

Driving Cleaner Performance



Westport Fuel Systems

Disclaimer and Forward-Looking Statements

This presentation contains forward-looking statements, including statements regarding, the timing and completion of the joint venture with Volvo, future revenue expectations, timing and production of LPG products with OEM customers, future demand for LPG, future growth in markets, future of our development programs (including those relating to HPDI and Hydrogen), the demand for our products, the future success of our business and technology strategies, the future role of HPDI in internal combustion engines, intentions of partners and potential customers, the performance and competitiveness of Westport Fuel Systems' products, future market opportunities as well as Westport Fuel Systems management's response to any of the aforementioned factors. These statements are neither promises nor guarantees but involve known and unknown risks and uncertainties and are based on both the views of management and assumptions that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activities, performance or achievements expressed in or implied by these forward-looking statements. These risks, uncertainties and assumptions include those related to our revenue growth, operating results, industry and products, the general economy including impacts due to inflation, conditions of and access to the capital and debt markets, access to required semiconductors, solvency, governmental policies, sanctions and regulation, technology innovations, fluctuations in foreign exchange rates, operating expenses, continued reduction in expenses, ability to successfully commercialize new products, the performance of our joint ventures, the availability and price of natural gas, government incentive programs and new environmental regulations, the acceptance of and shift to natural gas vehicles, the relaxation or waiver of fuel emission standards, the inability of fleets to access capital or government funding to purchase natural gas vehicles, the development of competing technologies, our ability to adequately develop and deploy our technology, the actions and determinations of our joint venture and development partners, the Russia-Ukraine conflict, ongoing semiconductor shortages and supply chain disruptions as well as other risk factors and assumptions that may affect our actual results, performance or achievements or financial position discussed in our most recent Annual Information Form and other filings with securities regulators. Readers should not place undue reliance on any such forward-looking statements, which speak only as of the date they were made. We disclaim any obligation to publicly update or revise such statements to reflect any change in our expectations or in events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in these forward-looking statements except as required by National Instrument 51-102. The contents of any website, RSS feed or twitter account referenced in this press release are not incorporated by reference herein.

Speaking Today...



Tony Guglielmin
Interim Chief Executive Officer



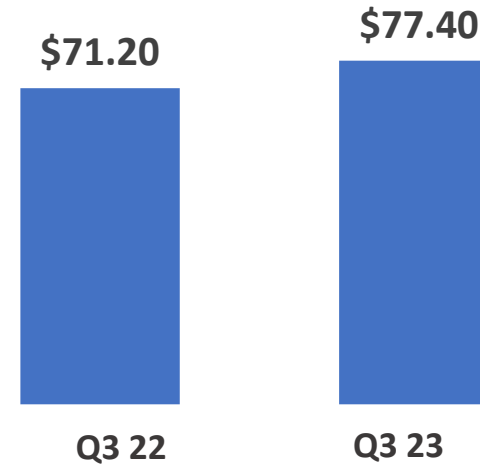
Bill Larkin
Chief Financial Officer

Strategically Significant Third Quarter

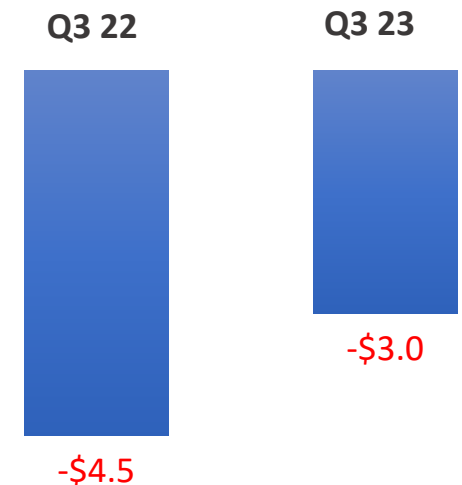
Highlights:

- Signed non-binding letter of intent with Volvo to establish a joint venture to accelerate the commercialization and global adoption of Westport's HPDI™ fuel system technology for long-haul and off-road applications
- Revenue of \$77 million, up 9% over Q3 2022 driven by increased sales volumes in delayed OEM, electronics, fuel storage and additional revenues from the heavy-duty OEM business, which was offset by lower customer sales in light-duty OEM
- Improvement in gross margin, increasing \$1.9 million to \$13.2 million, or 17% of revenue for the quarter
- Q3 2023 Adjusted EBITDA loss of \$3.0 million

Revenue (\$ millions)



Adjusted EBITDA^[1] (\$ millions)



¹ Adjusted earnings before interest, taxes and depreciation is a non-GAAP measure. Please refer to GAAP and NON-GAAP FINANCIAL MEASURES in Westport's Management Discussion and Analysis for the reconciliation.

