

Driving Cleaner Performance



Westport Fuel Systems

Disclaimer and Forward-Looking Statements

This presentation contains forward-looking statements, including statements regarding, future revenue expectations, 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, 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...



Dan Sceli
Chief Executive Officer

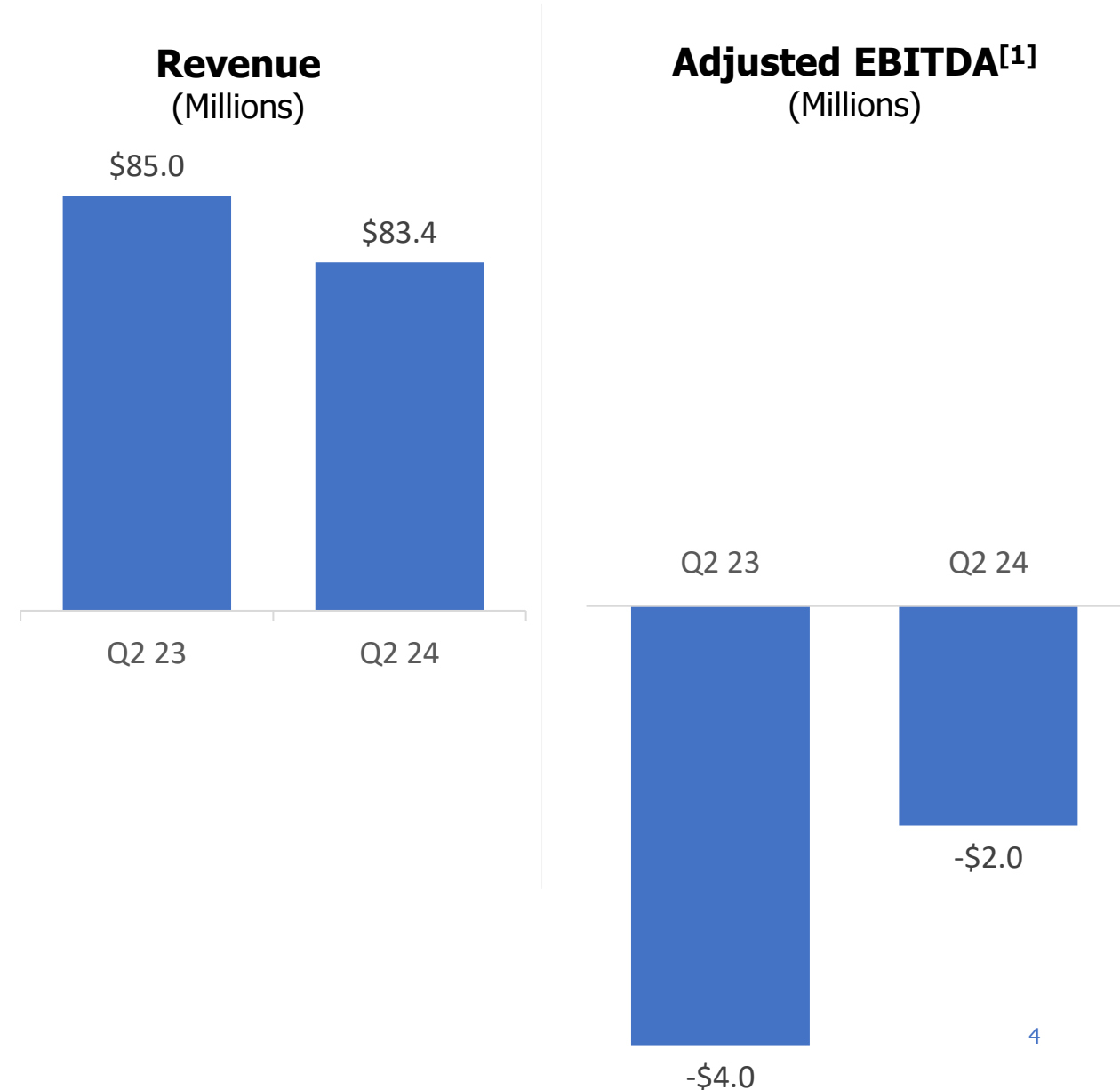


Bill Larkin
Chief Financial Officer

Multiple Improvements as 1H24 Completed

Highlights:

