



Investor Presentation

September 2020



Westport Fuel Systems

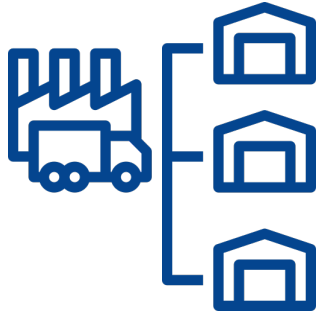
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Westport Fuel Systems at a Glance



Tier 1
Automotive Supplier



Manufacturing
7 Global Locations



Renewable
Alternative Fuels



70
Countries (Sales)



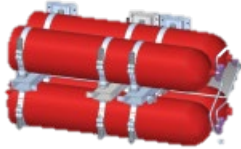
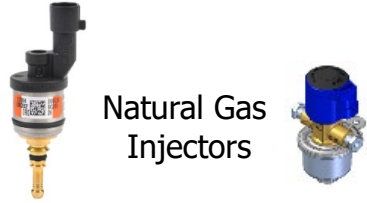
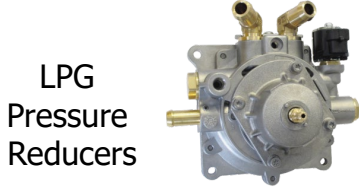
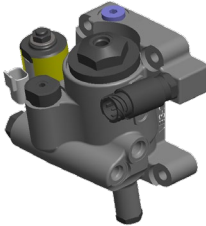
>100
Global Distributors



1,400
Patents &
Applications

We Design, Develop and Manufacture Alternative Fuel Components and Systems



	Valves	Regulators	Injectors	Electronics
 Type 1 CNG Tank System	 CNG Tank Valves	 CNG Pressure Regulators	 Natural Gas Injectors	 CNG Electronic Control Modules
 LPG Level Sensor	 CNG Fill Valves	 LPG Pressure Reducers	 Injector Rails	 CNG Electronic Control Modules
 HPDI LNG Pump	 Solenoid Cylinder Valves	 HPDI Gas Conditioning Module	 Injector Rails	 Bi-Fuel Electronic Control Modules
 HPDI LNG Tank Module	 Integrated Tank Valve Regulator	 H2 Pressure Control Modules	 HPDI Injector	 Bi-Fuel Electronic Control Modules
	 H2 Tank Valves			

Alternative Fuel Capabilities

Broad Range of Products that Deliver Emission Reductions

LPG

Liquefied Petroleum Gas / Propane / Autogas



- Components and complete systems
- Light-duty applications – vapor and liquid LPG
- Monofuel, bi-fuel, dual fuel solutions
- The most commonly used alternative fuel in the world

CNG

Compressed Natural Gas



- Components and complete systems
- Light- and medium-duty applications
- Monofuel, bi-fuel, dual fuel solutions

LNG

Liquefied Natural Gas



- Complete systems
- Heavy-duty and high horsepower applications
- Monofuel and dual fuel solutions