Advancing Strategic Priorities

Post-Quarter Highlights

- Signed agreement with a leading global provider of equipment for the freight and transit rail industries to adapt our hydrogen HPDI fuel system for use with the rail OEMs engine design.
 - Two-year H₂ HPDI project is expected to begin immediately and is fully funded by the OEM
- Reduced our stake in the Minda Westport joint venture to 24% in exchange for \$1.8 million on closing of the transaction.
 - Westport continues to participate in the market in India as a supplier to the JV
 - Lowers expected near-term cash burn
 - Opportunity to lower operations costs, while participating in the fast-growing market in India and have access to a lower-cost manufacturing footprint through the JV

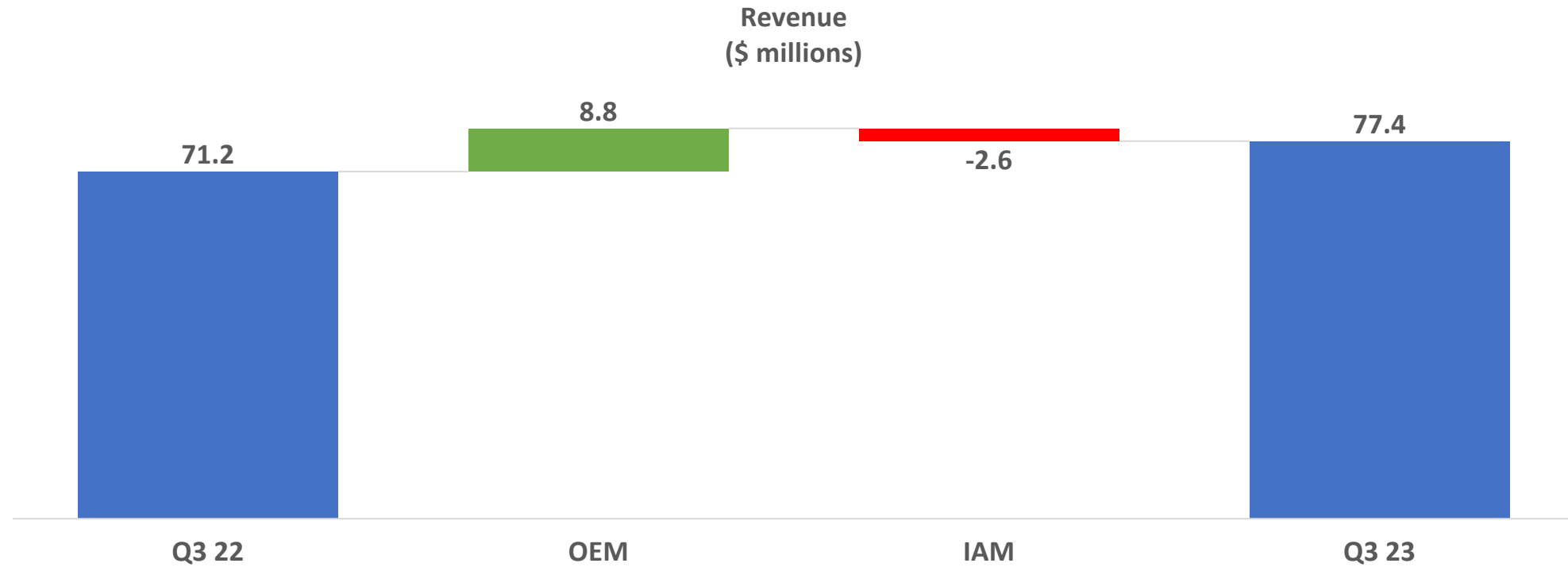
HPDI JV Recap and Progress Update

Signed a non-binding letter of intent to form a joint venture to accelerate commercialization of Westport's HPDI fuel system technology and reduce CO₂ emissions from long-haul and off-road applications

