements.

BALLARD POWER SYSTEMS INC.

Condensed Consolidated Interim Statements of Cash Flows

Unaudited *(Expressed in thousands of U.S. dollars)*

	Note	Nine months ended September 30, **2026**	2025
Cash provided by (used in):			
Operating activities:			
Net loss for the period		**$ (52,783)**	$ (73,387)
Adjustments for:			
Depreciation and amortization		**4,203**	2,984
Deferred gain amortization		**—**	(69)
Impairment loss on trade receivables		**190**	772
Inventory impairment reversal and onerous contracts provision adjustments	7	**(2,164)**	(4,190)
Unrealized gain on forward contracts		**—**	(685)
Equity in loss of investments in joint venture and associates	11 & 24	**312**	3,157
Net decrease (increase) in fair value of investments	12, 23 & 27	**9,652**	(6,855)
Gain on sale of assets	9	**—**	(73)
Interest expense on long-term debt, net of interest paid	18	**(1,225)**	—
Impairment charges on property, plant and equipment	9	**—**	3,162
Interest income from loans receivable, net of interest received	8	**1,373**	—
(Dilution) accretion on decommissioning liabilities	19	**(86)**	102
Employee future benefits and plan contributions		**—**	(11)
Share-based compensation	20	**5,644**	6,243
		(34,884)	(68,850)
Changes in non-cash working capital:			
Trade and other receivables		**2,785**	(1,343)
Inventories		**612**	(6,095)
Prepaid expenses and other current assets		**(3,229)**	1,814
Trade and other payables		**(20,783)**	645
Deferred revenue		**2,974**	6,001
Warranty provision		**(2,030)**	233
		(19,671)	1,255
Cash used in operating activities		**(54,555)**	(67,595)
Investing activities:			
Net decrease in short-term investments		**2,202**	—
Contributions to long-term investments	12	**(4,440)**	(4,892)
Additions to property, plant and equipment	9	**(3,020)**	(6,063)
Proceeds on sale of assets	9	**—**	80
Investment in intangible assets	10	**(460)**	(337)
Proceeds from principal repayments on loans receivable	8	**1,789**	—
Acquisition of GeoPura Limited, net of cash acquired	5	**(91,144)**	—
Cash used in investing activities		**(95,073)**	(11,212)
Financing activities:			
Principal payments of lease liabilities	17	**(2,475)**	(2,226)
Proceeds from long-term debt	18	**1,187**	—
Principal repayments on long-term debt	18	**(3,118)**	—
Net proceeds on issuance of share capital from stock option exercise	20	**114**	—
Cash used in financing activities		**(4,292)**	(2,226)
Effect of exchange rate fluctuations on cash and cash equivalents held		**766**	2,829
Decrease in cash and cash equivalents		**(153,154)**	(78,204)
Cash and cash equivalents, beginning of period		**527,052**	603,948
Cash and cash equivalents, end of period		**$ 373,898**	$ 525,744

Supplemental disclosure of cash flow information (note 25).

See accompanying notes to condensed consolidated interim financial statements.

1. Reporting entity:

The principal business of Ballard Power Systems Inc. (the “Corporation”) is zero-emission hydrogen energy solutions as an integrated Energy-as-a-Service (EaaS) provider. Ballard delivers turnkey, vertically integrated hydrogen ecosystem solutions spanning hydrogen production, logistics, refueling, fuel cell engines, and stationary Hydrogen Power Units, or HPUs, as well as the delivery of services including after sales, rental, training, and other services.

The Corporation is a company domiciled in Canada and its registered office is located at 9000 Glenlyon Parkway, Burnaby, British Columbia, Canada, V5J 5J8. The condensed consolidated interim financial statements of the Corporation as at and for the three and nine months ended September 30, 2026 and 2025 comprise the Corporation and its subsidiaries.

Acquisition of GeoPura Limited

On August 28, 2026, the Corporation completed the acquisition of 100% of GeoPura Limited ("GeoPura"), a UK-based provider of zero-emission, hydrogen-based power solutions (note 5). The combination of GeoPura’s HPU™ platform, fuel production and logistics with Ballard’s advanced fuel cell technology enables the Corporation to serve customers as a one-stop energy solution provider. The results of GeoPura’s consolidated operations, including its wholly owned subsidiary GeoPura (Europe) ApS and its 50% interest in the HyMarnham Power Limited joint venture ("HyMarnham JV") (notes 11 and 24), are included in these condensed consolidated interim financial statements as of the acquisition date.

In June 2026, in anticipation of the closing of the transaction with GeoPura, the Corporation incorporated a holding company, Ballard Power Systems UK Limited, as a wholly owned subsidiary.

2. Basis of preparation:

(a) Statement of compliance:

These condensed consolidated interim financial statements of the Corporation have been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting,* as issued by the International Accounting Standards Board (“IASB”), on a basis consistent with those material accounting policies followed in the most recent annual consolidated financial statements (except as described in note 3 below), therefore should be read in conjunction with the December 31, 2025 audited consolidated financial statements and the notes thereto.

The condensed consolidated interim financial statements were authorized for issue by the Audit Committee of the Board of Directors on November 13, 2026.

(b) Basis of measurement:

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for the following material items in the statements of financial position:

- Financial assets classified as measured at fair value through profit or loss (FVTPL)
- Share-based payment arrangements measured at grant-date fair value
- Assets and liabilities acquired in a business combination measured at fair value at acquisition date

(c) Functional and presentation currency:

These condensed consolidated interim financial statements are presented in U.S. dollars, which is the Corporation’s functional currency.

2. Basis of preparation (cont'd):

(d) Use of estimates:

The preparation of the condensed consolidated interim financial statements in conformity with International Financial Reporting Standards ("IFRS") requires the Corporation's management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas having estimation uncertainty include revenue recognition, asset impairment (including property, plant, and equipment and intangible assets), and any related recoveries of previously recognized impairment, warranty provision, inventory and onerous contracts provisions, fair value measurement (including long-term financial investments), and purchase price allocation arising from business combinations. These estimates and judgments are unchanged in these condensed consolidated interim financial statements and are the same as those applied in the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2025, except for purchase price allocation estimates (note 5).

(e) Future operations:

The Corporation is required to assess its ability to continue as a going concern or whether substantial doubt exists as to the Corporation's ability to continue as a going concern into the foreseeable future. The Corporation's ability to continue as a going concern and realize its assets and discharge its liabilities and commitments in the normal course of business is dependent upon the Corporation having adequate liquidity and achieving profitable operations that are sustainable. The Corporation's liquidity objective to remain a going concern into the foreseeable future is to maintain cash balances sufficient to fund at least six quarters of forecasted cash used by operating activities and contractual commitments.

The Corporation's strategy to attain this liquidity objective is to continue its drive to attain profitable operations that are sustainable by executing a business plan that continues to focus on revenue growth, improving overall gross margins, maintaining discipline over operating expenses, managing working capital and capital expenditure requirements, and securing additional financing to fund its operations as needed until the Corporation does achieve profitable operations that are sustainable. Failure to implement this plan could have a material adverse effect on the Corporation's financial condition and/or results of operations.

3. Material accounting policies:

The accounting policies in these condensed consolidated interim financial statements are the same as those applied in the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2025, except for those described below that have been adopted in connection with the acquisition of GeoPura (note 5) during the period.

Business combinations

The Corporation accounts for business combinations in accordance with *IFRS 3 Business Combinations* using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Corporation. A set of activities and assets is considered a business when the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

3. Material accounting policies (cont'd):

The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition-date fair value. At the acquisition date, identifiable assets acquired and liabilities assumed are recognized at fair value. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss. Acquisition-related costs are expensed as incurred, except if related to the issue of debt or equity securities.

