



BALLARD®



Q3 2020 Results Conference Call

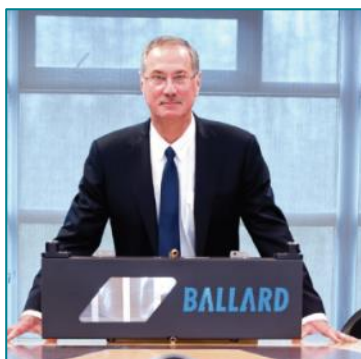
November 6, 2020

Nasdaq & TSX Ticker: BLDP

Conference Call Participants



Randy MacEwen
President & CEO



Tony Guglielmin
CFO

Forward-Looking Statements

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

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

All amounts are consolidated to include Ballard Power Systems Europe A/S, Ballard Unmanned Systems Inc., Guangzhou Ballard Power Systems Co., Ltd., and Ballard Fuel Cell Systems Inc. Results are in U.S. dollars, unless otherwise noted.

Q3 2020 Financial Results

- \$25.6M revenue
- 19% gross margin
- (\$7.7)M Adjusted EBITDA
- \$361.7M cash reserves at end-Q3
- Results were consistent with our expectations, reflecting some impact from COVID-19

A large, modern Foton F5200 FCEV bus is the central focus of the slide. It is a light beige color with a red roof and front bumper. The bus features a large windshield, a side mirror, and a front grille with the Foton logo. The text "新能源 new energy" is visible on the front, and "FOTON" is on the grille. The bus is parked in front of a modern building with large windows. A white truck is partially visible on the left side of the frame.

Developments in China

- 4-year policy framework announced
- Supports goal of 1M FCEVs by 2030
- Select cities & regions to be awarded Demonstration Region status
 - Will take some time to achieve clarity
- Weichai-Ballard JV has begun optimization of production processes
- Ballard continues to achieve strong product performance in deployed FCEVs

Developments in Europe

- Collaboration agreement with MAHLE International signed October 1st; to focus on \$100B annual truck engine market, initially in Europe
 - MAHLE is a major Tier 1 supplier with €12B in sales
 - Components in 50% of all vehicles
 - 10+ years experience in fuel cell component supply
- Ballard is responsible for fuel cell system and stack sub-system MAHLE's scope of work includes BoP, thermal mgmt., power electronics, system assembly

**MAHLE**

High-Power Density Stack Technology

- High-power density is an HDM requirement, particularly in commercial trucks
 - FCgen[®]-HPS is a first-of-a-kind fuel cell stack, designed by Ballard in a program with Audi
- Definitive agreements now signed with Audi, giving Ballard the right to use HPS technology in all motive and stationary applications
- In addition to high-power density of 4.3kW/L, HPS offers: high power output; high operating temperature; and rugged cold weather capabilities



UAV Business Assets Sold to Honeywell Int'l

- Honeywell positioned to commit resources & investment over an extended period to address the UAV market opportunity
- Significant long-term opportunity for larger fuel cell propulsion systems in aerospace and urban air mobility applications
 - Honeywell is a market leader, with deep expertise in these areas
 - Potential for collaborative relationship

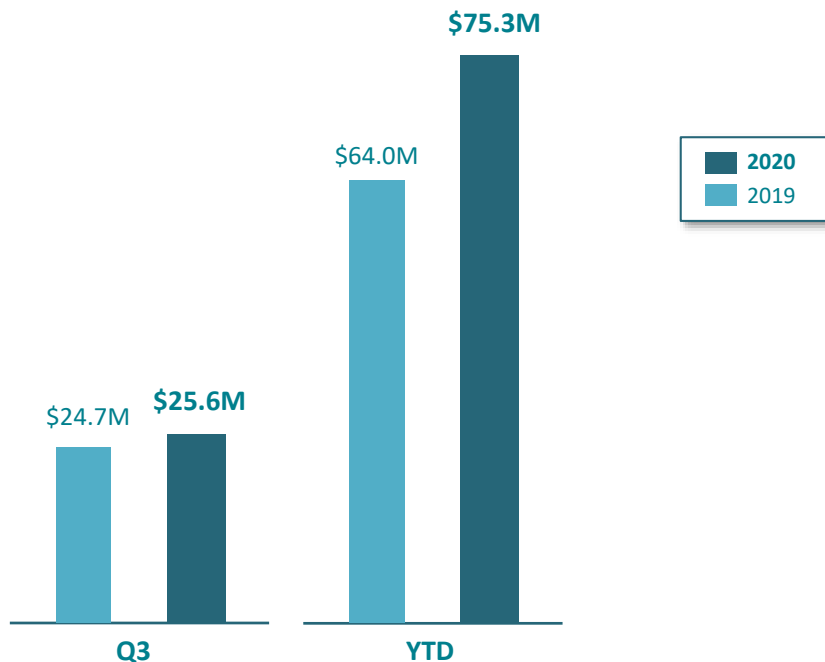
The Honeywell logo is written in a bold, red, sans-serif font at the bottom of the white text box.