- Westport contributes HPDI assets and activities
- Volvo to acquire 45% interest in the JV for \$28 million plus earn outs of up to an additional \$45 million
- **Definitive agreements expected to be signed no later than the end of January 2024, JV expected to close and be operational in Q2 2024**



Quarterly Revenue Year Over Year



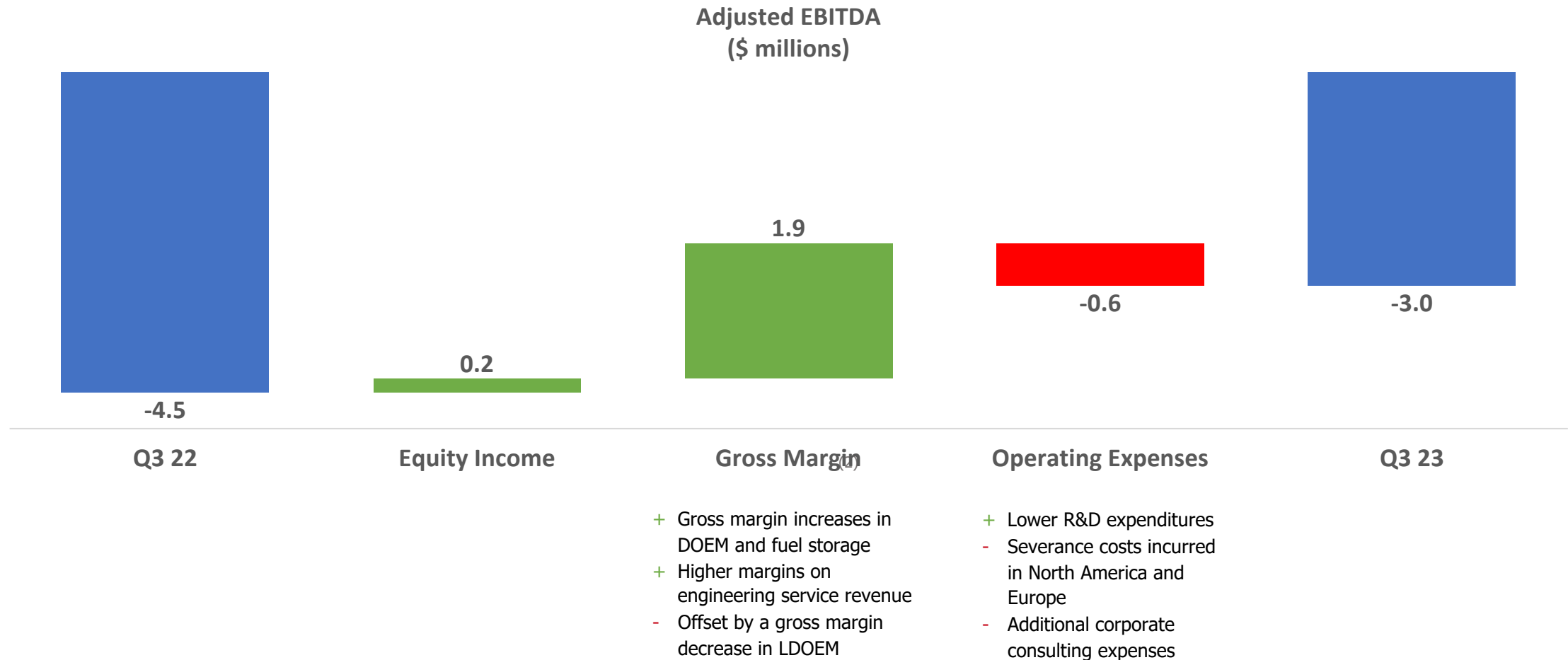
OEM

- + Increased sales volumes in DOEM, electronics, fuel storage businesses
- + Additional revenue from the heavy-duty OEM business
- Lower customer sales in the light-duty OEM business

IAM

- Lower sales volumes to Africa and Europe
- + Higher sales volumes to South America