H₂

Hydrogen

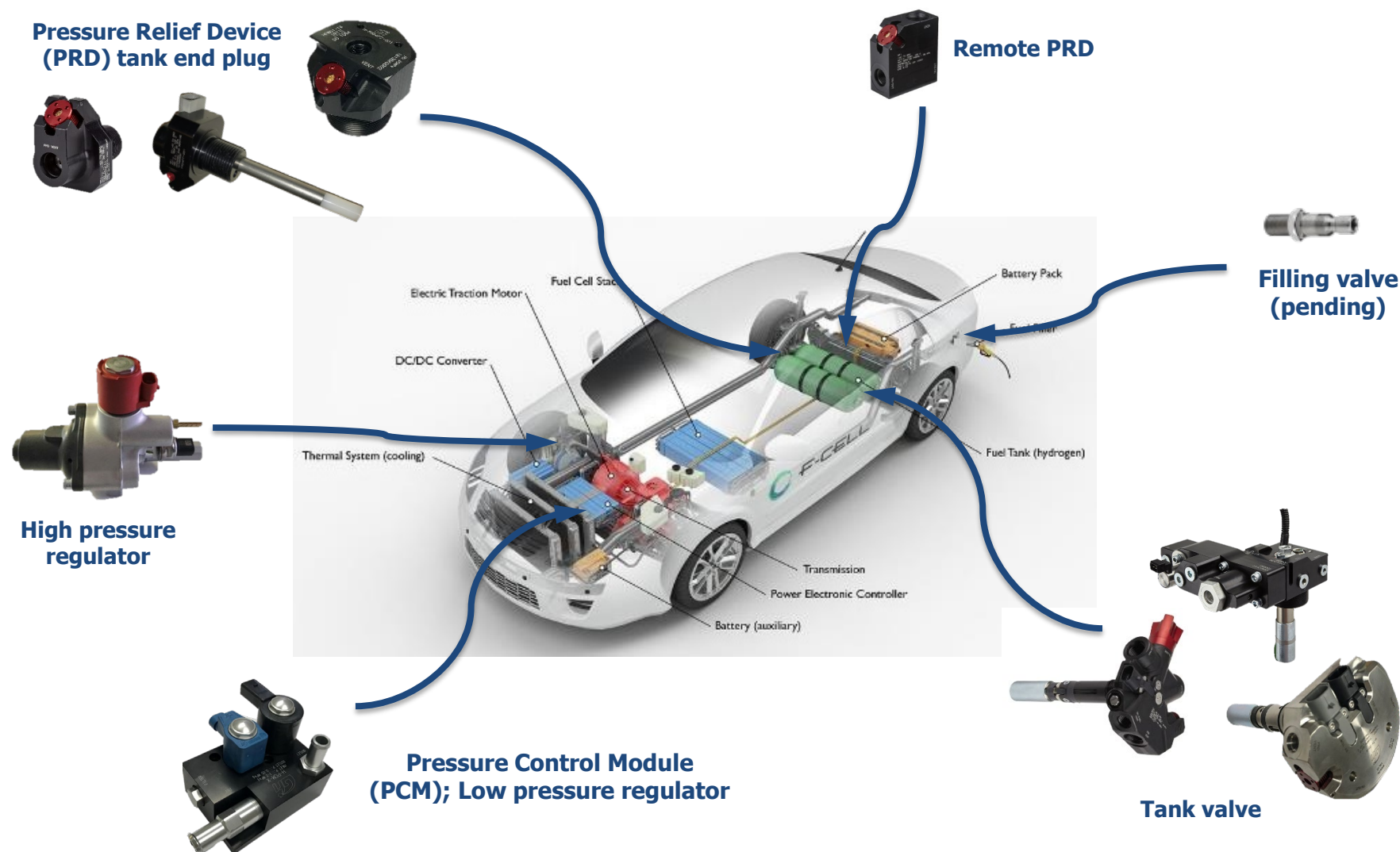


- High and low pressure components
- Light- to heavy-duty and industrial applications
- Hydrogen/CNG blends or pure hydrogen

All Available as Renewable Fuels
Substitute for fossil-based fuels

Hydrogen Capabilities

- Pioneer in H₂ components
- > 40% market share for tank valves*



*350 bar pressure

Macro Trends Driving Change



Stringent Regulatory Frameworks

- European CO₂
 - HD: -15% / -30%
 - LD: -33% / -50%
- China VI
- India BS VI
- Increased anti-diesel sentiment



Demand for Clean, Affordable Transport

- Population growth and economic development
- Urban air quality concerns
- Affordability required to achieve scale



Refuelling Infrastructure Build-Out

- CNG and LNG refuelling infrastructure expanding across Europe, China and India.



Renewable Gas for Transport at Scale

- The “ready now” alternative fuel
- Shell building 50 carbon neutral LNG stations in Germany
- UPS purchases 170 million DGE of RNG



Sustainability Leadership and Differentiation

- Deploy production solutions, not demonstrations
- Fleet and customer demand for lower-carbon fuels
- Well-to-wheel analysis of fuel impacts needed

Future Heavy-Duty Transportation Fuel and Technology Mix

Difference Compared to Diesel

Heavy Duty Truck, 400 mile daily range @ current costs and technologies:

Fuel System	Fuel Storage Size (cubic feet)	Fuel + Storage Weight (pounds)	Propulsion System Cost (approximate)	Daily Fueling Time (minutes)	Daily Fuel Cost (US West Coast)
SI CNG	5X	+550	+\$40,000	+5	-\$20
HPDI	3X	+700	+\$50,000	Same	-\$50
H2 Fuel Cell	6X	+950	+\$110,000	+10	+\$100
Battery Electric	15X	+17,500	+\$300,000	+70 (@ 700kW) +470 (@ 120kW)	-\$70

