INVESTOR PRESENTATION

JANUARY 17, 2018

BALLARD POWER SYSTEMS
PUTTING FUEL CELLS TO WORK

The Power of Fuel Cells, Simply Delivered

WWW.BALLARD.COM
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.
## Ballard Public Market Metrics

<table>
<thead>
<tr>
<th></th>
<th>NASDAQ</th>
<th>TSX</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ticker Symbol</strong></td>
<td>BLDP</td>
<td>BLDP</td>
</tr>
<tr>
<td><strong>Share Price</strong></td>
<td>USD$3.97</td>
<td>C$4.93</td>
</tr>
<tr>
<td><strong>Market Cap</strong></td>
<td>USD$695M</td>
<td>C$875M</td>
</tr>
<tr>
<td><strong>Avg. Daily Volume</strong></td>
<td>1.93M</td>
<td>0.47M</td>
</tr>
</tbody>
</table>

*As of January 8, 2018 market close
Investment Thesis

1. Global Leadership Position in Fuel Cells
   - 30 years in PEM technology; unrivalled field experience; brand strength

2. Converging Macro Trends
   - GHG reduction; air quality improvement; electrified propulsion systems

3. Diversified Business Model
   - Multiple growth platforms & applications; geographic reach

4. Capital Efficiency
   - China strategy; gross margin expansion; strong liquidity

5. High Growth Trajectory
   - Organic growth ($82.4M 12-month order book at end-Q3 '17) + M&A

6. Strong Financial Performance
   - Sustainable positive Adjusted EBITDA; fully funded Business Plan

7. Embedded Optionality
   - Long-term exposure in automotive, UAVs & military
Global Leadership Position

- 40 years in business; 24 years on Nasdaq
- >1,500 patents & applications
- Most recognized fuel cell brand
- 550 employees
- 4 strategic shareholders
- Unrivalled field experience

Select Fuel Cell Products

- FCvelocity®-9SSL: Liquid-cooled fuel cell stack
- FCgen®-1020ACS: Air-cooled fuel cell stack
- FCveloCity®-MD: 30kW fuel cell engine
17.4% of Ballard shares held by 4 leaders in their respective industries.

- 9.9%: Broad Ocean
- 2.9%: United Technologies
- 2.7%: Anglo American
- 1.9%: Nisson

*Total O/S = 174.1M shares as of end-Q2 2017
### Tailwinds In Our Sails

**Timely Convergence of Macro Trends**

<table>
<thead>
<tr>
<th>✓</th>
<th><strong>Increased Focus on Climate Change, Air Quality &amp; Energy Security</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Ratification of UN Convention on Climate Change (Paris Accord)</td>
</tr>
<tr>
<td>✓</td>
<td><strong>Growth of Clean Energy Options</strong></td>
</tr>
<tr>
<td></td>
<td>• Major cities looking to ban diesel – including London, Paris, Madrid, Athens, Mexico City, metro centers in China</td>
</tr>
<tr>
<td>✓</td>
<td><strong>Complementary Role for Fuel Cells in Electrified Propulsion</strong></td>
</tr>
<tr>
<td></td>
<td>• Including mass transit &amp; commercial vehicles in China, Europe and U.S.</td>
</tr>
<tr>
<td>✓</td>
<td><strong>Resurgence of Interest in Fuel Cell Cars</strong></td>
</tr>
<tr>
<td></td>
<td>• Global automotive OEM’s pursuing fuel cell programs – including Toyota, Hyundai, General Motors / Honda, Daimler, VW Group, China OEM’s</td>
</tr>
</tbody>
</table>
Tailwinds In Our Sails
Global Movement Towards Decarbonization

• Numerous cities moving to ban ICE vehicles by specific dates

• Fossil-Fuel-Free Street Declaration
  o October 2017 declaration targets procurement of only zero-emission transit buses by 2025
  o Signed by mayors of 12 of the C40 cities with ~60k buses operating today

• Shanghai Fuel Cell Vehicle Development Plan
  o 2020 → 3k FCEVs/yr, 10 fueling stations, 2 fuel cell demonstration areas, $2.2B in total fuel cell output
  o 2025 → 30k FCEVs/yr (20k passenger cars, 10k commercial trucks)
• Fuel Cell Electric Vehicles (FCEVs)
  o Compelling value propositions in many Heavy Duty Motive use cases …. where standalone battery electric vehicles are challenged to address range, recharging, weight and operational & route flexibility

• For Heavy Duty Motive vehicles with long routes, long duty cycles and limited flexibility for recharging infrastructure –

FCEVs with fuel cells and batteries in a hybrid configuration can generate key benefits:
(i) zero emissions
(ii) low noise & vibration
(iii) fast & smooth acceleration

While also addressing battery limitations by offering:
(i) long range
(ii) fast refueling
(iii) full route flexibility
 ….consistent with legacy diesel experience
Diversified Business Model
Multiple Growth Platforms

POWER PRODUCTS
Delivering high value, clean energy products that reduce customers’ costs and risks

TECHNOLOGY SOLUTIONS
Solving difficult technical and business challenges in customer’s PEM fuel cell programs

Cross-Leverageable

BAE SYSTEMS
BROAD-OCEAN
NEW FLYER
VAN HOOL
SOLARIS
KING LONG
U.S. ARMY
plug power

VOLKSWAGEN
Unnamed Global Auto OEM’s

CRRC
INSITU
NISSEI
BO
Diversified Business Model
Addressing Multiple Applications....