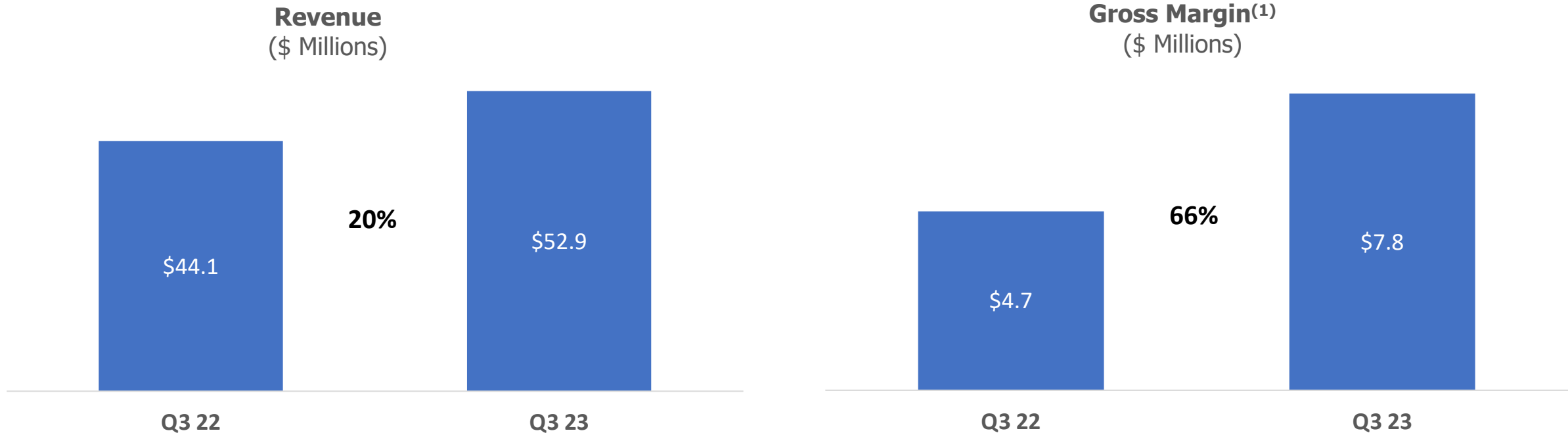
Adjusted EBITDA⁽¹⁾ Year Over Year



¹ Adjusted earnings before interest, taxes and depreciation is a non-GAAP measure. Please refer to GAAP and NON-GAAP FINANCIAL MEASURES in Westport's Management Discussion and Analysis for the reconciliation.

² Gross margin is a non-GAAP measure. Please refer to GAAP and NON-GAAP FINANCIAL MEASURES in Westport's Management Discussion and Analysis for the reconciliation

Financial Performance – OEM



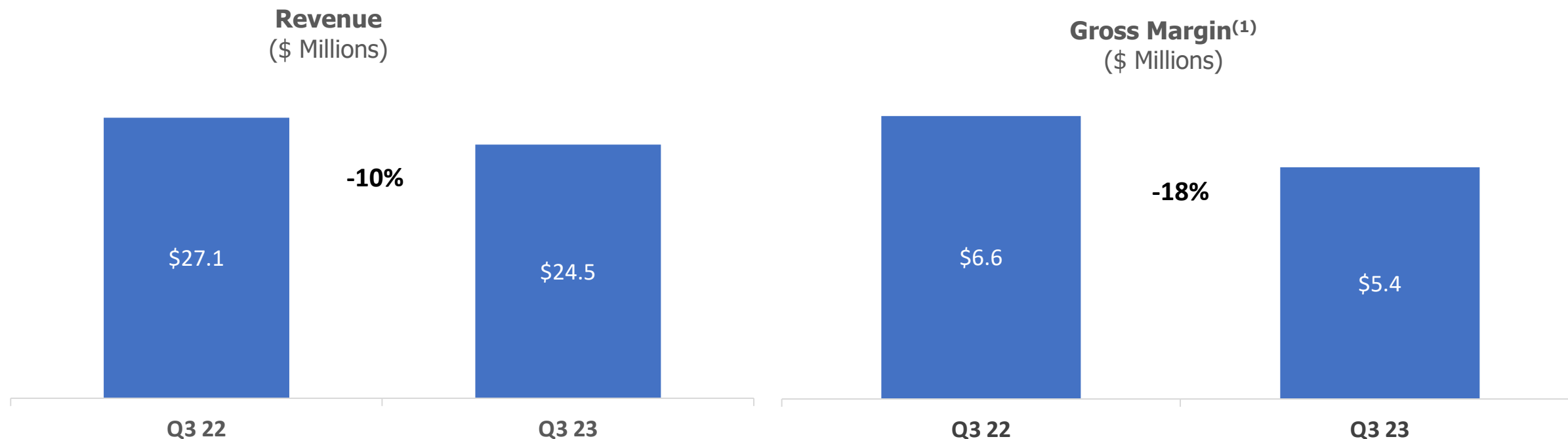
Revenue

- Higher sales volumes in the delayed OEM, electronics and fuel storage business
- Additional engineering service revenues from the heavy-duty OEM business
- Lower sales to customers in India in the light-duty OEM business