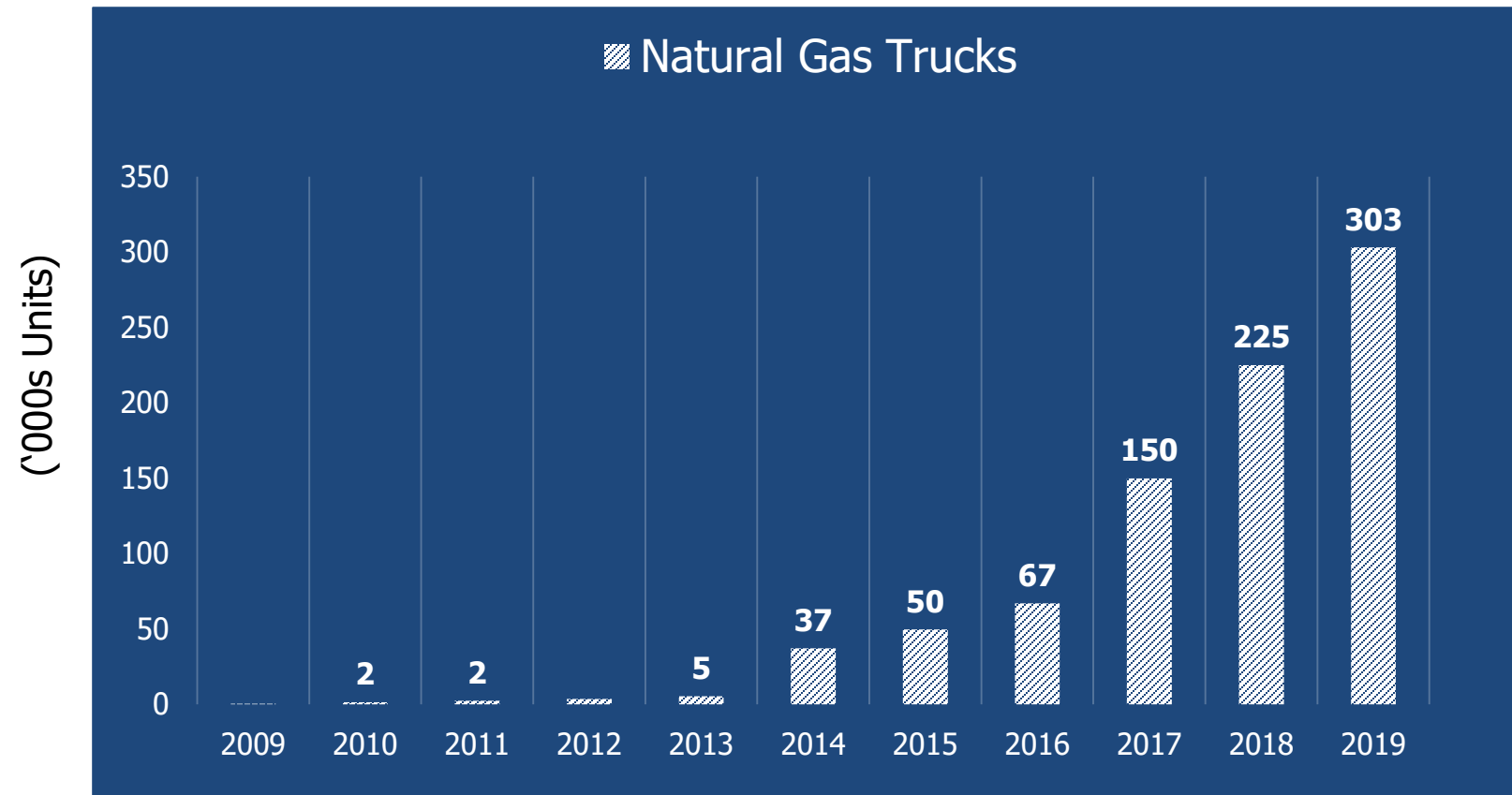
For long-haul commercial vehicle applications which require extended range, battery electric and fuel cell technologies are not commercially available, nor economically viable.

*Information based on latest estimates from multiple industry sources and may vary

China: World's Largest Natural Gas Truck Market

- Class 7 and 8 HD natural gas vehicles offered by 40 OEMs
- Majority of HD natural gas trucks powered by LNG
- 10,500 LNG stations with 12,000 expected by the end of 2020
- LNG costs ~35-55% less than diesel

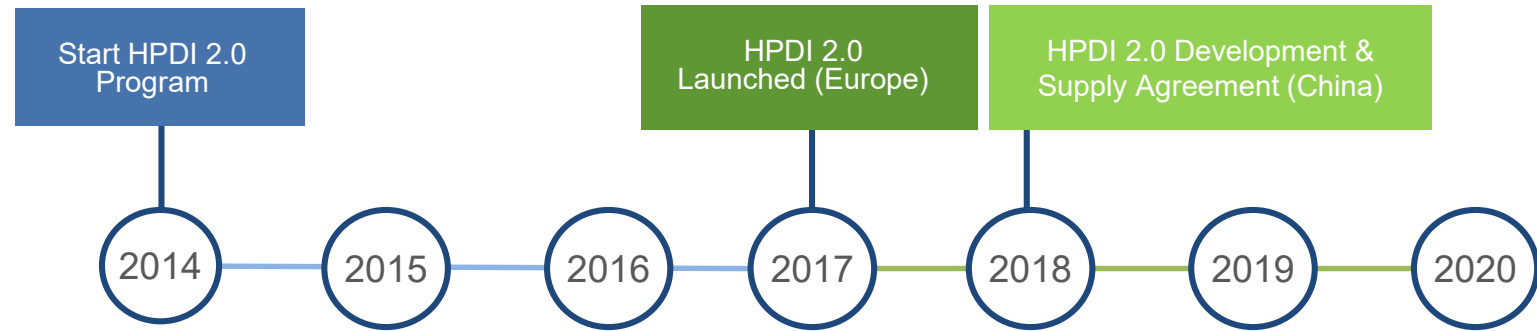
Natural Gas Trucks in Operation in China (2009 – 2019)