- Q2 24 revenue of \$83.4 million, a decrease of 2% over the \$85.0 million reported in Q2 23
- Gross margin of \$17.1 million (21% of revenue), as compared to \$14.4 million in the same quarter of the prior year (17% of revenue)
- 2Q24 Adj. EBITDA loss of \$2.0 million, as compared to an Adj. EBITDA loss of \$4.0 million in 2Q23
- Formed the joint venture with Volvo Group, working together to accelerate the commercialization and global adoption of the HPDI™ fuel system technology for long-haul and off-road applications
- Evolved corporate reporting with the HPDI JV, High-Pressure Controls and Systems, Light-Duty, Heavy-Duty OEM and Corporate as the Company's new segments
- Released Westport's 2023 ESG Report focused on decarbonizing transportation to help clean our air and create a more sustainable future.



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.

Executing Against Our Priorities

1 *Driving Success via the HPDI Joint Venture*

Accelerating the commercialization of Westport's HPDI fuel system technology; reducing CO₂ emissions from long-haul and off-road applications.

- ✓ Closed HPDI joint venture in June 2024

Executing Against Our Priorities

2

Improving Operational Excellence

Pursue operational excellence, embarking on bold initiatives to streamline processes, enhance efficiency, and reduce costs.

- ✓ Restructured executive team resulting in annual G&A savings of ~\$3 million
- ✓ Closed amended Westport Minda JV in 2Q24; broader restructuring in India is expected to transition business to generating positive cash flows
- ✓ Delivered marked margin expansion over Q2 2023
 - Decreasing our reliance on external consultants, signaling a shift towards internal expertise and resource optimization
 - Continue to initiate changes on our production lines to increase efficiency and optimize manufacturing cost reductions

Executing Against Our Priorities

3

Reimagining a Hydrogen-Powered Future

Positioning Westport at the forefront of the transformative shift towards a hydrogen future.

- ✓ Westport's clean mobility solutions are engineered for a diverse set of zero-emission vehicles (ZEVs) with hydrogen fuel systems and components for both internal combustion engines (ICE) and fuel cell applications
 - H2 HPDI TM fuel system
 - Engine management systems for spark ignited engines
 - Hydrogen components for fuel pressure management and regulation
- ✓ High-Pressure Controls and Systems segment in early-stage development programs that could translate into \$70 million in additional revenue by the end of the decade

Celebrating the Power of Partnership



Event highlighted joint venture's role in global adoption of HPDI fuel system, **advancing commercial transportation to smarter, cleaner power with IC engines**



New Financial Reporting for Operating Segments

Providing enhanced disclosure and transparency.

Previous Reporting Segments

Independent After Market

Original Equipment Manufacturer

- Heavy-duty OEM including HPDI
- Light-duty OEM
- H₂ and CNG components
- Delayed OEM
- Electronics
- Fuel Storage

New Reporting Segments

Light-Duty

- Light-duty OEM
- Independent After Market (IAM)
- Delayed OEM
- Electronics
- Fuel Storage

