



Earnings Call Presentation

Q4 2022

Disclaimer

FORWARD-LOOKING STATEMENTS

This presentation (this "Presentation") 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 the Company's management discussion and analysis ("MD&A") for the three and twelve months ended December 31, 2022, that are not statements of historical fact, including statements about The Lion Electric Company's ("Lion" or the "Company") beliefs and expectations, 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. These forward-looking statements include statements regarding the Company's order book and the Company's ability to convert it into actual sales, the expected production capacity of the Company's manufacturing facilities, the capital expenditures expected to be incurred in connection with the Company's U.S. manufacturing facility project and the Company's battery plant and innovation center project in Quebec, the sourcing of lithium-ion battery cells, the Company's U.S. manufacturing facility project and the Company's battery plant and innovation center project in Quebec, the Company's future growth and long-term strategy, an ongoing arbitration proceeding with one of the Company's suppliers, the Company's expected product pipeline and the launch and commercial production of certain platforms and models. 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, and successfully and timely establish its operations and ramp-up manufacturing capacity at, 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 Lion will be able to benefit, either directly or indirectly (including through applications made by the Company and/or its clients), from governmental subsidies and incentives, and that Lion will be able to secure additional funding through equity or debt financing on terms acceptable to Lion and in the amounts needed 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 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 of the Company's MD&A for the three and twelve months ended December 31, 2022, entitled "Risk Factors." Many of these risks are beyond Lion's management's ability to control or predict. All forward-looking statements attributable to Lion or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained and risk factors identified in section 23.0 of the Company's MD&A for the three and twelve months ended December 31, 2022, and in other documents filed with the applicable Canadian regulatory securities authorities and the Securities and Exchange Commission (the "SEC").

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.

INDUSTRY AND MARKET DATA

Although all information and opinions expressed in this Presentation, including market data and other statistical information (including estimates and projections relating to addressable markets), were obtained from sources believed to be reliable and are included in good faith, Lion has not verified the information and makes no representation or warranty, express or implied, as to its accuracy or completeness. Some data is also based on the good faith estimates of Lion, which are derived from its review of internal sources as well as independent sources. This Presentation contains preliminary information only, is subject to change at any time and, is not, and should not be assumed to be, complete or to constitute all the information necessary to adequately make an informed decision regarding your engagement with Lion. While the Company is not aware of any misstatements regarding the industry and market data presented in this Presentation, such data involve risks and uncertainties and are subject to change based on various factors, including those factors discussed under "Forward-Looking Statements" above. The Company has no intention and undertakes no obligation to update or revise any such information or data, whether as a result of new information, future events or otherwise, except as required by law.

FINANCIAL INFORMATION; NON-IFRS FINANCIAL MEASURES AND OTHER PERFORMANCE METRICS

The Company reports its financial results in accordance with the International Financial Reporting Standards ("IFRS"). This Presentation makes reference to certain non-IFRS measures, including Adjusted EBITDA, and other performance metrics, including the Company's order book. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS.

Please refer to Appendix A for additional details and the definitions of Adjusted EBITDA (including a reconciliation of Adjusted EBITDA to the most directly comparable IFRS measure, net loss), and for a full description of the methodology used by the Company in connection with the order book and certain important risks and uncertainties relating to such methodology and the presentation of the order book. Please also refer to the Company's management discussion and analysis for the three months and twelve months ended December 31, 2022 and the Company's earnings release dated March 9, 2023, which are available under the Company's SEDAR profile at www.sedar.com and on the Company's EDGAR profile at www.sec.gov. This earnings presentation reflects information available to the company as of March 9, 2023.

CURRENCY

All amounts in this Presentation are expressed in U.S. dollars unless otherwise indicated.

TRADEMARKS AND TRADE NAMES

Lion owns or has rights to various trademarks, service marks and trade names that they use in connection with the operation of its business. This Presentation also contains trademarks, service marks and trade names of third parties, which are the property of their respective owners. The use or display of third parties' trademarks, service marks, trade names or products in this Presentation is not intended to, and does not imply, a relationship with Lion, or an endorsement or sponsorship by or of Lion. Solely for convenience, the trademarks, service marks and trade names referred to in this Presentation may appear with the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that Lion will not assert, to the fullest extent under applicable law, their rights or the right of the applicable licensor to these trademarks, service marks and trade names.