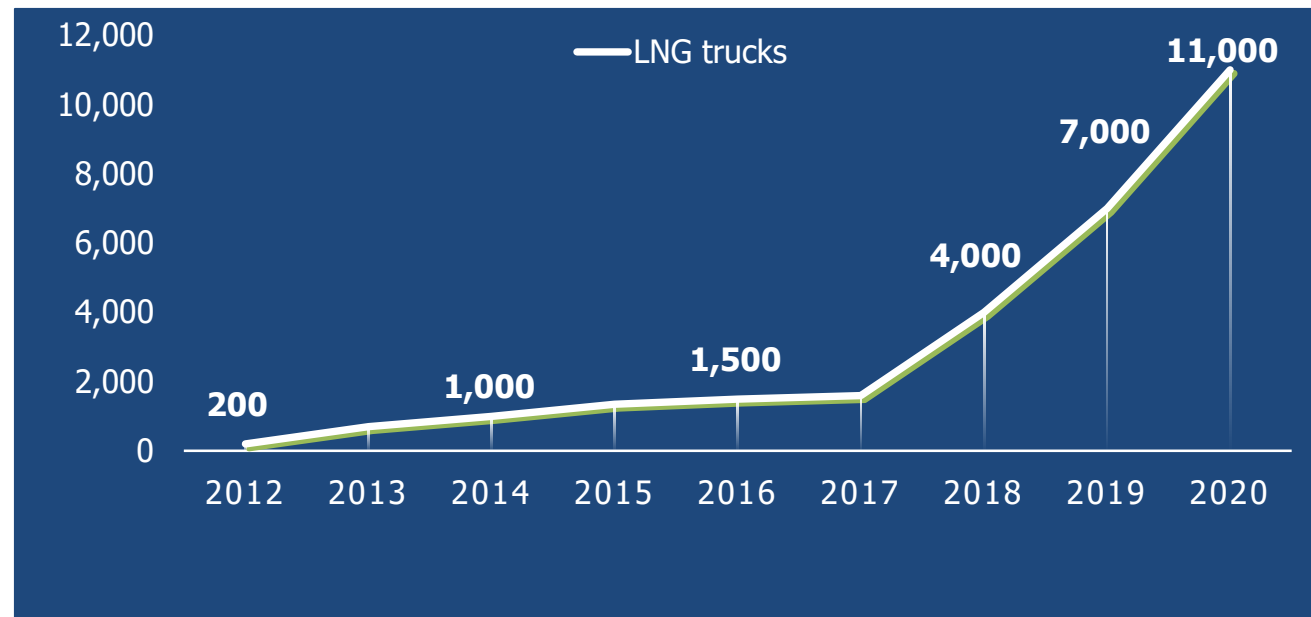
Source: PSR Database and WFS Analysis (2019)

LNG for Heavy-Duty Trucking Scaling in Europe

- LNG truck registrations increased 175% in 2019
- CNG vehicle registrations increased 40% over 2017



Heavy-Duty Natural Gas Trucks >400hp in Operation in Europe



- Four engines >400 hp
- Three OEMs
- Commercially available in Europe

Source: NGV Europe (2020) Available at <https://www.ngva.eu/>

Source: PSR (202) and Analysis by WFS



Europe (2019 baseline)

- 15% CO₂ required by 2025
- 30% CO₂ required by 2030

United States

- Up to 25%** CO₂ reduction from 2017 through 2027

HPDI Delivers CO₂ Emission Reductions Now...

The only commercially viable, cost-competitive HD technology solution available today to meet EU regulations

Fossil LNG

-20%

- HPDI 2.0 reduces CO₂ more than
 - *The 2025 EU requirement with Fossil LNG*
 - *The 2030 EU requirement with just 20% RNG*