High-Pressure Controls and Systems

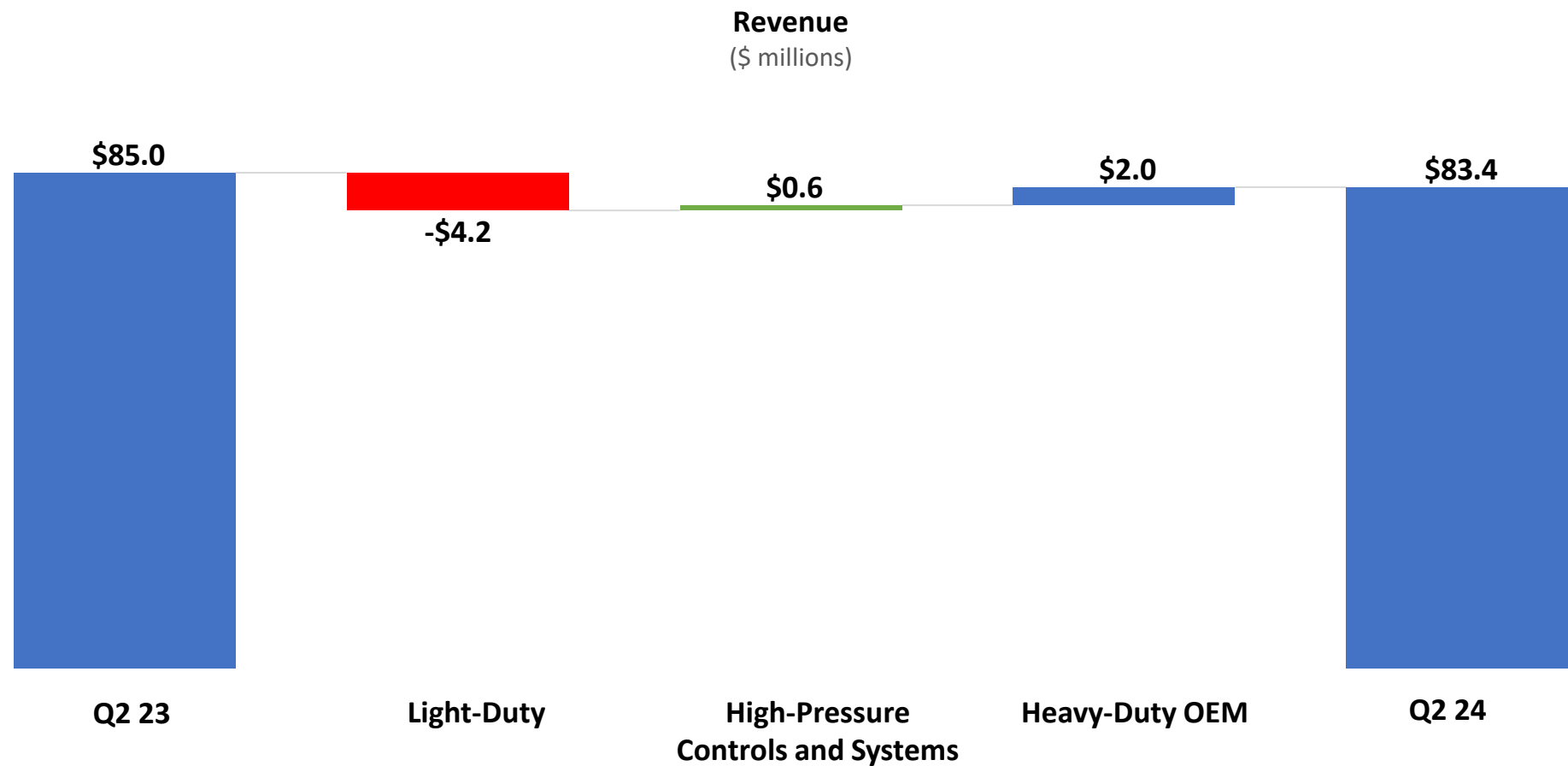
- H₂ and CNG components

Heavy-Duty OEM

HPDI Joint Venture

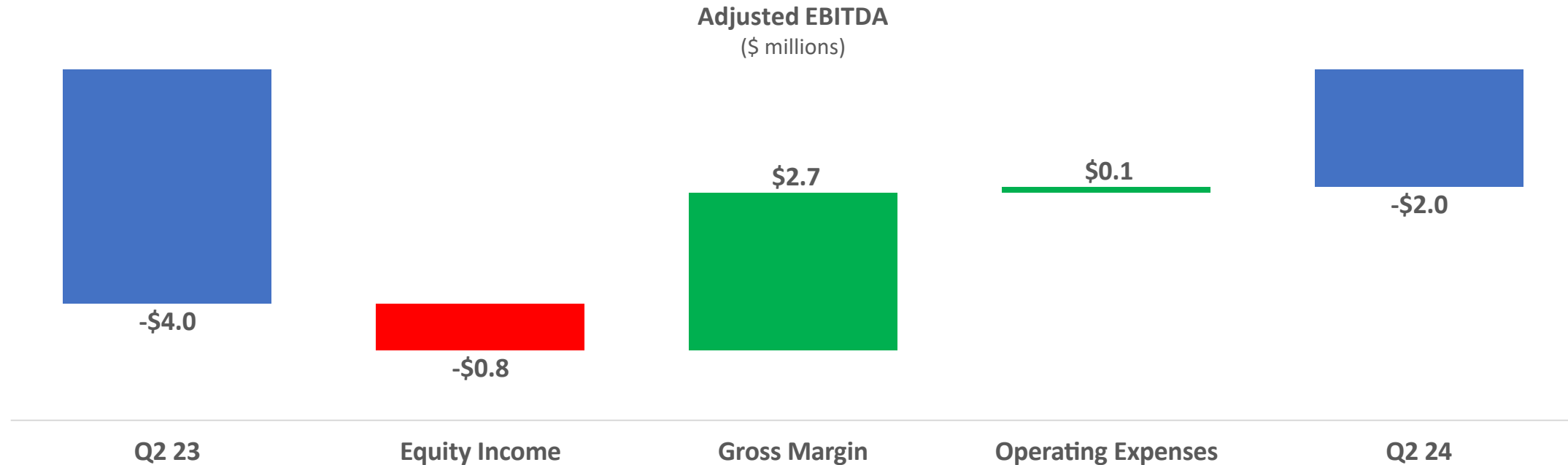
(Equity Method of Accounting)

Revenue Story: Holding Steady



- + Increased sales volume in High-Pressure Controls and Systems and Heavy-Duty OEM
