

For immediate release

## **LION ELECTRIC DELIVERS ITS FIRST BUS FUNDED BY A GRANT UNDER THE U.S. ENVIRONMENTAL PROTECTION AGENCY'S CLEAN SCHOOL BUS PROGRAM**

**Joliet, Ill., December 19, 2022** - The Lion Electric Company (NYSE: LEV) (TSX: LEV) ("Lion" or the "Company"), a leading manufacturer of all-electric medium and heavy-duty vehicles, today announced that it has completed delivery of its first LionC zero-emission school bus funded by the U.S. Environmental Protection Agency's ("EPA") Clean School Bus Program to Mount Desert Island Regional School System in Bar Harbor, Maine. Mount Desert received a U.S. manufactured Lion bus built at the Company's recently opened factory in Joliet, Ill., which will initially focus on the production of all-electric school buses. At full scale, this facility is expected to be able to produce up to 20,000 medium and heavy-duty vehicles annually. Deliveries were also completed to Wabaunsee County Schools in Kansas and Big Valley Joint Unified School District in Northern California.

"It is very exciting for us to be delivering our first "Made in America" LionC funded by a grant under the EPA's Clean School Bus Program. We could not be prouder to deliver this LionC electric school bus to Mount Desert Island Regional School System, one of our repeat customers to which we started selling LionC buses in 2021," said Nate Baguio, Senior Vice President of Commercial Development at Lion Electric. "We are pleased to be supporting Mount Desert, in both their adoption of zero-emission school buses and their commitment to the health of the students and the community," he continued.

Along with the delivery of the bus, Lion can ease the transition to zero-emissions with a comprehensive set of ecosystem solutions – from charging infrastructure with LionEnergy, proprietary EV telematics with LionBeat, financing assistance with LionCapital Solutions, driver/maintenance/safety training from Lion's BrightSquad and funding support assistance provided by the LionGrants team.

Launched in mid-2022, the EPA's Clean School Bus Program announced its first round of awarded school districts in October, nearly doubling the \$500 million originally allocated to \$913 million due to resounding interest in the program. Vouchers awarded in this initial round of EPA funding are conditional on buses being ordered from October 2022 to April 2023, and charging infrastructure being installed and vehicles delivered by October 2024.

To date, Lion – which announced in November the production of its first "Made in America" school bus in its Joliet factory – has deployed over 800 all-electric medium and heavy-duty vehicles which have covered over 10 million miles in real world conditions. Each Lion all-electric bus put into operation can eliminate up to 23 tons of greenhouse gas emissions per year, while preventing students from exposure to hazardous particulate emissions from diesel engines.

### **ABOUT LION ELECTRIC**

Lion Electric is an innovative manufacturer of zero-emission vehicles. The company creates, designs and manufactures all-electric class 5 to class 8 commercial urban trucks and all-electric buses and minibuses for the school, paratransit and mass transit segments. Lion is a North

American leader in electric transportation and designs, builds and assembles many of its vehicles' components, including chassis, battery packs, truck cabins and bus bodies.

Always actively seeking new and reliable technologies, Lion vehicles have unique features that are specifically adapted to its users and their everyday needs. Lion believes that transitioning to all-electric vehicles will lead to major improvements in our society, environment and overall quality of life. Lion shares are traded on the New York Stock Exchange and the Toronto Stock Exchange under the symbol LEV.

## **CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws and within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). Any statements contained in this press release that are not statements of historical fact, including statements about Lion's and the Supplier's commitments under the Cell Supply Agreement and the expected volumes of lithium-ion battery cells to be supplied thereunder, are forward-looking statements and should be evaluated as such.