Goodwill is initially measured at cost, being the excess of the aggregate consideration transferred and non-controlling interest over the net identifiable assets acquired and liabilities assumed, with any bargain purchase gain recognized immediately in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses and is assessed for impairment in accordance with the Corporation's policy on goodwill as disclosed in the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2025.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If the initial accounting for a business combination is incomplete by the end of the reporting period, provisional amounts are reported and adjusted during the measurement period—not to exceed one year from the acquisition date—to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

Revenue: Energy as a Service

The Corporation supplies clean energy to customers through an integrated EaaS package that includes the rental of HPUs, engineer-backed service delivery and a hydrogen supply management system. While the customer obtains the energy output, the Corporation retains control of, and substantive substitution rights over, the HPUs, directing their use through its engineer-backed operations and fuel management systems. The equipment deployed under these agreements continues to be recognized and measured in accordance with the Corporation's accounting policies for property, plant and equipment. Revenues from these contracts are recognized for each distinct performance obligation as follows:

- HPU rental and engineer-backed service delivery are recognized over time, over the term of the agreement;
- Metered hydrogen supply is recognized at a point in time when fuel is delivered, with variable consideration trued up to actual consumption; and
- Maintenance and delivery or haulage services are recognized at a point in time when services are provided.

Sale and leaseback

The Corporation first assesses whether the transfer of the underlying asset in these arrangements qualifies as a sale. If the transfer qualifies as a sale, the Corporation derecognizes the underlying asset and recognizes a right-of-use asset and corresponding lease liability. The right-of-use asset is measured based on the proportion of the previous carrying amount relating to the right of use retained, and the lease liability is measured at the present value of the lease payments. Any gain or loss is limited to the rights transferred to the buyer-lessor and recognized in profit or loss in the period of sale.

3. Material accounting policies (cont'd):

Sale and leaseback (cont'd)

If the transfer does not qualify as a sale, the Corporation continues to recognize the underlying asset as property, plant and equipment and recognizes the proceeds received as a financial liability (asset-backed finance). The financial liability is initially measured at fair value and then subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in profit or loss over the term of the financing.

New accounting standards issued and not yet effective

Effective for January 1, 2026, the Corporation assessed any new IFRS standards, applicable amendments and interpretations, concluding that they did not have a material impact on the Corporation's condensed consolidated interim financial statements.

The following is an overview of accounting standard changes that the Corporation will be required to adopt in future years. The Corporation expects to adopt these standards as at their effective dates and will continue to evaluate their impact on the consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued *IFRS 18 Presentation and Disclosure in Financial Statements* to improve reporting of financial performance and replace *IAS 1 Presentation of Financial Statements*. While *IFRS 18* carries forward many requirements from *IAS 1*, the new Standard introduces the following significant changes to the structure of a company’s financial statements:

- Income and expenses in the statements of income or loss will be grouped into new categories resulting in new subtotals and/or line items being presented (including operating profit), along with changes in how certain existing subtotals are calculated;
- New disclosures will be required for management defined performance measures (MPM), commonly referred to as 'non-GAAP measures'; and
- New principles will apply to the aggregation and disaggregation of certain financial information in the financial statements.

IFRS 18 applies for annual periods beginning on or after January 1, 2027. Retrospective application is required, and the Corporation’s comparative information will be restated in accordance with the Standard.

The impact of adoption of *IFRS 18* is currently being assessed by the Corporation. Based on a preliminary assessment, the Corporation expects that the adoption of *IFRS 18* will change the presentation of the statement of loss and comprehensive loss, change the categorization of certain income and expense items in that statement, and require additional disclosures for MPMs and certain expenses in the notes to the financial statements. Since *IFRS 18* does not affect the recognition or measurement of items, the Corporation does not expect the adoption of *IFRS 18* to result in significant changes to the underlying information disclosed in the notes to the financial statements.

4. Critical judgments in applying accounting policies and key sources of estimation uncertainty:

Critical judgments in applying accounting policies:

Critical judgments that management has made in the process of applying the Corporation’s accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements are limited to management’s assessment of the Corporation’s ability to continue as a going concern (note 2(e)).

4. Critical judgments in applying accounting policies and key sources of estimation uncertainty (cont'd):

Key sources of estimation uncertainty:

Key assumptions concerning the future and other key sources of estimation uncertainty that have significant risk of resulting in a material adjustment to the reported amount of assets, liabilities, income and expenses within the next fiscal year include the following: revenue recognition, asset impairment (including property, plant, and equipment and intangible assets) and any related recoveries of previously recognized impairment, warranty provision, inventory and onerous contracts provisions, fair value measurement (including long-term financial investments), residual fair value of property, plant, and equipment, and purchase price allocation arising from business combinations. These assumptions are unchanged in these condensed consolidated interim financial statements and are the same as those applied in the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2025, except for assumptions related to the purchase price allocation arising from the acquisition of GeoPura (note 5).

5. Acquisition:

On August 28, 2026, the Corporation acquired 100% of GeoPura, a UK-based provider of zero-emission, hydrogen-based power solutions. The acquisition allows the Corporation to become a vertically-integrated hydrogen energy solutions provider by combining its technical expertise in fuel cell engines with GeoPura's EaaS business model which bundles HPUs (powered by the Corporation's fuel cell engines), hydrogen production, distribution and logistics. With this acquisition, the Corporation's business model shifts toward recurring revenues by expanding its stationary power capabilities, broadening its customer base, and reducing costs through secure hydrogen supply.

The Corporation prepared the preliminary purchase price allocation for GeoPura using the acquisition method of accounting in accordance with I*FRS 3 Business Combinations*, with the Corporation considered as the accounting acquirer and GeoPura as the accounting acquiree. As the accounting acquirer, consideration given by the Corporation to acquire GeoPura has been allocated to the assets acquired and the liabilities assumed based on their fair values as of the acquisition date of August 28, 2026.

As consideration for the transaction: (i) the Corporation made initial cash payments on closing of $104,667,000 (£77,075,000); (ii) issued 49,584,212 common shares at $2.25 per share totalling $111,564,000 (£82,153,000); (iii) issued 1,084,540 restricted share units vesting one year from the acquisition date at a fair value of $2.25 per share, discounted for the timing delay in receiving the shares using an Asian put option pricing model, or approximately $1,991,000 (£1,466,000); and (iv) will make future payments of up to $37,345,000 (£27,500,000), payable at the Corporation's discretion in cash, the Corporation's common shares, or a combination of both, based on the achievement of certain projects and revenue milestones over a two-year period after the acquisition date, discounted using a probability-weighted approach, or $12,448,000 (£9,167,000).

The preliminary fair value of purchase consideration is as follows:

Cash consideration paid on closing	$	104,667
Share consideration issued on closing		111,564
Deferred share consideration issued at estimated fair value		1,991
Contingent consideration at estimated fair value		12,448
Total fair value (preliminary) of purchase consideration	**$**	**230,670**

5. Acquisition (cont'd):

In accordance with *IFRS 3*, the identifiable assets acquired and liabilities assumed as part of a business combination are recognized separately from goodwill at the acquisition date if they meet the definition of an asset or liability and are exchanged as part of the business combination. The identifiable assets acquired and liabilities assumed are then measured at their acquisition date fair values based on the contractual terms, economic conditions, the Corporation's operating and accounting policies and other pertinent conditions as of the acquisition date. The fair value review of GeoPura's assets and liabilities commenced with a review of the carrying amount of each respective asset and liability. Each asset and liability was then reviewed and measured for potential fair value adjustments from carrying cost to arrive at the preliminary fair value of each asset and liability as of the acquisition date of August 28, 2026.