20% Renewable
LNG

-34%*

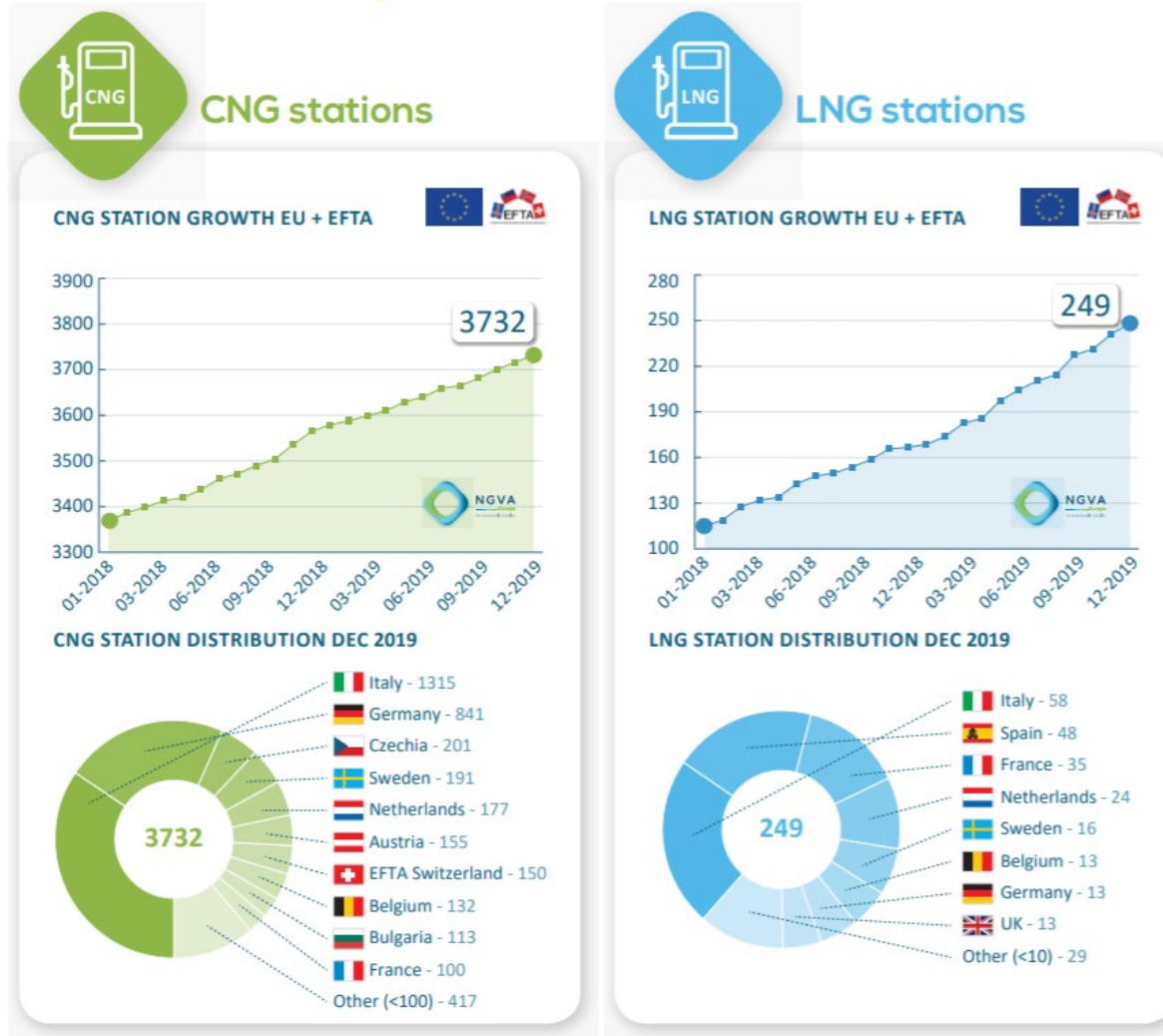
- Penalty for non-compliance in EU is €4,250 per gram/ton-km starting in 2025
 - *Penalty up to €38,000 per truck*
- Preserves substantial OEM investments

*Assuming recognition of 20% carbon intensity reduction with 20% renewable gas blend and 90% gas energy ratio

**Varies by vehicle class and application

Fuel Availability Drives Scale: Europe Case Study

- LNG fueling infrastructure grew 90% over 2017
- 300+ LNG stations spanning 18 countries
- CNG fueling infrastructure grew 10% in 2019
- 3,800 CNG stations with ten countries having more than 100 CNG stations



Growing uptake of LNG vehicles as refuelling infrastructure increases

28 Apr 2020 by John Snyder

Europe's Green Deal lays the groundwork for an expansion of CNG, LNG and bioLNG as a road transportation fuel



UK: Gasrec refuelling network taps into record demand for CNG and LNG

Shell to expand its network of bio-LNG stations in Germany

The international fuel retailer continues to look at alternative forms of fuel for the transport sector as it seeks to reduce CO2 emissions.

BIOGAS NEWS

May 4, 2020

Gasum strengthens LNG and biogas offering with new acquisitions

Source: NGV Europe (2020)

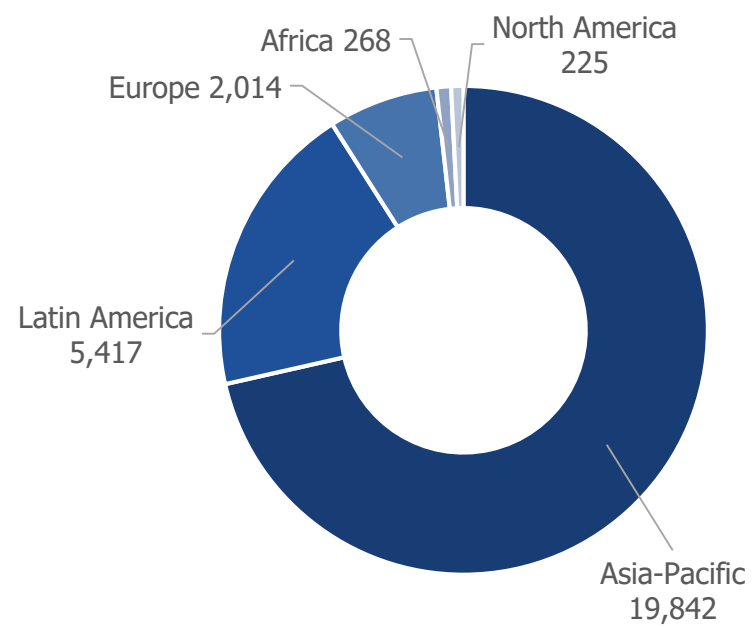
- 55 million natural gas and LPG vehicles currently in service,
- ~1.5 million new vehicles or conversions sold annually