Lion Electric at a Glance

KEY FACTS

- First-mover in all-electric medium and heavy-duty urban vehicles
- Developing medium and heavy-duty all-electric vehicles and systems for 12+ years: fully focused on electric technology only
- 950+ vehicles on the road and over 10 million miles driven on our platforms
- Multiple tier-1 clients in trucks (Amazon, Pride Group, IKEA, CN, DHL, Familiprix, Simons, The Brick, the NY Times, Hydro-Quebec, Labatt, Habitat for Humanity, etc.) and in buses (STA, First Student, National Express, Transdev, LA USD, ZUM, etc.)

VEHICLE ATTRIBUTES

- Purpose-built for electric, with our own chassis, bus body, truck cabin, and proprietary battery system technology
- Demonstrated favorable TCO vs. diesel

MANUFACTURING FOOTPRINT

- Factory in St-Jerome with estimated annual capacity of 2,500 vehicles at full scale⁽¹⁾
- Joliet Illinois plant with estimated annual capacity of 20,000 vehicles at full scale⁽¹⁾
- Battery plant in Mirabel with estimated annual capacity of 5 GWh at full scale⁽¹⁾
- Workforce of ~1,400 employees

EXPERIENCE AND SERVICE CENTERS

- 12 experience centers across the U.S. and Canada
- Full turnkey solution for fleet electrification, including vehicle selection, charging infrastructure, grants support, financing, training, maintenance and telematics



MANUFACTURING FACILITY IN JOLIET, IL



BATTERY PLANT IN MIRABEL, QC



MANUFACTURING FACILITY IN ST-JEROME (MONTREAL), QC



LION6



LION6 & LIONC

Established EV company with real vehicles on the road today, a book of tier-1 clients and a full turnkey solution for all aspects of fleet electrification

The Lion Ecosystem is Tailored to Electric Vehicle Fleet Operators



1 - INFRASTRUCTURE SUPPORT



Helping customers select and deploy charging infrastructure ahead of vehicle delivery



2 - FINANCING SUPPORT



Guiding customers by offering flexible and complementary financing solutions



3 - GRANT TEAM



Dedicated team forming strong relationships with local entities in the U.S. and Canada to find the right customer funding solutions

Operates at the forefront of policy and the evolving EV ecosystem



4 - EXPERIENCE CENTERS



Teams throughout the U.S. and Canada focused on ensuring a smooth transition to electric for all customers

Customers can test all vehicle types



7 - EV EDUCATION AND VEHICLE SELECTION

Data-driven vehicle education and selection advice to meet each customer's specific needs



6 - DIRECT SALES APPROACH

Highly specialized internal sales team focused on EV



5 - AFTERMARKET SUPPORT



Telematics solution providing real time analytics and ongoing maintenance services, saving customers time and money

1 | **Operational Highlights**

2 | Financial Highlights

3 | Conclusion and Q&A



Recent Developments

Deliveries and Order Book

- 174 vehicle deliveries in Q4: 139 buses and 35 trucks; Fifth quarter in a row of sequential growth in deliveries
- 519 vehicle deliveries in fiscal 2022
- Vehicle order book¹ of 2,468 all-electric vehicles (301 trucks and 2,167 buses)
 - Total order value of approximately \$575 million
- LionEnergy order book¹ of 317 charging stations and related services
 - Total order value of approximately \$6 million

Continued execution of strategic plan

- Completed assembly of first electric school bus at the Joliet manufacturing plant
 - Delivered Lion's first "Made in America" electric school buses under the EPA program
- Completed production of first battery pack at Mirabel battery factory
 - Expecting final certification of first battery pack model in H1 2023
- Announced North American agreement with Mitsubishi HC Capital Canada and ENGS Commercial Finance to provide financing for Lion vehicles through LionCapital Solutions
- Approved as Qualified Manufacturer by the IRS; vehicles sold in the U.S. eligible for a tax credit of \$40K/vehicle under the U.S. Inflation Reduction Act