The preliminary fair values of assets acquired and liabilities assumed are as follows:

Cash and cash equivalents	$	14,213
Trade and other receivables		12,219
Inventories		11,682
Prepaid expenses and other current assets		14,206
Property, plant and equipment		72,566
Loans receivable		38,057
Equity-accounted investments		2,526
Intangible assets		56,357
Goodwill		130,735
Accounts payable and accrued liabilities		(35,944)
Deferred revenue		(4,966)
Lease liabilities		(3,078)
Long-term debt		(77,903)
Fair value (preliminary) of assets acquired and liabilities assumed	**$**	**230,670**

The preliminary fair value of each of the acquired identifiable assets and liabilities assumed was determined as follows:

- The fair value of certain of the acquired working capital balances including trade and other receivables, prepaid expenses, and accounts payable and accrued liabilities, have been assessed at their carrying amounts on August 28, 2026, which is considered to approximately equate to fair value as a result of the short-term to maturity of each of these accounts.

- Acquired inventories consist primarily of HPUs and other hydrogen energy assets awaiting deployment to customers under contracts. The fair value of inventories was assessed to approximate its carrying amount on August 28, 2026.

- Acquired property, plant and equipment consists of GeoPura's HPU fleet and other hydrogen energy production assets, leased vehicles and corporate assets in support of business operations. The fair value of property, plant and equipment includes a fair value adjustment decrease of ($3,610,000) from its carrying amount on August 28, 2026.

  The fair value of property, plant and equipment was estimated based on the depreciated reproduction cost approach as the primary valuation methodology. Under this approach, reproduction cost new ("CRN") represents the estimated current cost of reproducing substantially identical assets using similar design, materials and construction methods. Historical capitalized costs from the fixed asset listings were indexed to the valuation date using asset-specific indices to estimate the current CRN. The resulting CRN was then adjusted for applicable physical deterioration and any identified functional or economic obsolescence to estimate fair value.

5. Acquisition (cont'd):

For certain specialized assets, the depreciated replacement cost approach was considered more appropriate where current replacement cost information was available. Under this approach, replacement cost new ("RCN") represents the current cost of acquiring a substitute asset that provides equivalent utility. RCN was estimated using available market evidence, including budgetary supplier quotations and market research. The resulting RCN was similarly adjusted for applicable depreciation and obsolescence to arrive at an indication of fair value.

- Acquired loans receivable consists of a £27,000,000 loan from GeoPura to HyMarnham JV. The fair value of loans receivable was assessed at its carrying amount on August 28, 2026.

- Acquired equity-accounted investments consist of GeoPura's 50% ownership interest in HyMarnham JV. The fair value of the investment was estimated using the discounted cash flow ("DCF") method. Under the DCF method, the fair value was estimated based on the present value of forecast future cash flows attributable to the joint venture using a discount rate reflective of the risks associated with achieving the projected operating results. GeoPura's investment was then determined based on its 50% ownership interest in the joint venture. The fair value of equity-accounted investments includes a fair value adjustment increase of $1,253,000 from its carrying amount on August 28, 2026.

- Acquired identified intangible assets consist of HPU technology (patents, know-how and in-process research and development), the GeoPura brand, and HPU rental customer relationships. The Corporation has concluded that each of the identified intangible assets meet the definition of an identified intangible asset (or non-monetary asset without physical substance) under *IAS 38 Intangible Assets* as the acquired intellectual property meets the definition of an asset and is identifiable. The fair value of all identified intangible assets includes a fair value adjustment increase of $35,696,000 from their original carrying amounts.

  Identified intangible assets of $56,357,000 consist of the following and are being amortized based on the following useful lives:

			Estimated useful life
Technology for HPUs	$	48,005	10 years
Brand		7,537	3 years
Customer relationships		815	7 years
Fair value (preliminary) of identified intangible assets	**$**	**56,357**	

The preliminary fair value of acquired identified intangible assets were calculated with the assistance of an independent valuator and were determined through a variety of valuation techniques.

The fair value of the acquired existing HPU technology (including patents, know-how and in-process research and development) totaling $48,005,000 was estimated using the relief-from-royalty method. Under this method, the fair value was estimated based on the present value of the after-tax royalty payments that would hypothetically be avoided by owning the technology rather than licensing it from a third party. The analysis considered forecast revenues attributable to the existing technology, the expected migration to future generations of technology, a market-based royalty rate and an appropriate discount rate.

The fair value of the acquired GeoPura brand totaling $7,537,000 was also estimated using the relief-from-royalty method. Under this method, the fair value was estimated based on the present value of the after-tax royalty payments that would hypothetically be avoided by owning the brand rather than licensing it from a third party. The analysis considered forecast revenues attributable to the existing brand, a market-based royalty rate and an appropriate discount rate.

5. Acquisition (cont'd):

The fair value of the acquired HPU rental customer relationships totaling $815,000 was estimated using the Multi-Period Excess Earnings Method ("MPEEM") approach. Under the MPEEM, the fair value was estimated by discounting the expected future cash flows attributable to the existing HPU rental customer relationships, after considering expected customer attrition and deducting contributory asset charges related to the other assets required to generate those cash flows. The resulting excess earnings attributable to the existing HPU rental customer relationships were discounted to present value using an appropriate risk-adjusted discount rate.

- Acquired deferred revenue consists primarily of certain government grant recoveries expected to be realized over their average estimated contract life of ten years. The fair value of the deferred revenue was estimated by using a cost build-up approach, based on the present value of a market participant's estimate of the costs required to fulfill the remaining performance obligations, plus an appropriate profit margin. The fair value of deferred revenue includes a fair value adjustment decrease of ($4,213,000) from its carrying amount on August 28, 2026.

- Acquired lease liabilities consist primarily of leases for equipment and hydrogen production assets. The fair value of the lease liabilities was assessed to approximate its carrying amount on August 28, 2026.

- Acquired long-term debt consists primarily of credit facilities and secured loans, along with sale and leaseback arrangements accounted for as asset-backed financing. The fair value of the long-term debt was assessed to approximate its carrying amount on August 28, 2026.

The remaining unallocated $130,735,000 of the total purchase price consideration of $230,670,000 has been ascribed as goodwill, which is not deductible for tax purposes. The goodwill resulting from the acquisition consists largely of the expectation that the acquisition of GeoPura will transform Ballard into a one-stop zero-emission EaaS hydrogen energy solutions provider by combining GeoPura's HPU platform, fuel production, and logistics with Ballard's advanced fuel cell technology.

The amount of revenue and net loss attributable to GeoPura included in the consolidated statements of loss and comprehensive loss from the acquisition date of August 28, 2026 through the period ended September 30, 2026 is $2,289,000 and ($5,610,000), respectively.

The following table presents the unaudited consolidated pro forma revenue and net loss of the Corporation for the nine months ended September 30, 2026 as if the acquisition had occurred at the beginning of fiscal 2026. The pro forma financial information is presented for informational purposes only and is not indicative of the actual results of operations that would have been achieved if the acquisition had taken place at the beginning of fiscal 2026. The pro forma financial information presented includes adjustments for: revenues from contracts with GeoPura prior to the acquisition, and amortization charges for acquired tangible and intangible assets based on the values assigned in the preliminary purchase price allocation.

Proforma information	September 30, 2026
Revenue	106,000
Net loss	(131,000)

During the nine months ended September 30, 2026, acquisition costs of $10,784,000 were incurred as a result of this transaction, and are recognized in other operating expense in the statements of loss and comprehensive loss (note 22).

6. Trade and other receivables:

	September 30, 2026	December 31, 2025
Trade accounts receivable, gross	**$ 26,098**	$ 23,711
Allowance for doubtful accounts	**(3,158)**	(2,946)
Trade accounts receivable, net	**22,940**	20,765
Other receivables	**6,088**	3,437
Contract assets	**4,419**	—
	$ 33,447	$ 24,202

Contract assets

Contract assets primarily relate to the Corporation's rights to consideration for work completed but not billed as at September 30, 2026 for hydrogen power generation projects and services, which were incorporated into the Corporation's consolidated operations with the acquisition of GeoPura (note 5) during the period.