POWER PRODUCTS

Heavy Duty Motive
Portable Power
Material Handling
Backup Power

TECHNOLOGY SOLUTIONS
Ballard Fuel Cell Products

**Fuel Cell Stacks**
- **FCvelocity®-9SSL**
  - 4kW to 26kW

**Fuel Cell Modules**
- **FCvelocity®-MD**
  - 30kW; 8 to 10 meter buses, battery hybrid range extenders
- **FCvelocity®-HD**
  - 60kW, 85kW, 100kW; 10 to 25 meter hybrid fuel cell buses
- **FCvelocity®-XD**
  - 200kW; Light rail and marine applications

**Complete Fuel Cell Systems**
- **FCgen®-H2PM**
  - 2kW & 5kW
  - Direct hydrogen
  - Indoor (rack-mountable) & outdoor use

**UAV/Drone Propulsion System**
- **FCgen®-1020ACS**
  - 400W to 3kW

- **600W to 1.2kW**
Technology Solutions

• **Mission**: help customers solve difficult technical and business challenges in their PEM fuel cell programs through customized technology solutions

• **Solutions**: technical expertise, deep IP portfolio, and supply of technology to drive future opportunities
Diversified Business Model

...Across Geographic Regions

$81.0M Revenue YTD Thru Q3 2017 ....

APPLICATIONS –

- Backup Power ($1.2M)
- Material Handling ($6.2M)
- Portable Power ($3.0M)
- Heavy Duty Motive ($37.1M)

POWER PRODUCTS PLATFORM ($47.5M)

TECHNOLOGY SOLUTIONS PLATFORM ($33.5M)

GEOGRAPHIC REACH –

- APAC ($50.3M)
- EMEA ($18.3M)
- Americas ($12.4M)
2017 Progress

**CHINA**

- Ballard joint venture facility with Guangdong Synergy in Yunfu officially opened in September.
- Ramping to annual production capacity of 6,000 fuel cell stacks ... then 20,000 stacks with 3 shifts operating 5-days per week:
  - And, currently meeting demand for 900 fuel cell engines from Vancouver facility.
- Tangshan Vehicle Railway Company (“TRC”) launched trial of low floor tram, powered by Ballard engines.
Ballard’s China Strategy

Demand-Pull

KEY ENABLERS

- Large addressable market
  - Bus → 50x N.America

- China leading in EV deployment

- Fuel cell subsidies now in place thru 2020

EARLY FUEL CELL DEMAND

- 16,000 buses & commercial vehicles (Broad-Ocean PO’s)

- >300 buses (Synergy, Yinlong, UpPowerTech PO’s)

- Trams (CSR Sifang announced upcoming Foshan deployment)
Ballard’s China Strategy

Revenue Streams

Guangdong Synergy Ballard Hydrogen Power Co., Ltd. (JVCos.)
- Localized fuel cell stack production line in China
- JV ownership: 90% Synergy; 10% BLDP

$170M minimum “take or pay” for MEA sales to JV over 5-years - includes $20M upfront for technology transfer

$25M in upfront technology transfer & license fees for engine assembly – 5 licenses to date (Broad-Ocean [3], Synergy, Zehe)

Royalties for each fully-assembled engine shipped to SI’s or OEM’s within China

Revenue from stack & engine sales to ROW – BLDP has exclusive right to buy lower-cost stacks from JV & engines from licensees for sale outside China

<table>
<thead>
<tr>
<th>COMPONENT SUPPLY</th>
<th>TECHNOLOGY TRANSFER</th>
<th>ENGINE ROYALTIES</th>
<th>GLOBAL SALES</th>
</tr>
</thead>
<tbody>
<tr>
<td>SHORT-TERM</td>
<td>MID-TERM</td>
<td>LONG-TERM</td>
<td></td>
</tr>
</tbody>
</table>

1. $170M minimum “take or pay” for MEA sales to JV over 5-years - includes $20M upfront for technology transfer
2. $25M in upfront technology transfer & license fees for engine assembly – 5 licenses to date (Broad-Ocean [3], Synergy, Zehe)
3. Royalties for each fully-assembled engine shipped to SI’s or OEM’s within China
4. Revenue from stack & engine sales to ROW – BLDP has exclusive right to buy lower-cost stacks from JV & engines from licensees for sale outside China
2017 Progress (Cont’d)