- Decrease sales volumes in Light-Duty
- Results included only two-months of revenue from the Heavy-Duty OEM business

Adjusted EBITDA⁽¹⁾ Year Over Year



Pluses:

- + \$13.3 million gain on deconsolidation of HPDI business and formation of HPDI JV
- + \$2.7 million improvement in gross margin

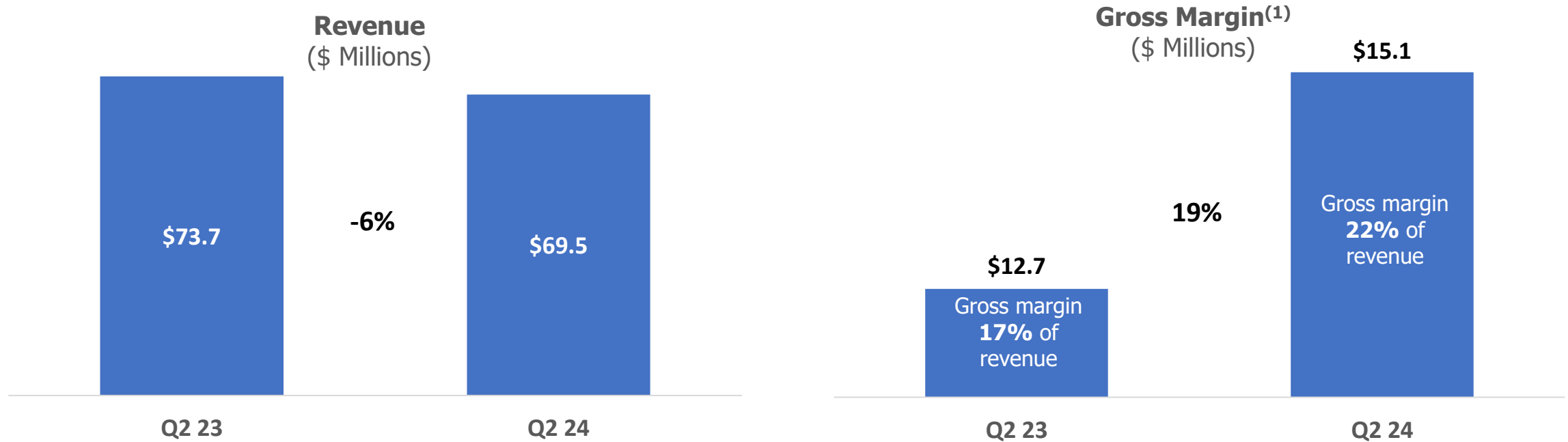
Minuses:

