

For immediate release

Press release



Lion Electric Announces the Construction of its Battery Manufacturing Plant and Innovation Center in Quebec

Montreal, March 15th, 2021 – Lion Electric (Lion), an innovative manufacturer of all-electric trucks and buses, announced today the construction of a battery manufacturing plant and innovation center in Quebec.

Utilizing cutting-edge technology, the factory is planned to begin operations in early 2023 and will produce battery packs and modules made from Lithium-ion cells. Construction is projected to break ground over the next few months at a location to be confirmed in the near future.

The project and its development represent an investment of approximately \$185 million CAD by Lion, who will benefit from important support by the federal and provincial governments of approximately \$100 million CAD (amounting to \$50 million CAD each). With the construction of the plant, Lion predicts to see a considerable reduction in the cost of its vehicle manufacturing while ensuring control and optimization of a key component of its vehicle supply chain. Given the battery is the most expensive component of an electric vehicle, this new manufacturing capability will have a direct impact on the development of heavy-duty electric transportation while also offering important environmental and economic benefits.

The Prime Minister of Canada, the Right Honourable Justin Trudeau, the Premier of Quebec, Mr. François Legault, the Minister of Innovation, Science and Industry, the Honourable François-Philippe Champagne, and the Minister of the Economy and Innovation, Mr. Pierre Fitzgibbon, made the announcement today, accompanied by Mr. Marc Bédard, CEO and Founder of Lion Electric.

A Milestone for Lion

With a planned yearly production capacity of 5 gigawatt-hours in battery storage, Lion will be able to electrify approximately 14,000 medium and heavy-duty vehicles annually. The manufacturing plant and innovation center will offer Lion many strategic advantages, including a reduction in its battery system production cost as well as a stable line of procurement of battery packs. Highly automated, Lion's factory is projected to produce one battery module every 11 seconds and a full battery pack every 5 minutes. Lion Electric will be the first Canadian manufacturer of medium and heavy-duty vehicles to equip itself with its own automated battery pack manufacturing capability, utilizing cutting-edge technology.

Lion's innovation center will focus on research and development, with the goal of exploring and achieving new advancements in performance, range, energy capacity and the development of innovative products, and will allow the company the flexibility needed to rapidly adapt to emerging technologies.

Beyond the creation of numerous quality jobs in Quebec – including a projected 135 direct jobs, as well as hundreds more indirect regional jobs – this new facility will become an essential link in a chain of specialized suppliers essential to the electrification of transportation.

Quotes

“With today’s announcement, we are continuing to take steps to support our Canadian businesses, invest in innovation, and protect the environment. It is because of companies like Lion Electric that we are accelerating our transition to a resilient and competitive clean growth economy.”

The Rt. Hon. Justin Trudeau, Prime Minister of Canada

“In Quebec, we are fortunate to have leaders such as Lion Electric to help build a greener, more durable economy. With its new facilities at the cutting-edge of robotization, the company will be able to increase its productivity and will further its contribution to the growth of our economy. In the actual context of economic recovery, this is the type of initiative that can help Quebec differentiate itself in promising sectors, such as that of batteries, and one that my government commits to support.”

François Legault, Quebec Prime Minister

“Lion is synonymous with innovation and bold entrepreneurship, and a key player in Canada’s journey toward a sustainable, green growth future. Investments like the one announced today support job creation and our long-term prosperity, and position Canada as a leader in electric transportation. The electrification of transportation is a major driver for achieving our economic and climate objectives. That is why we are proud to support and assist Lion in this major milestone.”

The Hon. François-Philippe Champagne, Minister of Innovation, Science and Industry

“This new factory will contribute to the development of the battery sector, a priority for our government, and to the blossoming of Lion Electric. The company is gaining an increasing recognition in North America for its electric school buses and trucks while experiencing healthy growth, as demonstrated by notable contracts recently obtained from Amazon and CN, for example.”

Pierre Fitzgibbon, Minister of Economy and Innovation

“Lion is an important player in Quebec and Canada’s ecosystem of electrification of transportation. This factory will allow Lion to integrate a fundamental element to the supply chain of our electric vehicles. Thanks to the financing provided by the federal and provincial governments, we will now be able to manufacture in Canada what we previously imported. Lion, Quebec and Canada will gain from this, both on the economic and environmental fronts, to the great benefit of generations to come.”

Marc Bédard, CEO and Founder of Lion Electric

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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 all 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.

Transaction with Northern Genesis

On November 30, 2020, Lion announced that it had entered into a business combination agreement and plan of reorganization pursuant to which, subject to the satisfaction of customary closing conditions, a wholly-owned subsidiary of Lion will merge with Northern Genesis Acquisition Corp. (NYSE: NGA), a publicly traded special purpose acquisition company focused on a commitment to sustainability and strong alignment with environmental, social and governance principles. Upon completion of the transaction, Lion is expected to be listed on the New York Stock Exchange (NYSE) under the new ticker symbol "LEV".

Lion Electric, The Bright Move
TheLionElectric.com

FORWARD-LOOKING STATEMENT

All statements other than statements of historical facts contained in this press release constitute "forward-looking statements" (which shall include forward-looking information within the meaning of Canadian securities laws) within the meaning of Section 27A of the Securities Act. Forward-looking statements may generally be identified by the use of words such as "believe," "may," "will," "continue," "anticipate," "intend," "expect," "should," "would," "could," "plan," "potential," "future," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters, although not all forward-looking statements contain such identifying words. These forward-looking statements include, but are not limited to, statements regarding visibility on potential sales, future operations, prospects, plans and objectives of management. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of Lion's management and are not predictions of actual performance. These forward-looking statements are provided for the purpose of assisting readers in understanding certain key elements of the Company's current objectives, goals, targets, strategic priorities, expectations and plans, and in obtaining a better understanding of the Company's business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes and is not intended to serve as, and must not be relied on, by any investor as a guarantee, an assurance, a prediction or a definitive statement of fact or probability.

Forward-looking statements involve inherent risks and uncertainties, most of which are difficult to predict and many of which are beyond the control of Lion, and are based on a number of assumptions, as well as other factors that Lion believes are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct or that Lion's vision, business, objectives, plans and strategies will be achieved. Many risks and uncertainties could cause Lion's actual results, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements.

In addition, forward-looking statements reflect Lion's expectations, plans or forecasts of future events and views as of the date of this press release. Lion anticipates that subsequent events and developments will cause Lion's assessments to change. However, while Lion may elect to update these forward-looking statements at some point in the future, Lion has no intention and undertakes no obligation to do so, except as required by applicable law. These forward-looking statements should not be relied upon as representing Lion's assessments as of any date subsequent to the date of this press release. Lion's forward-looking statements are expressly qualified in their entirety by this cautionary statement. The complete version of the cautionary note regarding forward-looking statements as well as a description of the relevant assumptions and risk factors likely to affect Lion's actual results, performance or achievements or future events or

developments to differ materially from those expressed or implied by the forward-looking statements are included in the Form F-4 filed by Lion under its profile on EDGAR at www.sec.gov.

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