Forward-looking statements may be identified by the use of words such as "believe," "may," "will," "continue," "anticipate," "intend," "expect," "should," "would," "could," "plan," "project," "potential," "seem," "seek," "future," "target" or other similar expressions and any other statements that predict or indicate future events or trends or that are not statements of historical matters, although not all forward-looking statements may contain such identifying words. Such forward-looking statements are based on a number of estimates and assumptions that Lion believes are reasonable when made, including that Lion will be able to retain and hire key personnel and maintain relationships with customers, suppliers and other business partners, that Lion will continue to operate its business in the normal course, that Lion will be able to implement its growth strategy, that Lion will be able to successfully and timely complete the construction of its U.S. manufacturing facility and its Quebec battery plant and innovation center, that Lion will not suffer any supply chain challenges or any material disruption in the supply of raw materials on competitive terms, that Lion will be able to maintain its competitive position, that Lion will continue to improve its operational, financial and other internal controls and systems to manage its growth and size, that its results of operations and financial condition will not be adversely affected, that Lion will be able to benefit, either directly or indirectly (including through its clients), from government subsidies and economic incentives in the future and that Lion will be able to secure additional funding through equity or debt financing on terms acceptable to Lion when required in the future. Such estimates and assumptions are made by Lion in light of the experience of management and their perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Lion believes that these risks and uncertainties include, but are not limited to, the following: any adverse changes in U.S. or Canadian general economic, business, market, financial, political or legal conditions, including as a consequence of the ongoing uncertainties relating to inflation and interest rates; any inability to meet its customers' business needs; any inability to successfully and economically manufacture and distribute its vehicles at scale; any adverse effects of the Russia-Ukraine war, which continues to affect economic and global financial markets and exacerbate ongoing economic challenges; any inability to ramp-up the production of Lion's products and meet project construction and other project milestones and timelines; any inability to execute the Company's growth strategy; any unfavorable fluctuations and volatility in the availability or price of raw materials included in components used to manufacture the Company's products; the outcome of any legal proceedings that may be instituted by or against the Company from time to time; any inability to reduce total cost of ownership of electric vehicles sold by the Company over time; the reliance on key suppliers and any inability to maintain an uninterrupted supply of raw materials; the reliance on key management and any inability to attract and/or retain key personnel; labor shortages (including as a result of employee departures, turnover, and demands for higher wages)

which may force the Company to operate at reduced capacity, to lower its production and delivery rates or lower its growth plans, and could pose additional challenges related to employee compensation; any inability to meet the expectations of the Company's customers in terms of products, specifications, and services; any inability to maintain the Company's competitive position; any inability to reduce the Company's costs of supply over time; any inability to maintain and enhance the Company's reputation and brand; any significant product repair and/or replacement due to product warranty claims or product recalls; any failure of information technology systems or any cybersecurity and data privacy breaches or incidents; any event or circumstance resulting in the Company's inability to convert its order book into actual sales, including the reduction, elimination or discriminatory application of government subsidies and economic incentives; any inability to secure adequate insurance coverage or a potential increase in insurance costs; and natural disasters, epidemic or pandemic outbreaks, boycotts and geo-political events such as civil unrest and acts of terrorism, the current military conflict between Russia and Ukraine or similar disruptions.

These and other risks and uncertainties related to the businesses of Lion are described in greater detail in section 23.0 entitled "Risk Factors" of the Company's management's discussion and analysis ("MD&A") for the years ended December 31, 2021, 2020 and 2019 and in Item 3.D entitled "Risk Factors" of the Company's annual report on Form 20-F for the fiscal year ended December 31, 2021. Many of these risks are beyond Lion's management's ability to control or predict. All forward-looking statements included in this press release are expressly qualified in their entirety by the cautionary statements contained herein and the risk factors included in the Company's annual MD&A for the fiscal year 2021 and in other documents filed with the applicable Canadian regulatory securities authorities and the Securities and Exchange Commission.

Because of these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. Furthermore, forward-looking statements speak only as of the date they are made. Except as required under applicable securities laws, Lion undertakes no obligation, and expressly disclaims any duty, to update, revise or review any forward-looking information, whether as a result of new information, future events or otherwise.

**For further information:**

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