Global Overview of Natural Gas and LPG Vehicles

Natural Gas Vehicles in Service

(in thousands)

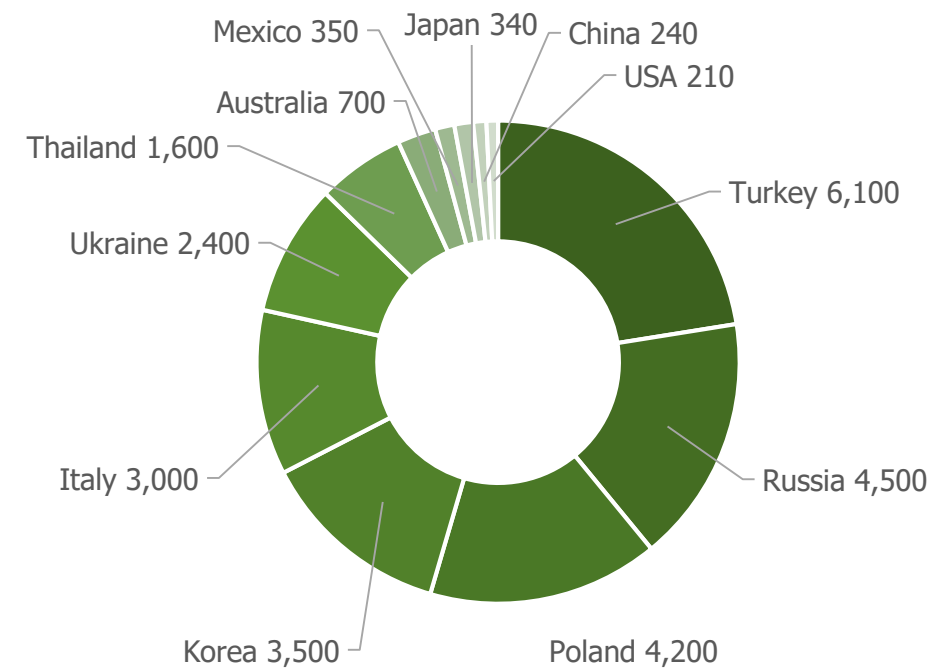


Total: 27.8 million

Source: NGV Global July 2019

LPG Vehicles in Service

(in thousands)

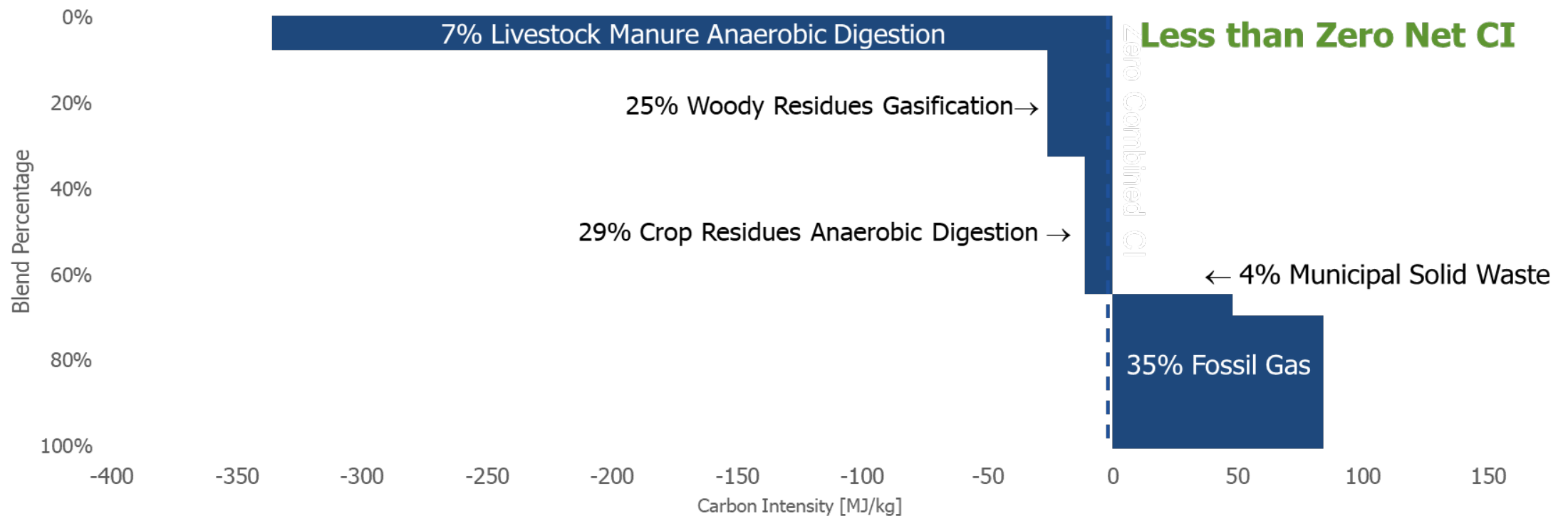


Total: 27.1 million

Source: World LPG Association 2018 Annual Report, WFS analysis

Road Transport Can Be Carbon Neutral

With zero net-carbon biomethane and a fossil gas BLEND, there is enough renewable gas feedstock to power 100% of the EU 28 truck energy demand in 2030