LionC delivery under the EPA program to Wabaunsee School District in Kansas with Mr. Michael S. Regan, EPA Administrator



¹) As of March 9, 2023. The Company's vehicle and charging stations order book is determined by management based on purchase orders that have been signed, orders that have been formally confirmed by clients or products in respect of which formal joint applications for governmental subsidies or economic incentives have been made by the applicable clients and the Company. The order book is expressed as a number of units or a total dollar value, which dollar value is determined based on the pricing of each unit included in the order book as further explained under "Pricing" in section 10.0 of the Company's MD&A for the three and twelve months ended December 31, 2022 entitled "Order Book". The vehicles included in the vehicle order book as of March 9, 2023, provided for a delivery period ranging from a few months to the end of the year ending December 31, 2025. Substantially all deliveries are subject to the granting of subsidies and incentives with processing times that are subject to important variations, and there has been in the past and the Company expects there will continue to be variances between the expected delivery periods of orders and the actual delivery times, and certain delays could be significant. Such variances or delays could result in the loss of a subsidy or incentive and/or in the cancellation of certain orders, in whole or in part. The Company's presentation of the order book should not be construed as a representation by the Company that the vehicles and charging stations included in its order book will translate into actual sales. See "Financial Information; Non IFRS Financial Measures and Other Performance Metrics" on page 2. See "Appendix A - Non-IFRS Financial Measures and Other Performance Metrics" for a full description of the methodology used by the Company in connection with the order book and certain important risks and uncertainties relating to such methodology and the presentation of the order book.

All-Electric Vehicle Line-Up

All-Electric School Buses



LIONC
Type C

LIONA
Type A

LIOND
Type D

Commercial Production⁽¹⁾	✓	× (Expected 2023)	× (Expected 2023)
Deliveries Made to Date	✓	×	×

All-electric Trucks



LION5
Class 5

LION6
Class 6

LION8
Class 8

LION8T
Class 8 Tractor

Commercial Production⁽²⁾	× (Expected 2023)	✓	✓	× (Expected 2023) ⁽³⁾
Deliveries Made to Date	×	✓	✓	×

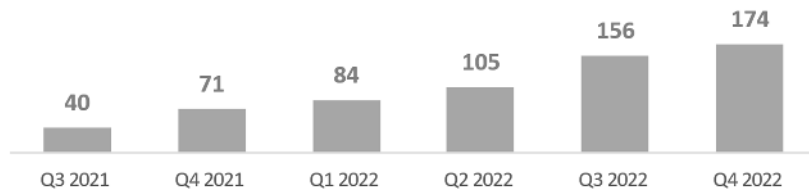
- The Company has substantially completed the development phase for the LionA and LionD, and it expects that its remaining development efforts will be limited to the introduction of product enhancements and new features, final battery integration as well as any final adjustments required to obtain final key certifications and commence vehicle production on the assembly line. To achieve commercial production, the Company will need to finalize key certifications and commence vehicle production on the assembly line. Timing of commercial production for the LionA and LionD may be subject to change or delays. See section 2 of the Company's fiscal 2022 Annual Information Form entitled "Cautionary Note Regarding Forward-Looking Statements" and section 23.0 of the Company's fiscal 2022 MD&A entitled "Risk Factors."
- The Company has substantially completed the development phase for the Lion5 and Lion8T, and it expects that its remaining development efforts will be limited to the introduction of product enhancements and new features, final battery integration as well as any final adjustments required to obtain final key certifications and commence vehicle production on the assembly line. To achieve commercial production, the Company will need to finalize key certifications and commence vehicle production on the assembly line and, in the case of the Lion 8T, secure the supply of battery packs. Timing of commercial production for the Lion5 and Lion8T may be subject to change or delays. See section 2 of the Company's Annual Information Form entitled "Cautionary Note Regarding Forward-Looking Statements" and section 23.0 of the Company's MD&A entitled "Risk Factors."
- Timing of commercial production for the Lion8T was previously contemplated in the first half of 2023 but has been delayed given that it is dependent upon the availability of battery packs from Romeo Systems, Inc. ("Romeo") (now a subsidiary of Nikola Corporation ("Nikola")), in respect of which the Company has initiated legal proceedings, including confidential arbitration proceedings against Romeo, the whole as further discussed in section 13 of this Annual Information Form entitled "Legal Proceedings and Regulatory Actions." The Company's objective remains to begin commercial production of the Lion8T as soon as practically reasonable, but the exact timing will be dependent on the outcome of the ongoing Romeo dispute. Battery packs that the Company contracted to purchase from Romeo under the parties' supply agreement are specifically designed to be mounted on Lion8T vehicles. While the Company is looking at alternative supply options that could potentially be available in the long-term if necessary in light of the current situation with Romeo, the Company does not currently have any comparable and readily available alternative supply solution. See section 2 of the Company's Annual Information Form entitled "Cautionary Note Regarding Forward-Looking Statements" and section 16 entitled "Material Contracts" of the Company's Annual Information Form.