In addition to the revenue impacts gross margin was impacted by:

- Higher production input costs stemming from global supply chain challenges
- Inflation in logistics, labor and other costs

Financial Performance – IAM



Revenue

- Decreased sales volumes to Africa and European markets
- Higher sales volumes to the South America

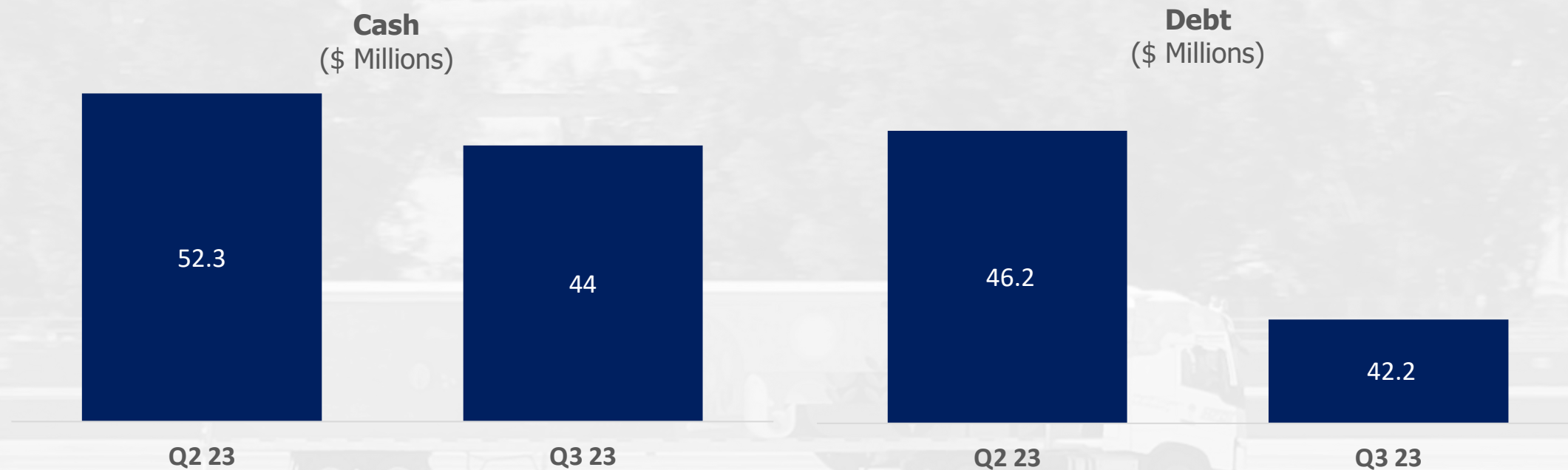
In addition to the revenue impacts gross margin was impacted by:

- Lower margin sales mix and inflation in South America

⁽¹⁾Gross margin is a non-GAAP measure. Please refer to GAAP and NON-GAAP FINANCIAL MEASURES in Westport's Management Discussion and Analysis for the reconciliation.

Liquidity

Addressing margin improvements and cash conservation



- Net cash from operations of \$1.1 million Q3 2023
- Capex of \$4.1 million in Q3 2023

- Net debt repayments of \$4.4 million in Q3 2023



In Closing...

- Definitive agreements related to HPDI JV with Volvo expected to be completed no later than the end of January 2024, JV expected to close and be operational in Q2 2024
- Light-duty LPG business is a profit drivers, with growth on the horizon
- HPDI is on the road and a solution today, saving customers money and helping fleets hit carbon targets
- H₂ HPDI is the future of the internal combustion engine for long-haul trucking
- Making the necessary financial optimizations now to enable growth and improve profitability

Westport is in a prime position to grow by leading the energy transition that is already underway today