Source: WFS Analysis (2019) presented to SAE International with estimates based on CARB [LCFS](#) averages and [GTI](#) data sources



2020 Strategic Objectives

1. The successful commercial launch of Westport HPDI 2.0™ in China.
2. Material and structural cost reductions to improve margins and cash flow.
3. New light-duty and heavy-duty OEMs in key market geographies.
4. Profitable growth of our light-duty product sales through aftermarket and OEM channels.

Delivering Clean Transportation Solutions



Cost Competitive and Commercially Available

Developed, validated, in production, for sale and in use around the world

Low incremental costs to access cleaner, more affordable fuels



Financial Discipline and Performance

Strong record of improvement

Sustainable profitability driven by growth, aligning costs with revenues, and fiscal discipline in investment decisions



Gaseous Fuels Industry Leader

Sales in 70 countries
CNG, LNG, RNG, LPG, H₂

All transportation applications

Leading market shares



Environmental Solutions for Climate and Air Quality

Reduced CO₂ emissions

Reduced criteria emissions

Net zero carbon NOW



100% Renewable

Growing bio-methane (RNG) availability means net zero carbon transportation is possible NOW with gaseous fuels



Alternative Fuels at Scale

No performance compromise

Lower total cost of ownership

Enables OEMs to meet regulations at the lowest cost



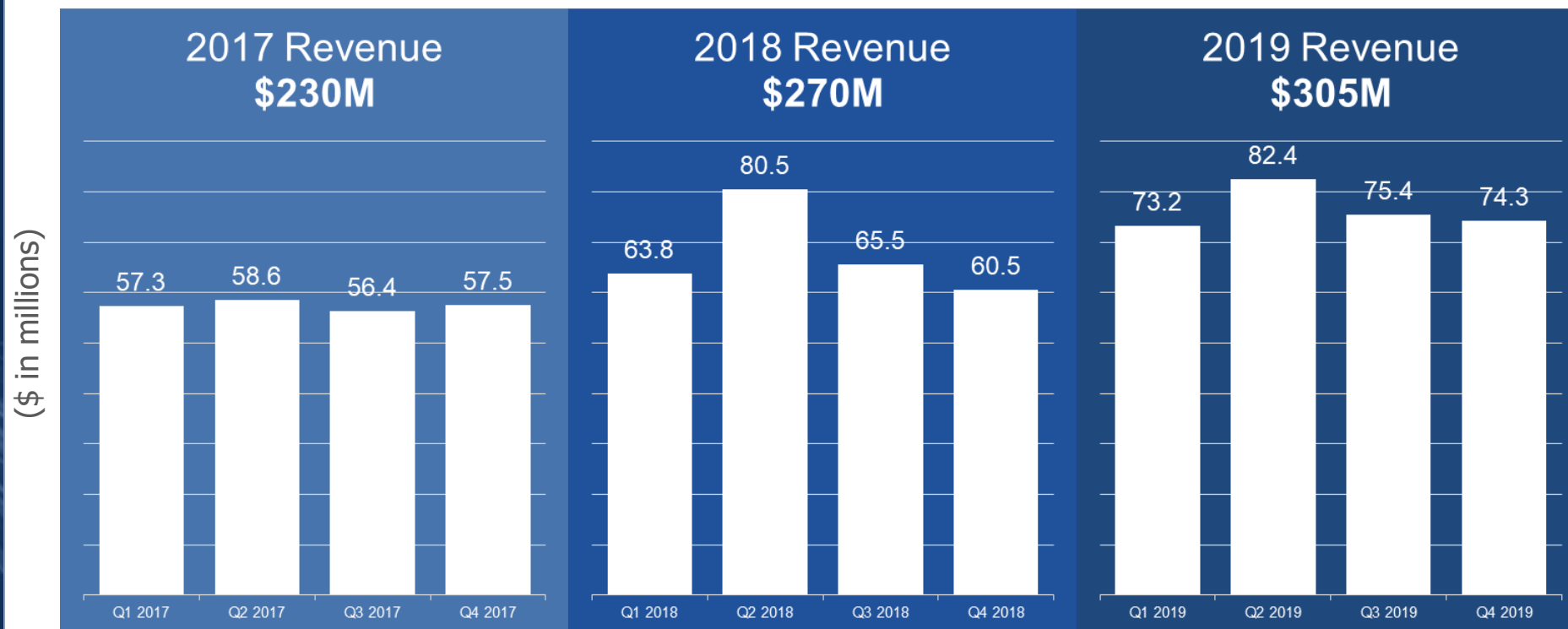
www.wfsinc.com

Westport[™]
Fuel Systems

2019 Corporate Highlights:

Steady Revenue Growth

- Transportation revenue grew to \$305M
- Up 13% over 2018
- Up 33% over 2017
- Revenue growth due to HPDI volume ramp and increased OEM services