Announcement of CFO's Planned Retirement

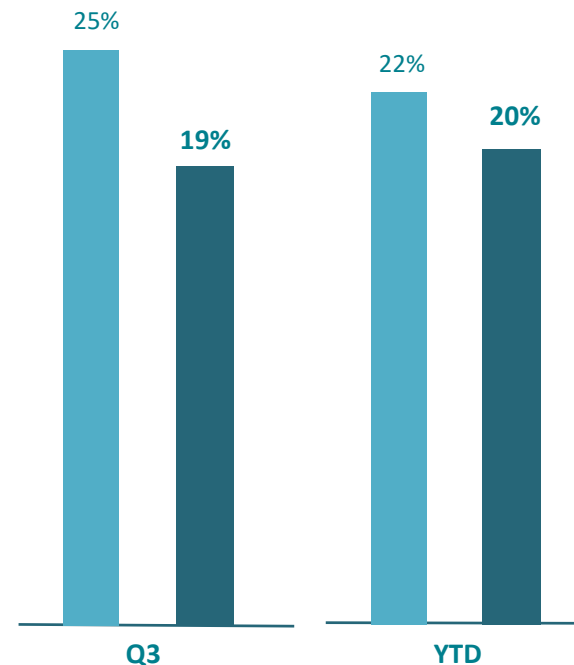
- Tony Guglielmin has announced his plan to retire, effective March 31st, 2021
 - Following completion & certification of 2020 audited financial results
- Tony's leadership and contribution to business strategy & financial management will be missed
- International executive search firm retained to identify a successor
 - Transition expected to be completed by end-Q1 2021

Revenue and Gross Margin

REVENUE



GROSS MARGIN

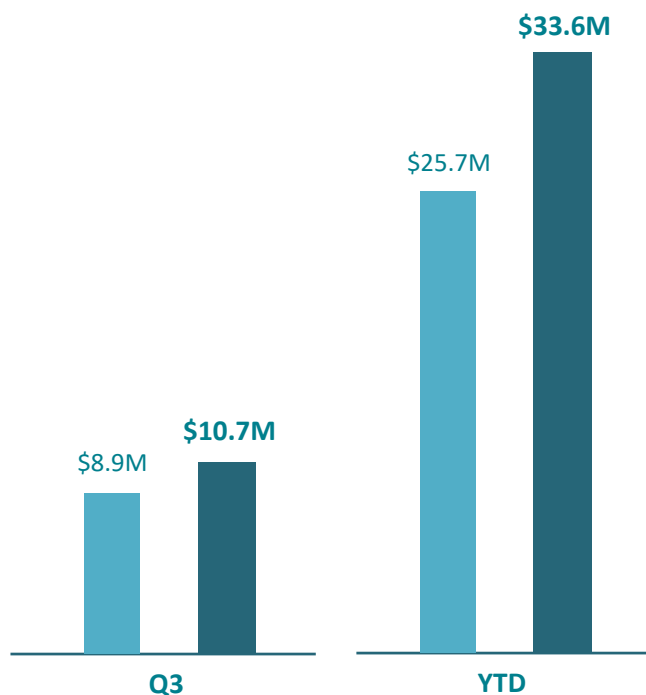


- **Q3 2020 Revenue +4%, to \$25.6M**
 - +94% Power Products, to \$15.3M
 - +161% Heavy Duty Motive, to \$12.9M
 - -49% Material Handling, to \$1.4M
 - +540% Backup Power, to \$1.0M
 - -39% Technology Solutions, to \$10.3M