Contract assets	September 30, 2026
January 1, 2026	$ —
Additions to contract assets	4,472
Invoiced during the period	(53)
At September 30, 2026	$ 4,419

Information about the Corporation's exposure to credit and market risks, and impairment losses for trade receivables and contract assets is included in note 22 and 27.

7. Inventories:

During the three and nine months ended September 30, 2026, the write-down of inventories to net realizable value including onerous contract adjustments amounted to $907,000 and $1,814,000 (2025 – ($2,749,000) and ($4,280,000)) and the reversal of previously recorded write-downs and onerous contract adjustments amounted to $1,558,000 and $3,978,000 (2025 – $4,433,000 and $8,470,000), resulting in a net recovery to cost of product and service revenues of ($651,000) and $2,164,000 (2025 – $1,684,000 and $4,190,000). Write-downs and reversals are included in either cost of product and service revenues or research and product development expense, depending upon the nature of inventory.

8. Loans Receivable:

As part of the acquisition of GeoPura, the Corporation acquired outstanding loans receivable that were recognized initially at fair value of $38,057,000 (note 5) and have been measured subsequently at amortized cost using the effective interest method. Interest income is recognized in finance income and other in the statements of loss and comprehensive loss (note 23).

	September 30, 2026	December 31, 2025
Loans receivable, current	**$ 4,429**	$ —
Loans receivable, non-current	**29,674**	—
Loans receivable, total	**$ 34,103**	$ —

8. Loans Receivable (cont'd):

£27,000,000 Facility Agreement

As part of the acquisition of GeoPura (note 5), the Corporation acquired loans receivable related to a £27,000,000 facility agreement ("JV Facility") between GeoPura and HyMarnham JV (notes 11 and 24). The funding was provided to HyMarnham JV for the provision, installation and operation of electrolysers and ancillary equipment at its site for producing and selling low carbon hydrogen. The JV Facility is secured by fixed and floating charges over the assets of HyMarnham JV.

The JV Facility is a combination of two separate facilities. Facility A has a principal value of £20,000,000, bears interest at the Bank of England official bank rate plus 7.17% margin per annum, and matures March 2032, with semi-annual payments commencing September 2026. Facility B has a principal value of £7,000,000, bears interest at the Bank of England official bank rate plus 8.17% margin per annum and matures March 2035, with semi-annual payments commencing September 2032.

During the nine months ended September 30, 2026, the Corporation received principal repayments of $1,789,000 (£1,333,000) (2025 – $nil).

9. Property, plant and equipment:

		September 30, 2026		December 31, 2025
Property, plant and equipment owned	**$**	**96,601**	$	13,928
Right-of-use assets		**18,843**		18,267
	$	**115,444**	$	32,195

Property, plant, and equipment owned

Net carrying amounts		September 30, 2026		December 31, 2025
Computer equipment	**$**	**978**	$	604
Furniture and fixtures		**3,425**		3,300
Leasehold improvements		**3,951**		3,878
Production and test equipment		**88,247**		6,146
	$	**96,601**	$	13,928

As part of the acquisition of GeoPura, the Corporation acquired property, plant, and equipment totalling $69,517,000 (note 5). Specific production and test equipment have been pledged as collateral to secure the Corporation's secured asset loan and asset-backed finance (note 18) acquired as part of the GeoPura acquisition. Under these arrangements, lenders hold registered security interests and/or chattel mortgages over the designated assets. The Corporation is restricted from transferring, leasing, or encumbering these assets without consent or until the corresponding financial liabilities are fully settled, although the assets remain in normal operational use by the Corporation.

During the three and nine months ended September 30, 2026, the Corporation recognized impairment charges of $nil and $257,000 related to prepayments made for capital assets in progress that were subsequently cancelled.

During the three and nine months ended September 30, 2025, the Corporation recognized impairment charges of $nil and $3,162,000 related to a net fair value impairment allowance against consolidated capital assets.

9. Property, plant and equipment (cont'd):

Property, plant, and equipment owned (cont'd)

During the nine months ended September 30, 2025, the Corporation disposed of certain miscellaneous equipment in Denmark for net proceeds of $80,000, resulting in a gain on sale of assets of $73,000.

Right-of-use assets

The Corporation leases certain assets under lease agreements, comprised primarily of leases of land and buildings, production and office equipment, and vehicles (note 17).

Net carrying amounts included in property, plant and equipment		September 30, 2026		December 31, 2025
Property	**$**	**15,726**	$	18,035
Equipment		**2,065**		87
Vehicle		**1,052**		145
	$	**18,843**	$	18,267

Various right-of-use assets in the amount of $3,049,000 were acquired as part of the GeoPura acquisition (note 5).

Depreciation expense on property, plant, and equipment is allocated to operating expense or cost of goods sold depending upon the nature of the underlying assets. For the three and nine months ended September 30, 2026, depreciation expense of $1,502,000 and $3,277,000 (2025 – $818,000 and $2,438,000) was recorded.

Additions for property, plant, and equipment for the nine months ended September 30, 2026 total $2,526,000 (2025 – $5,376,000), whereas actual cash expended for additions totals $3,020,000 (2025 – $6,063,000).

10. Intangible assets:

		September 30, 2026		December 31, 2025
ERP management reporting software system	**$**	**8**	$	248
Customer relationships - HPU		805		—
Technology - HPU		47,550		—
Brand		7,328		—
Intellectual property acquired from GeoPura, net of amortization (note 5)	**$**	**55,683**	$	—
	$	**55,691**	$	248

10. Intangible assets (cont'd):

Balance	Cost	Accumulated amortization	Net carrying amount
At January 1, 2025	$ 55,081	$ 53,324	$ 1,757
Additions to intangible assets	337	—	337
Amortization expense	—	726	(726)
Impairment on intangible assets	(11,885)	(10,765)	(1,120)
Disposals adjustment	(40,923)	(40,923)	—
At December 31, 2025	2,610	2,362	248
Acquisition of intangible assets (note 5)	56,357	—	56,357
Additions to intangible assets	460	—	460
Amortization expense	—	926	(926)
Foreign currency reserve	(448)	—	(448)
At September 30, 2026	$ 58,979	$ 3,288	$ 55,691

Acquisition of intangible assets for the nine months ended September 30, 2026 relate to the acquisition of GeoPura's intangible assets of $56,357,000 (note 5). Additions to intangible assets for the nine months ended September 30, 2026 of $460,000 consist primarily of internally-generated development costs to expand and enhance the technology of the HPU system.

Additions to intangible assets for the nine months ended September 30, 2025 of $337,000 consist primarily of costs to expand and enhance the capabilities of the ERP management reporting software systems.

Amortization expense on intangible assets is allocated to research and product development expense or general and administration expense depending upon the nature of the underlying assets. For the three and nine months ended September 30, 2026, amortization of $711,000 and $926,000 (2025 – $217,000 and $546,000) was recorded.

11. Equity-accounted investments:

For the three and nine months ended September 30, 2026, the Corporation recorded $312,000 and $312,000 (2025 – $1,895,000 and $3,157,000) in equity loss of investments in joint ventures and associates, consisting of equity loss in HyMarnham Power Ltd. ("HyMarnham JV") of $312,000 and Weichai Ballard Hy-Energy Technologies Co., Ltd. ("Weichai Ballard JV") of $nil.

Investment in HyMarnham JV

HyMarnham JV is an associate in which the Corporation has joint control and a 50% ownership interest resulting from the acquisition of GeoPura (note 5) during the period. HyMarnham JV is a joint venture based in the UK focused on low carbon hydrogen production, storage, and transportation. Through a hydrogen purchase agreement acquired as part of the acquisition of GeoPura, the Corporation is obligated to purchase certain minimum quantities of hydrogen on a take-or-pay basis from the HyMarnham JV (note 24).