- Increases in research and development expenditures of \$0.8 million

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 – Light-Duty



Revenue:

- Decrease in sales in delayed OEM, IAM, and fuel storage businesses
- Partially offset by increases in sales in light-duty OEM and the electronics business

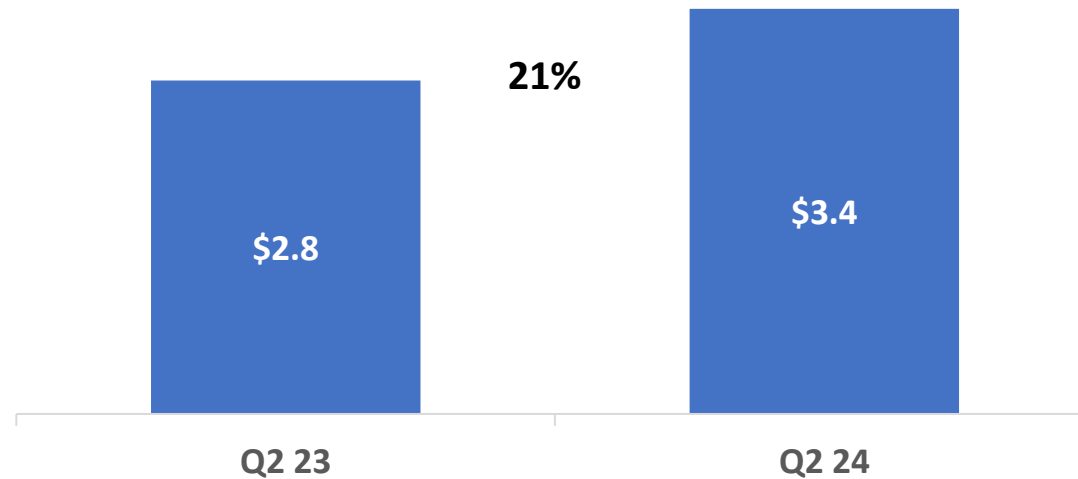
Gross Margin:

- Change in sales mix with increases in sales to European customers and a reduction in sales to developing regions

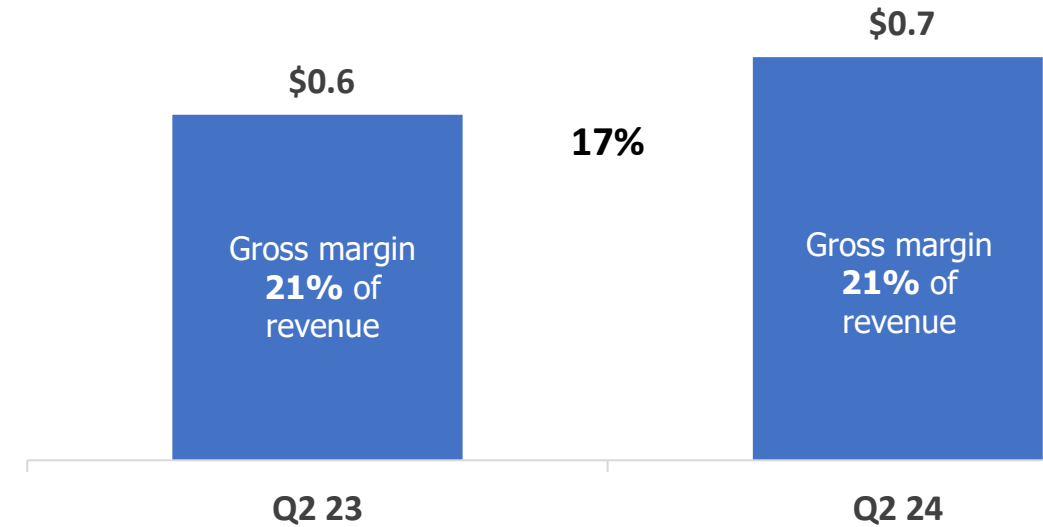
Financial Performance

High-Pressure Controls and Systems

Revenue
(\$ Millions)