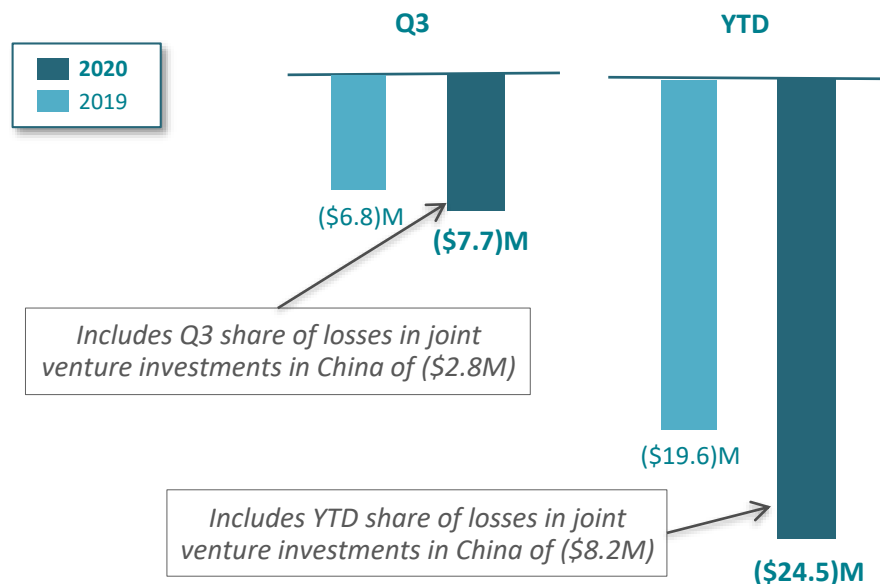
- **Q3 2020 Gross Margin -6-points, to 19%**
 - Reflects shift toward lower overall product margin and service revenue mix, including decline in Technology Solutions revenue

Cash Operating Cost Base and Adjusted EBITDA

CASH OPERATING COST BASE *



ADJUSTED EBITDA



- **Q3 2020 Cash Operating Costs -21%, to \$10.7M**
 - Due to increased expenditure on technology and product development expenses

- **Q3 2020:**
 - Adjusted EBITDA (\$7.7)M
 - Net Loss (\$11.2)M
 - EPS (\$0.05)

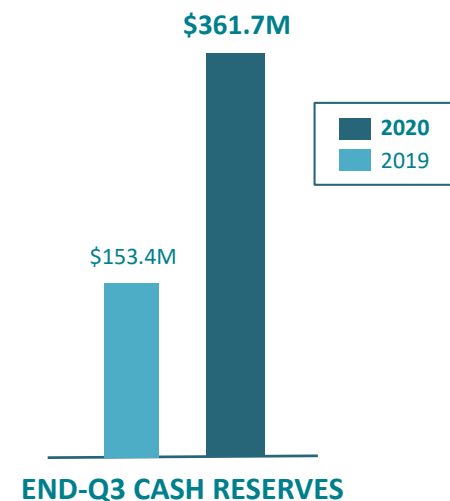
* Measures operating expenses excluding stock-based compensation expense, depreciation and amortization, impairment losses or recoveries on trade receivables, restructuring charges, acquisition costs, impact of unrealized gains or losses on foreign exchange contracts and financing charges

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

- **Q3 2020 Cash Used By Operating Activities increased to (\$11.3)M**
 - Reflects cash operating losses of (\$6.7) million and capital outflows of (\$4.6) million

- **End-Q3 2020 cash reserves of \$361.7M**
 - +136% vs. Q3 2019; +112% vs. prior quarter

- **Cash reserves include net proceeds of approximately \$211.6M from ATM (at-the-market) Equity Program execution in Q3**
 - Further net proceeds of \$32.7M generated from ATM Program in Q4



Order Backlog

End-Q3 2020: Order Backlog¹ of \$128.1M and 12-Month Order Book² of \$79.6M

ORDER BACKLOG	Order Backlog at End-Q2 2020	Orders Received in Q3 2020	Orders Delivered in Q3 2020	Order Backlog at End-Q3 2020
Total Fuel Cell Products & Services	\$155.5M	-\$1.8M*	\$25.6M	\$128.1M

* Reflects adjustment in scope of Audi contract

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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Q & A

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