Investment in HyMarnham JV	September 30, 2026	December 31, 2025
Beginning balance	**$ —**	$ —
Acquisition of investment (note 5)	**2,526**	—
Equity in loss	**(312)**	—
Cumulative translation adjustment due to foreign exchange	**(25)**	—
Ending balance	**$ 2,189**	$ —

11. Equity-accounted investments (cont'd):

Investment in HyMarnham JV (cont'd)

The following tables summarize the financial information of HyMarnham JV as included in its own financial statements as of September 30, 2026, adjusted for foreign exchange differences, purchase price allocation fair value adjustment, and the application of the Corporation's accounting policies.

		September 30, 2026
Percentage ownership interest (50%)		
Current assets	$	3,626
Non-current assets		41,498
Current liabilities		(7,787)
Non-current liabilities		(35,523)
Net assets (100%)	$	1,814
Corporation's share of net assets (50%)		907
Retained earnings adjustment (prior to acquisition)		29
Purchase price allocation - fair value adjustment		1,253
Carrying amount of investment in HyMarnham JV	$	2,189

		Three months ended September 30, 2026		Nine months ended September 30, 2026
Revenue (100%)	$	362	$	362
Net loss (100%)		623		623
Corporation's share of net loss (50%)	$	312	$	312

Investment in Weichai Ballard JV

Weichai Ballard JV is an associate in which the Corporation has significant influence and a 49% ownership interest. During the year ended December 31, 2025, the Corporation recognized impairment charges of $4,634,000 to fully impair its remaining equity investment in Weichai Ballard JV as it exits from its operations in China and expects to recover nominal, or no amounts, on its equity investment at this time.

Investment in Weichai Ballard JV		September 30, 2026		December 31, 2025
Beginning balance	**$**	—	$	8,238
Recognition of 49% profit on inventory not yet sold to third party, net		—		757
Equity in loss		—		(4,727)
Cumulative translation adjustment due to foreign exchange		—		366
Impairment charges on equity-accounted investment		—		(4,634)
Ending balance	**$**	—	$	—

12. Long-term financial investments:

In addition to the above equity-accounted investments, the Corporation has ownership interests in various other investments, which are recognized at fair value (note 27).

12. Long-term financial investments (cont'd):

Net carrying value	December 31, 2025	Contributions (Proceeds)	Change in Fair Value	September 30, 2026
Long-term investment - HyCap Fund	$ 32,077	$ 2,516	$ (8,203)	**$ 26,390**
Long-term investment - Clean H2 Fund	13,968	1,811	(853)	**14,926**
Long-term investment - Forsee Power	1,711	—	(596)	**1,115**
Long-term investment - Templewater Fund	250	113	—	**363**
	$ 48,006	$ 4,440	$ (9,652)	**$ 42,794**

Net carrying value	December 31, 2024	Contributions (Proceeds)	Change in Fair Value	September 30, 2025
Long-term investment - HyCap Fund	$ 23,987	$ 4,890	$ 5,073	$ 33,950
Long-term investment - Clean H2 Fund	9,043	—	2,436	11,479
Long-term investment - Forsee Power	2,270	—	(654)	1,616
Long-term investment - Wisdom Motor	1,900	—	—	1,900
Long-term investment - Templewater Fund	315	2	—	317
	$ 37,515	$ 4,892	$ 6,855	$ 49,262

During the three and nine months ended September 30, 2026, changes in fair value and foreign exchange adjustments for long-term investments totalling $5,000 and ($9,652,000) (2025 – ($915,000) and $6,855,000) were recognized as unrealized gain (loss) in net loss and included in finance income and other (notes 23 and 27).

Investment in Hydrogen Funds

HyCap Fund I SCSp

In August 2021, the Corporation invested in HyCap Fund I SCSp (“HyCap”), a special limited partnership registered in Luxembourg. During the three and nine months ended September 30, 2026, the Corporation made additional contributions of £573,000 and £1,865,000 ($776,000 and $2,516,000) (2025 – £nil and £3,615,000 ($nil and $4,890,000) for total contributions of £22,161,000 ($28,960,000).

During the three and nine months ended September 30, 2026, changes in fair value and foreign exchange adjustments totalling $57,000 and ($8,203,000) (2025 – ($417,000) and $5,073,000) were recognized as unrealized gain (loss) in net loss and included in finance income and other (notes 23 and 27), resulting in net fair value investment in HyCap of $26,390,000 as of September 30, 2026 (September 30, 2025 – $33,950,000).

Clean H2 Infrastructure Fund

In December 2021, the Corporation invested in Clean H2 Infrastructure Fund I ("Clean H2"), a special limited partnership registered in France. During the three and nine months ended September 30, 2026, the Corporation made additional contributions of €nil and €1,548,000 ($nil and $1,811,000) (2025 – €nil and €nil ($nil and $nil) for total contributions of €13,338,000 ($14,746,000).

During the three and nine months ended September 30, 2026, changes in fair value and foreign exchange adjustments totalling $335,000 and ($853,000) (2025 – $263,000 and $2,436,000) were recognized as unrealized gain (loss) in net loss and included in finance income and other (notes 23 and 27), resulting in net fair value investment in Clean H2 of $14,926,000 as of September 30, 2026 (September 30, 2025 – $11,479,000).

12. Long-term financial investments (cont'd):

Investment in Forsee Power SA

In October 2021, the Corporation acquired a non-controlling 9.8% equity interest in Forsee Power SA ("Forsee Power"), a publicly traded French company specializing in the design, development, manufacture, commercialization, and financing of smart battery systems for sustainable electric transport.

During the three and nine months ended September 30, 2026, changes in fair value and foreign exchange adjustments totalling ($387,000) and ($596,000) (2025 – ($761,000) and ($654,000)) were recognized as unrealized loss in net loss and included in finance income and other (notes 23 and 27), resulting in net fair value investment in Forsee Power of $1,115,000 as of September 30, 2026 (September 30, 2025 – $1,616,000), now representing a non-controlling 4.5% equity interest.

Investment in Wisdom Motor Holdings Ltd.

In June 2022, the Corporation invested $10,000,000 and acquired a non-controlling 7.2% interest in Wisdom Group Holdings Ltd. ("Wisdom Motor"), a privately held Cayman Islands holding company with operating subsidiaries whose business includes the design and manufacture of vehicles, including zero emission fuel cell electric buses, trucks, and battery-electric vehicles. Subsequently, the Corporation assigned its option held to purchase additional Series A Preferred Shares in Wisdom for consideration of $1,000,000, resulting in recovery of contributions of $1,000,000. During 2025, the Corporation's investment in Wisdom Motor was fully impaired.

Investment in Decarbonization and Climate Technology Fund

Templewater Fund

In February 2024, the Corporation invested in Templewater Decarbonization I, L.P ("Templewater"), a special limited partnership registered in Cayman Islands. During the three and nine months ended September 30, 2026, the Corporation had additional (returns) contributions of ($16,000) and $113,000 (2025 – $29,000 and $2,000) for total contributions of $797,000, representing a 1.8% equity interest, on a total commitment of $1,000,000, remainder yet to be paid.

During the three and nine months ended September 30, 2026, changes in fair value and foreign exchange adjustments totalling $nil and $nil (2025 – $nil and $nil) were recognized as unrealized gain (loss) in net loss and included in finance income and other (notes 23 and 27), resulting in net fair value investment in Templewater of $363,000 as of September 30, 2026 (September 30, 2025 – $317,000).