EUROPE

- 200kW FCveloCity® fuel cell engine multi-year development program to power Siemens AG Mireo train

- LOI from Van Hool to power 8 ExquiCity tram-buses, expected to be delivered in Pau, France in 2H 2019

- 100kW FCveloCity® fuel cell engine delivered to ABB Marine & Ports Finland for use with Royal Caribbean Cruises Ltd. in their clean energy program for cruise ships
  - Working on initiatives to provide zero-emission modular megawatt scalable fuel cell solutions for marine market
2017 Progress (Cont’d)

JAPAN

- Developed FCgen®-1040 fuel cell stack with Nisshinbo Non Precious Metal Catalyst (NPMC) for ultra-lightweight applications
- PO from Nisshinbo for multi-year Technology Solutions program to assess potential development of fuel cell stacks with NPMC for commercial material handling applications

U.S.A.

- Protonex subsidiary achieved Milestone C in U.S. Army Program of Record for Power Manager products
- Purchase orders expected in 2018, following confirmation of military budgets
Embedded Optionality

Automotive

Audi’s H-tron Quattro concept vehicle

Unmanned Aerial Vehicles (UAV’s) / Drones

Insitu Scan Eagle UAV

Military

Squad Power Manager – SPM 622
Quarterly & YTD Revenue

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2015 Actual</th>
<th>2016 Actual</th>
<th>2017 Actual</th>
<th>2017 Consensus Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>$9.3M</td>
<td>$16.1M</td>
<td>$22.7M</td>
<td>$26.5M</td>
</tr>
<tr>
<td>Q2</td>
<td>$11.2M</td>
<td>$17.6M</td>
<td>$20.7M</td>
<td>$31.9M</td>
</tr>
<tr>
<td>Q3</td>
<td>$16.0M</td>
<td>$20.0M</td>
<td>$30.7M</td>
<td>$31.5M</td>
</tr>
<tr>
<td>Q4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YTD</td>
<td></td>
<td></td>
<td></td>
<td>$54.6M</td>
</tr>
</tbody>
</table>

Total YTD Revenue: $81.0M
Annual Revenue

- 2015 Actual: $56.5M
- 2016 Actual: $85.3M
- 2017 Consensus Estimate: $112.5M

2015 to 2016: 51% increase
2016 to 2017: 32% increase
Quarterly & YTD Gross Margin

- **Q1**: 11% (2015 Actual), 11% (2016 Actual), 32% (2017 Consensus Estimate)
- **Q2**: 20% (2015 Actual), 29% (2016 Actual), 35% (2017 Consensus Estimate)
- **Q3**: 25% (2015 Actual), 31% (2016 Actual), 32% (2017 Consensus Estimate)
- **Q4**: 19% (2015 Actual), 30% (2016 Actual), 32% (2017 Consensus Estimate)
- **YTD**: 27% (2015 Actual), 36% (2016 Actual), 36% (2017 Consensus Estimate)
Quarterly & YTD Cash Operating Cost Base
Quarterly & YTD Operating Leverage
(Cash Operating Cost as a Percent of Revenue)

2015 Actual 2016 Actual 2017 Actual
Quarterly Adjusted EBITDA

Adjusted EBITDA is $1.2M YTD in 2017

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>$(5.1)M</td>
<td>$(4.8)M</td>
<td>$1.8M</td>
</tr>
<tr>
<td>Q2</td>
<td>$(2.4)M</td>
<td>$(2.9)M</td>
<td>$1.1M</td>
</tr>
<tr>
<td>Q3</td>
<td>$(2.9)M</td>
<td>$(1.5)M</td>
<td>$0.9M</td>
</tr>
<tr>
<td>Q4</td>
<td>$(7.2)M</td>
<td>$0.7M</td>
<td></td>
</tr>
</tbody>
</table>

(4.9) ex restructuring charges

$3.0M over trailing 12-month period
Liquidity

- **Q3 2017 Cash Provided by Operating Activities at ($7.7)M, compared to ($0.5) in Q3 2016**
  - Working capital outflows resulted principally from lower deferred revenue balances related to China, as deliverables on contracts were fulfilled for which pre-payments had been previously received

- **End-Q3 2017 cash reserves of $60.1M**

![CASH RESERVES](chart)

Business Plan is fully funded
## End-Q3 Order Backlog

### End-Q3 2017: Order Backlog\(^1\) of $236.8M and 12-Month Order Book\(^2\) of $82.4M

<table>
<thead>
<tr>
<th>ORDER BACKLOG</th>
<th>Order Backlog At End-Q2 2017</th>
<th>Orders Received in Q3 2017</th>
<th>Orders Delivered in Q3 2017</th>
<th>Order Backlog At End-Q3 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Fuel Cell Products &amp; Services</td>
<td>$263.5M</td>
<td>$5.2M</td>
<td>$31.9M</td>
<td>$236.8M</td>
</tr>
</tbody>
</table>

\(^1\) 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
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