Gross Margin⁽¹⁾
(\$ Millions)



Revenue:

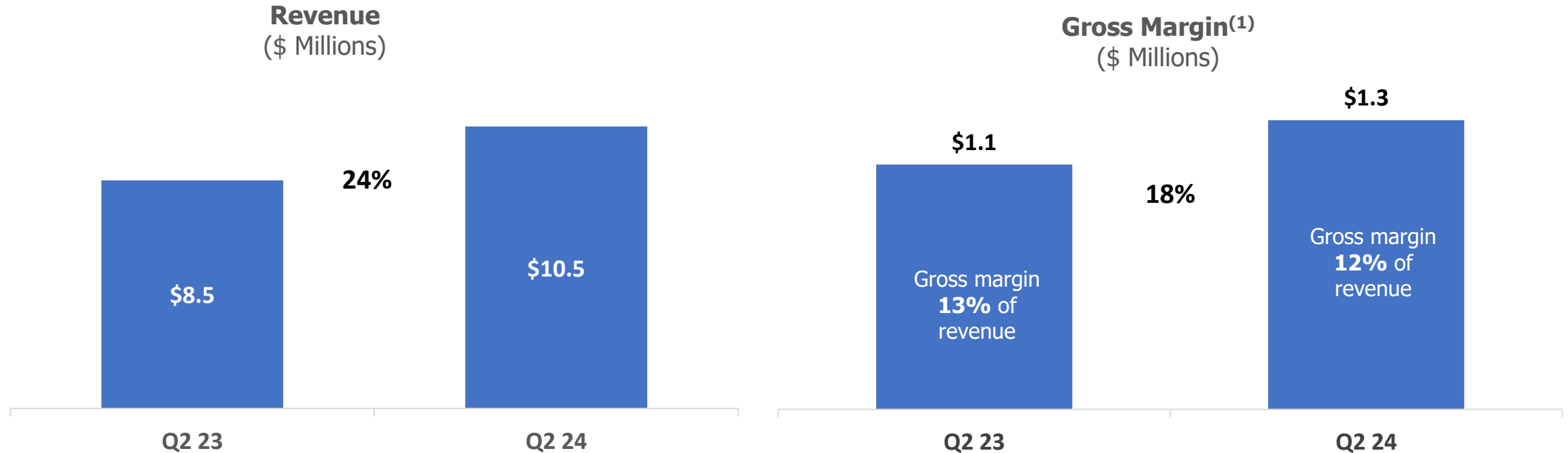
- Increase was due to higher sales volumes in product and service revenue

Gross margin:

- Higher production overhead costs for new products

^[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.