13. Bank facilities:

The Corporation has the following bank facilities available to it:

The Corporation has two Letters of Guarantee Facility (“LG Facility”) enabling the banks to issue letters of guarantees, standby letters of credit, performance bonds, or similar credits on the Corporation's behalf from time to time up to a maximum of $5,395,000. As at September 30, 2026, $3,216,000 (2025 – €979,000 ($1,149,000)) was outstanding under the LG Facility.

13. Bank facilities (cont'd):

The Corporation has foreign exchange facilities ("FX Facility") in place with its banks, enabling the Corporation to enter into foreign exchange contracts to manage its exposure to movements in foreign currency exchange rates. The facilities provide for aggregate notional foreign exchange contracts of up to $13,400,000. As at September 30, 2026, there were no outstanding foreign exchange contracts under the FX facilities.

The Corporation also has a Loan Agreement enabling its bank to issue commercial credit cards, standby letters of credit, or similar credits on the Corporation's behalf from time to time up to a maximum of approximately CDN $13,000,000. As at September 30, 2026, letters of credit of $nil (2025 – $nil) were outstanding on the facilities associated with this Loan Agreement.

14. Trade and other payables:

	September 30, 2026	December 31, 2025
Trade accounts payable	**$ 24,385**	$ 12,007
Compensation payable	**20,222**	11,787
Other liabilities	**6,860**	4,794
Taxes payable	**50**	200
	$ 51,517	$ 28,788

15. Deferred revenue:

Deferred revenue (i.e. contract liabilities) represents cash received from customers in excess of revenue recognized on uncompleted contracts.

Deferred revenue	September 30, 2026	December 31, 2025
Beginning balance	**$ 18,325**	$ 11,632
Acquisition of deferred revenue (note 5)	**4,966**	—
Additions to deferred revenue	**15,683**	35,651
Revenue recognized during the period	**(12,709)**	(28,958)
Ending balance	**$ 26,265**	$ 18,325

	September 30, 2026	December 31, 2025
Current deferred revenue	**$ 8,455**	$ 8,408
Non-current deferred revenue	**17,810**	9,917
Ending balance	**$ 26,265**	$ 18,325

16. Provisions:

	September 30, 2026	December 31, 2025
Restructuring provision	**$ 1,836**	$ 5,890
Warranty provision	**11,537**	13,567
Onerous contracts provision	**424**	929
Current	**$ 13,797**	$ 20,386

Restructuring Provision

During the nine months ended September 30, 2026, the Corporation accrued restructuring expenses of $710,000 related to personnel change costs and cost reduction initiatives.

During 2025, the Corporation accrued restructuring expenses in provisions and other current liabilities, consisting primarily of amounts incurred related to a July 2025 corporate restructuring initiative including costs related to the Chief Executive Officer ("CEO") transition and other personnel severance costs, certain contract exit and modification costs, and related consulting and advisory services. This provision is adjusted as actual costs are incurred and expended each quarter.

As at September 30, 2026, accrued restructuring liabilities totalling $1,836,000 (December 31, 2025 – $5,890,000) remain accrued related to the July 2025 corporate restructuring initiative and personnel change costs in 2026.

Warranty Provision

The Corporation recorded warranty provisions of $2,785,000 (2025 – $3,037,000) related to new product sales offset by warranty expenditures of $4,003,000 (2025 – $3,555,000) due primarily to costs incurred to satisfy warranty obligations. The warranty provision and cost of revenues for the nine months ended September 30, 2026 were adjusted downwards by $908,000 (2025 – upwards by $750,000) based upon quarterly review and changes in estimated costs to repair. As of September 30, 2026, total warranty provision of $11,537,000 (December 31, 2025 – $13,567,000) has been accrued in provisions and other current liabilities.

Onerous Contracts Provision

Upon completion of a review of the Corporation's "open" contracts as at September 30, 2026, total onerous contract costs of $424,000 (December 31, 2025 – $929,000) have been accrued in provisions and other current liabilities.

The Corporation will continue to review open contracts on a quarterly basis to determine if any ongoing or new contracts become onerous, and/or any of the underlying conditions or assumptions change which would require an adjustment to the accrued provision.

17. Lease liability:

The Corporation leases certain assets under lease agreements. The lease liability consists primarily of leases of land and buildings, office equipment, hydrogen production equipment, and vehicles. The leases have interest rates ranging from 4.95% to 8.56% per annum and expire between November 2026 and February 2035.

17. Lease liability (cont'd):

	September 30, 2026	December 31, 2025
Property	**$ 3,331**	$ 3,316
Equipment	**245**	18
Vehicle	**568**	78
Lease liability, current	**$ 4,144**	$ 3,412
Property	**$ 15,428**	$ 18,572
Equipment	**1,856**	69
Vehicle	**524**	87
Lease liability, non-current	**$ 17,808**	$ 18,728
Lease liability, total	**$ 21,952**	$ 22,140

During the nine months ended September 30, 2026, the Corporation made principal payments on its lease liabilities of $2,475,000 (2025 – $2,226,000). The Corporation is committed to future minimum lease payments (comprising principal and interest) as follows:

Maturity Analysis	September 30, 2026
Less than one year	$ 6,441
Between one and five years	13,719
More than five years	9,711
Total undiscounted lease liabilities	$ 29,871

18. Long-term debt:

As part of the acquisition of GeoPura, the Corporation acquired outstanding debt obligations that were recognized initially at fair value of $77,903,000 (note 5) and have been measured subsequently at amortized cost using the effective interest method. Interest expense on the debt is recognized in finance expense in the statements of loss and comprehensive loss (note 23).

	September 30, 2026	December 31, 2025
Loans and other facilities	**$ 7,221**	$ —
Asset-backed finance	**7,594**	—
Long-term debt, current	**$ 14,815**	$ —
Loans and other facilities	**$ 30,219**	$ —
Asset-backed finance	**28,060**	—
Long-term debt, non-current	**$ 58,279**	$ —
Long-term debt, total	**$ 73,094**	$ —

18. Long-term debt (cont'd):

During the nine months ended September 30, 2026, the Corporation secured additional asset-backed financing of $1,187,000 (2025 – $nil) and made principal repayments on its debt obligations of $3,118,000 (2025 – $nil). The Corporation is committed to future debt service payments (comprising principal and interest) as follows:

Maturity Analysis		September 30, 2026
Less than one year	$	21,858
Between one and five years		60,358
More than five years		17,509
Total undiscounted long-term debt obligations	$	99,725

Loans and other facilities: Buyers Credit Facility

On August 28, 2026, the Corporation acquired a fully drawn £27,000,000 Buyers Credit Facility ("Credit Facility") bearing interest at the Sterling Overnight Index Average rate plus 7.17% margin per annum that matures on March 31, 2032. Semi-annual principal repayments commenced in September 2026. The Credit Facility is secured by GeoPura's shareholding in the HyMarnham JV, the senior loan asset between GeoPura and HyMarnham JV (notes 8 and 11), and a floating charge over GeoPura. The Export and Investment Fund of Denmark (EIFO) has guaranteed 61% of the principal and interest of the Credit Facility. The Credit Facility contains a covenant that the aggregate value of the assets of GeoPura shall be greater than 1.2 times the outstanding principal.

As at September 30, 2026, $33,484,000 was outstanding on the Credit Facility, and the Corporation was in compliance with all applicable financial covenants.

Loans and other facilities: Secured Asset Loan

On August 28, 2026, the Corporation acquired a fully drawn £4,693,000 secured asset loan ("Asset Loan") bearing interest at 6.76% per annum that matures on September 30, 2029. Monthly payments commenced in October 2024. The Asset Loan is secured by a chattels mortgage over the thirteen HPUs financed by the arrangement. As at September 30, 2026, $3,956,000 was outstanding on the Asset Loan.