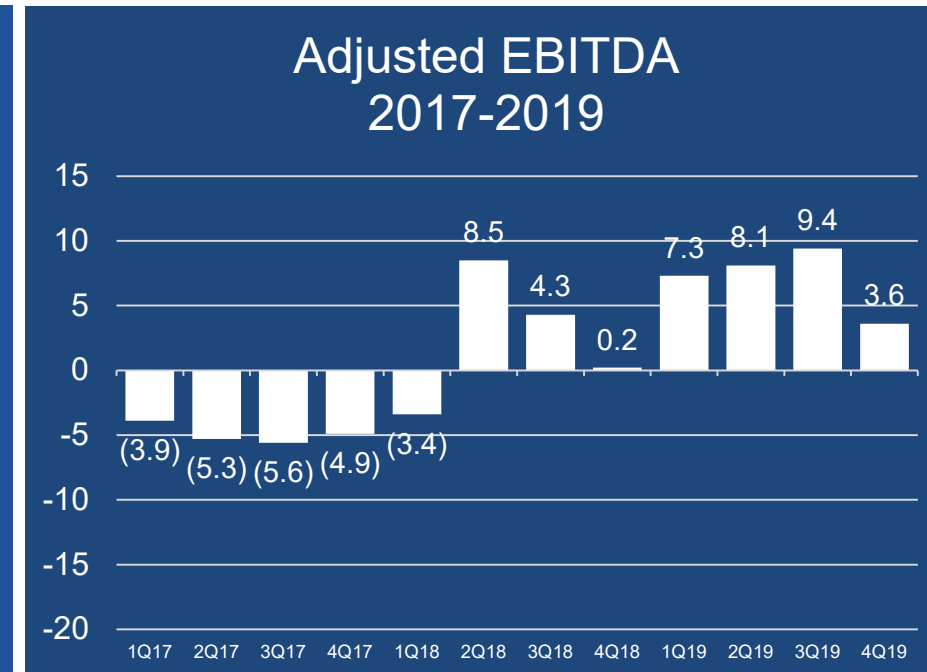
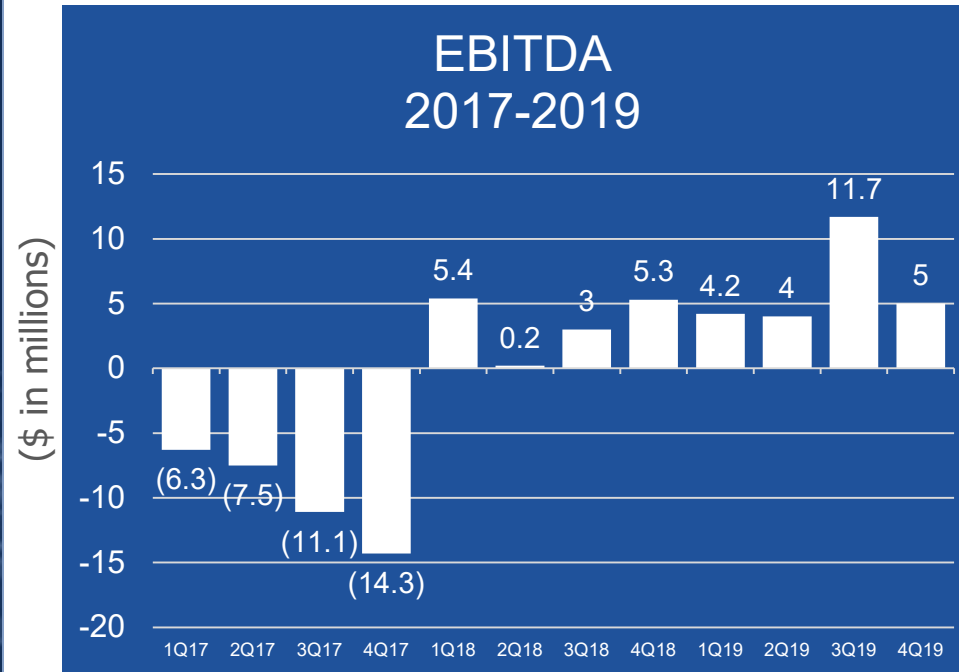


Balanced business with market-ready solutions and customers in 70 countries

2019 Corporate Highlights:

Positive EBITDA and Adjusted EBITDA

- First full year of positive EBITDA
- Seventh consecutive quarter of positive adjusted EBITDA
- Positive EBITDA of \$24.9m, up \$38.4m YoY and adjusted EBITDA of \$28.4m, up \$18.8m



Continued ramp in HPDI and fiscal discipline to improve financial performance