Financial Performance – Heavy-Duty OEM



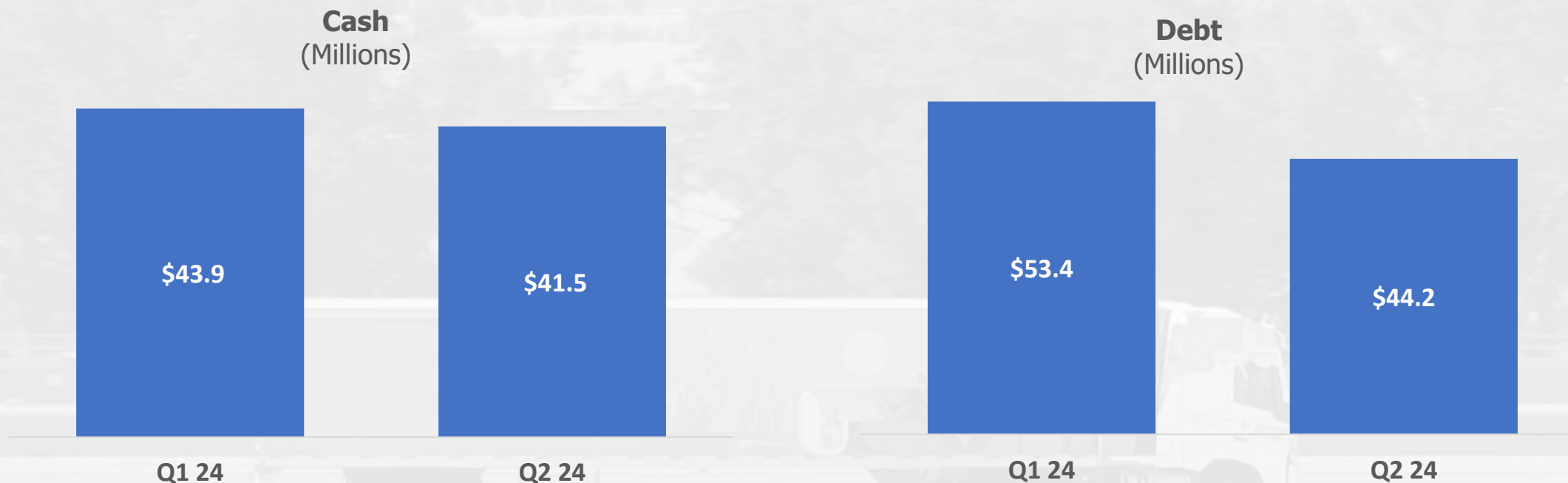
Revenue:

- Increase in product and engineering sales for the two-months when the Company wholly owned the HPDI business
- Additionally, one-month of inventory sales from the Company to HPDI JV for \$0.5 million under a transitional service agreement

^[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

Debt Repayments & Inventory Optimization



- Cash provided by operating activities was \$1.5 million
- Proceeds from sale of investments of \$20.4 million
- Capital contributions to the HPDI JV of \$9.9 million
- Capital investments of \$5.4 million
- ***Post-quarter, received \$8.4 million in cash related to the closing of the HPDI JV***

- Net debt repayments of \$8.9 million in the period



In Closing...

Enhancing our Value:

- 1 Driving Success via our HPDI Joint Venture
- 2 Improving Operational Excellence and Reducing Costs
- 3 Reimagining a Hydrogen-Powered Future

Delivering practical applications today, to help lead the energy transition in transport

Appendix – Recast Historical Segment Results

Historical Segment Results

(expressed in millions of U.S. dollars)

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Three months ended									
Light-Duty									
Revenue	\$62.0	\$63.8	\$57.5	\$64.0	\$66.4	\$73.7	\$60.2	\$63.4	\$63.2
Gross margin	\$10.5	\$11.6	\$11.4	\$9.0	\$12.3	\$12.7	\$12.0	\$12.1	\$12.4
Gross margin %	16.9%	18.2%	19.8%	14.1%	18.5%	17.2%	19.9%	19.1%	19.6%
High-Pressure Controls & Systems									
Revenue	\$2.0	\$4.4	\$3.5	\$4.7	\$2.9	\$2.8	\$3.7	\$2.5	\$2.4
Gross margin	\$0.2	\$1.2	\$1.0	\$1.3	\$0.8	\$0.6	\$1.0	\$0.4	\$0.4
Gross margin %	10.0%	27.3%	28.6%	27.7%	27.6%	21.4%	27.0%	16.0%	16.7%
Heavy-Duty OEM									
Revenue	\$12.5	\$11.8	\$10.2	\$9.3	\$12.9	\$8.5	\$13.5	\$21.3	\$12.0
Gross margin	\$(0.8)	\$(2.3)	\$(1.1)	\$(5.8)	\$0.2	\$1.1	\$0.2	\$(4.5)	\$(1.1)
Gross margin %	(6.4)%	(19.5)%	(10.8)%	(62.4)%	1.6%	12.9%	1.5%	(21.1)%	(9.2)%