Asset-backed financing

On August 28, 2026, the Corporation acquired £32,802,000 in asset-backed financing obligations for the sale and leaseback of certain of GeoPura's HPUs and hydrogen transportation assets. The acquired obligations bear interest rates ranging from 7.39% to 16.10% per annum and mature between August 2028 and July 2041. During the three months ended September 30, 2026, an additional asset-backed financing was entered into for $1,187,000 (£885,000) bearing interest at 7.39% per annum that matures on October 31, 2036. These agreements are secured by charges over the underlying assets. As at September 30, 2026, $35,654,000 was outstanding on the asset-backed finance.

19. Other non-current liabilities:

	September 30, 2026	December 31, 2025
Contingent consideration	**$ 12,448**	$ —
Non-current decommissioning liabilities	**2,647**	2,733
Net other post-retirement benefit plan liability	**82**	86
Other non-current liabilities	**$ 15,177**	$ 2,819

Contingent Consideration

As part of the acquisition of GeoPura, total consideration includes contingent consideration payable at the Corporation's discretion in cash, the Corporation's common shares or a combination of both based on the successful completion of certain projects over a two-year period after the acquisition date, discounted using a probability-weighted approach, or $12,448,000 (note 5).

Non-current decommissioning liabilities

A provision for decommissioning liabilities for the Corporation’s head office building is related to estimated site restoration obligations at the end of the lease term. As at September 30, 2026, total decommissioning liabilities amounted to $2,647,000 (December 31, 2025 – $2,733,000), resulting from (dilution) accretion of ($86,000) (2025 – $102,000).

20. Equity:

	Three months ended September 30,		Nine months ended September 30,	
Share-based compensation	2026	2025	2026	2025
Option expense	**$ —**	$ 9	**$ —**	$ 138
DSU expense	**59**	72	**201**	251
RSU expense (recovery)	**2,227**	(493)	**5,443**	5,854
Total share-based compensation (per statement of loss)	**$ 2,286**	$ (412)	**$ 5,644**	$ 6,243
RSUs accrued but not yet granted	**$ (40)**	$ (41)	**$ (122)**	$ (123)
Total share-based compensation (per statement of equity)	**$ 2,246**	$ (453)	**$ 5,522**	$ 6,120

(a) Share capital:

As at September 30, 2026, 351,645,092 common shares were issued and outstanding.

On August 28, 2026, the Corporation completed the acquisition of GeoPura (note 5). On closing of the transaction, the Corporation issued 49,584,212 common shares at fair value of $2.25 per share, or $111,564,000.

(b) Share options:

	Options for common shares
At December 31, 2025	2,262,620
Options exercised	(26,200)
At September 30, 2026	2,236,420

During the three and nine months ended September 30, 2026, compensation expense of $nil and $nil (2025 – $9,000 and $138,000) was recorded in net loss based on the grant date fair value of the awards recognized over the vesting period.

20. Equity (cont'd):

(b) Share options (cont'd):

During the three and nine months ended September 30, 2026, nil and 26,200 (2025 – nil and nil) options were exercised for an equal amount of common shares for proceeds of $nil and $114,000 (2025 – $nil and $nil).

As at September 30, 2026, options to purchase 2,236,420 common shares were outstanding (September 30, 2025 – 3,068,984).

(c) Deferred share units:

	DSUs for common shares
At December 31, 2025	1,032,673
DSUs granted	76,873
DSUs redeemed	(150,680)
At September 30, 2026	958,866

Deferred share units (“DSUs”) are granted to the board of directors and executives. Eligible directors must elect to receive at least half of their annual retainers, and executives may elect to receive all or part of their annual bonuses in DSUs. Each DSU is redeemable for one common share in the capital of the Corporation after the director or executive ceases to provide services to the Corporation. Shares will be issued from the Corporation's share distribution plan.

During the three and nine months ended September 30, 2026, $59,000 and $201,000 (2025 – $72,000 and $251,000) of compensation expense was recorded in net loss relating to 28,937 and 76,873 (2025 – 26,524 and 162,479) DSUs granted during the period.

During the three and nine months ended September 30, 2026, 150,680 and 150,680 DSUs (2025 – 148,046 and 148,046) were redeemed, net of applicable taxes, which resulted in the issuance of 69,697 and 69,697 common shares (2025 – 68,840 and 68,840) resulting in an impact on equity of ($181,000) and ($181,000) (2025 – ($149,000) and ($149,000)).

As at September 30, 2026, 958,866 DSUs were outstanding (September 30, 2025 – 1,004,101).

(d) Restricted share units:

	RSUs for common shares
At December 31, 2025	5,478,660
RSUs granted	4,235,979
RSUs granted as part of acquisition	1,084,540
RSU performance factor adjustment	220,588
RSUs redeemed	(2,372,211)
RSUs forfeited	(867,535)
At September 30, 2026	7,780,021

Restricted share units (“RSUs”) are granted to certain employees, executives and directors. Each RSU is convertible into one common share, net of statutory tax withholdings. The RSUs vest after a specified number of years from date of issuance and, under certain circumstances, are contingent on achieving specified performance criteria and/or market criteria. For certain of the RSUs awarded, a performance factor adjustment is made if there is an over-achievement (or under-achievement) of specified performance criteria, resulting in additional (or fewer) RSUs being converted. Certain RSUs granted in 2024 to 2026 include an additional market criteria with weighted vesting over three years.

20. Equity (cont'd):

(d) Restricted share units (cont'd):

During the three and nine months ended September 30, 2026, compensation expense of $2,227,000 and $5,443,000 (2025 – ($493,000) and $5,854,000) was recorded in net loss.

During the three and nine months ended September 30, 2026, 994,915 and 2,372,211 RSUs (2025 – 1,389,894 and 2,230,799) were redeemed, net of applicable taxes, which resulted in the issuance of 484,689 and 1,180,167 common shares (2025 – 645,002 and 1,074,962) resulting in an impact on equity of ($1,252,000) and ($2,884,000) (2025 – ($1,268,000) and ($1,798,000)).

As at September 30, 2026, 7,780,021 RSUs were outstanding (September 30, 2025 – 5,864,115).

21. Disaggregation of revenue:

The Corporation's operations and main revenue streams are consistent with those described in the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2025, except for HPU sales (included in equipment sales and services), HPU rentals (included in energy sales and services), and hydrogen sales (included in energy sales and services) which were added to the Corporation's consolidated operations following the acquisition of GeoPura (note 5). Revenues from the delivery of services, including after sales, rental, training and other services, are included in each of the respective markets. The Corporation's revenue is derived from contracts with customers.

In the following table, revenue is disaggregated by geographical market, by product and service line, and by timing of revenue recognition. Comparative information for disaggregation of revenue has been restated to reflect current year presentation.

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Geographical markets				
Europe	**$ 8,956**	$ 11,235	**$ 21,692**	$ 30,732
North America	**13,381**	17,831	**40,138**	30,745
Rest of World	**122**	3,435	**648**	4,255
	$ 22,459	$ 32,501	**$ 62,478**	$ 65,732
Product and service lines				
Equipment sales and services	**$ 21,571**	$ 32,501	**$ 61,590**	$ 65,732
Energy sales and services	**888**	—	**888**	—
	$ 22,459	$ 32,501	**$ 62,478**	$ 65,732
Timing of revenue recognition				
Products transferred at a point in time	**$ 19,641**	$ 28,566	**$ 57,412**	$ 57,078
Products and services transferred over time	**2,818**	3,935	**5,066**	8,654
	$ 22,459	$ 32,501	**$ 62,478**	$ 65,732

22. Other operating expense:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net impairment loss on trade receivables	**$ 66**	$ 341	**$ 172**	$ 831
Impairment loss allowance (note 27)	**—**	(300)	**—**	(300)
Total impairment loss on trade receivables	**$ 66**	$ 41	**$ 172**	$ 531
Acquisition-related costs	**6,847**	—	**10,784**	—
Restructuring and related costs	**719**	17,618	**1,423**	23,697
	$ 7,632	$ 17,659	**$ 12,379**	$ 24,228

Net impairment loss on trade receivables

During the three and nine months ended September 30, 2026, the Corporation recorded a net impairment loss of $66,000 and $172,000 (2025 – $341,000 and $831,000) on trade receivables, consisting primarily of receivables from certain customers in Europe no longer deemed collectible. In the event that the Corporation recovers any amounts previously recorded as impairment losses, the recovered amount will be recognized as a reversal of the impairment loss in the period of recovery.

During the three and nine months ended September 30, 2026, the Corporation recognized an impairment recovery of $nil and $nil (2025 – ($300,000) and ($300,000)) on its impairment loss allowance, based on a probability-weighted estimate of credit losses. Information about the Corporation's exposure to credit and market risks, and impairment losses for trade receivables is included in note 27.

Acquisition-related costs

During the three and nine months ended September 30, 2026, acquisition-related costs of $6,847,000 and $10,784,000 (2025 – $nil and $nil) consist of professional fees, including financial advisory, legal and other consulting services, related to the acquisition of GeoPura (note 5).

Restructuring and related costs

During the three and nine months ended September 30, 2026, total restructuring and related charges of $719,000 and $1,423,000 relate to personnel change costs and cost reduction initiatives.

During the three and nine months ended September 30, 2025, total restructuring and related charges of $17,618,000 and $23,697,000 consist of amounts incurred related to a July 2025 corporate restructuring including costs related to the CEO transition and other personnel severance costs, certain contract exit and modification costs, and related consulting and advisory services.

23. Finance income (expense):

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Investment and other income	**$ 4,919**	$ 6,102	**$ 14,732**	$ 18,996
Mark-to-market and foreign exchange gain (loss) on financial assets (notes 12 & 27)	**5**	(915)	**(9,652)**	6,855
Foreign exchange gain (loss)	**(1,315)**	(973)	**(1,506)**	502
Government recoveries	**—**	—	**—**	180
Finance income and other	**$ 3,609**	$ 4,214	**$ 3,574**	$ 26,533
Finance expense	**$ (977)**	$ (453)	**$ (1,839)**	$ (1,454)

24. Related party transactions:

Related parties include shareholders with a significant ownership interest in the Corporation, including its subsidiaries and affiliates, key management personnel, and the Corporation's equity accounted investees, HyMarnham JV and Weichai Ballard JV (note 11).

The Corporation enters into commercial transactions in the normal course of business with entities over which certain key management personnel have control or significant influence. As at September 30, 2026, the Corporation has outstanding minimum contractual commitments of $1,300,000 (2025 – $nil) with these entities for infrastructure and operational services related to zero-emission hydrogen projects. For the three and nine months ended September 30, 2026, transactions with these entities were not significant.

For the three and nine months ended September 30, 2026, related party transactions and balances with the Corporation's 50% owned equity-accounted investee, HyMarnham JV, were as follows:

Balances with related party - HyMarnham JV	September 30, 2026	December 31, 2025
Trade and other receivables	**$ 2,532**	$ —
Loans receivable (note 8)	**34,103**	—
Equity-accounted investment (note 11)	**2,189**	—
Trade and other payables	**619**	—

Transactions during the period with HyMarnham JV	Three months ended September 30, 2026	2025	Nine months ended September 30, 2026	2025
Revenues	**$ 1,340**	$ —	**$ 1,340**	$ —
Cost of goods sold and operating expense	**947**	—	**947**	—

As part of the acquisition of GeoPura (note 5), the Corporation acquired a 15-year hydrogen supply agreement ("HPA") with HyMarnham JV. The HPA includes a cost recovery guarantee under which the Corporation will compensate HyMarnham JV for any losses incurred in the first two years of the agreement. Starting in the third year of the agreement, the Corporation is required to purchase a minimum quantity of hydrogen or make payments for any shortfall in volumes purchased over the remaining term, which concludes on March 31, 2041. As at September 30, 2026, outstanding minimum contractual commitments under the HPA are £99,700,000 ($132,472,000) of which $nil is payable within one year and approximately £7,700,000 ($10,231,000) per annum is payable over the remaining term.

For the three and nine months ended September 30, 2026, related party transactions and balances with the Corporation's 49% owned equity-accounted investee, Weichai Ballard JV, were as follows:

Balances with related party - Weichai Ballard JV	September 30, 2026	December 31, 2025
Trade and other receivables	**$ 1,607**	$ 1,607
Deferred revenue	**1,607**	1,607

Transactions during the period with Weichai Ballard JV	Three months ended September 30, 2026	2025	Nine months ended September 30, 2026	2025
Revenues	**$ —**	$ 17	**$ —**	$ 265
Cost of goods sold and operating expense	**—**	8	**—**	147

25. Supplemental disclosure of cash flow information:

	Nine months ended September 30,	
Non-cash financing and investing activities	2026	2025
Compensatory shares	**$ 3,476**	$ 3,786

26. Operating segments:

The Corporation operates in a single operating segment, Energy Products and Services, which consists of the sale and rental of fuel cell and HPU products, the production and sale of hydrogen, and the delivery of services including after sales, rental, training, and other services. Revenues from the delivery of services are included in each of the respective revenue streams.

27. Financial instruments:

(a) Fair value:

The Corporation's financial instruments consist of cash and cash equivalents, short-term investments, trade and other receivables, loans receivable, long-term financial investments, trade and other payables, and long-term debt. The fair values of cash and cash equivalents, short-term investments, trade and other receivables, and trade and other payables approximate their carrying values because of the short-term nature of these instruments.

Acquired as part of the acquisition of GeoPura (note 5), loans receivable (note 8) and long-term debt (note 18) were recognized and measured initially at fair value and have been measured subsequently at amortized cost using the effective interest method.

Long-term financial investments (note 12) comprise investment in hydrogen infrastructure and growth equity funds: HyCap Fund and Clean H2 Fund, investment in a decarbonization and climate technology fund: Templewater, and an investment in Forsee Power. Changes in fair value and foreign exchange adjustments are recognized as gains or losses in net loss and included in finance income and other (note 23). During the three and nine months ended September 30, 2026, the Corporation recognized net mark-to-market ("MTM") and foreign exchange gains (losses) of $5,000 and ($9,652,000) (2025 – ($915,000) and $6,855,000).

	Nine months ended	Year ended
Change in fair value due to MTM and foreign exchange	September 30, 2026	December 31, 2025
Long-term investment - HyCap Fund	**$ (8,203)**	$ 1,960
Long-term investment - Clean H2 Fund	**(853)**	2,465
Long-term investment - Forsee Power	**(596)**	(559)
Long-term investment - Wisdom Motor	**—**	(1,900)
Long-term investment - Templewater Fund	**—**	(223)
(Decrease) increase in fair value of investments	**$ (9,652)**	$ 1,743

(b) Credit risk:

IFRS 9 Financial Instruments requires impairment losses to be recognized based on "expected losses" that will occur in the future, incorporating forward-looking information relating to defaults and applies a single 'expected credit loss' ("ECL") impairment model that applies to all financial assets within scope. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Corporation in accordance with the contract and the cash flows that the Corporation expects to receive). Under *IFRS 9*, at each reporting date the Corporation is required to assess whether financial assets carried at amortized cost are credit-impaired.

27. Financial instruments (cont'd):

(b) Credit risk (cont'd):

As a result of this review for the three and nine months ended September 30, 2026, the Corporation did not recognize any additional estimated ECL impairment losses, excluding specific impairment losses (note 22). At September 30, 2026, the total amount accrued was $200,000 (December 31, 2025 – $200,000).