Q4 2022 and Fiscal 2022 Deliveries

Q4 2022 Vehicle Deliveries

- **174** vehicles delivered in Q4
 - **139** buses and **35** trucks
 - **160** in Canada and **14** in the U.S.
- Fifth quarter of sequential growth in deliveries

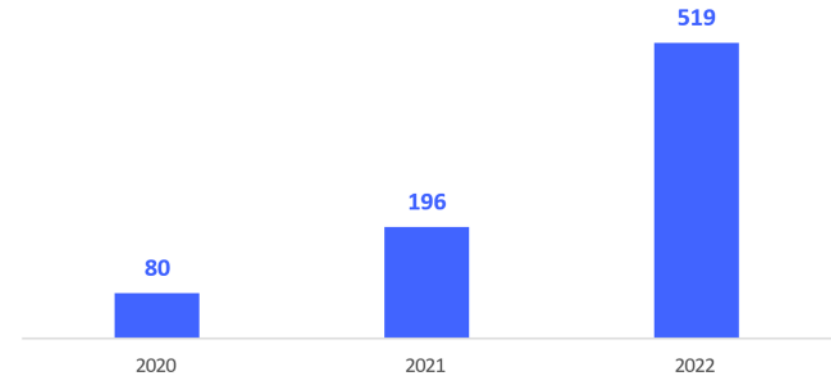
Quarterly Vehicle Deliveries



2022 Vehicle Deliveries

- **519** vehicles delivered in 2022 vs. 196 in 2021
 - **409** buses and **110** trucks
 - **471** in Canada and **48** in the U.S.

Annual Vehicle Deliveries



Order Book¹ (As of March 9, 2023)

Electric Vehicles

- **2,468** Total order book
 - 2,167 All-electric buses
 - 301 All-electric trucks

- **~\$575M** Total order book

LionEnergy

- **317** Charging stations and related Services

- **~\$6M** Total order book

School Bus Operators & School Districts



Food & Beverages



Freight & Logistics



Power Distributors



Retailers & E-Commerce



Waste Management



Manufacturing



Ambulances



1) As of March 9, 2023. The Company's vehicle and charging stations order book is determined by management based on purchase orders that have been signed, orders that have been formally confirmed by clients or products in respect of which formal joint applications for governmental subsidies or economic incentives have been made by the applicable clients and the Company. The order book is expressed as a number of units or a total dollar value, which dollar value is determined based on the pricing of each unit included in the order book as further explained under "Pricing" in section 10.0 of the Company's MD&A for the three and twelve months ended December 31, 2022 entitled "Order Book". The vehicles included in the vehicle order book as of March 9, 2023, provided for a delivery period ranging from a few months to the end of the year ending December 31, 2025. Substantially all deliveries are subject to the granting of subsidies and incentives with processing times that are subject to important variations, and there has been in the past and the Company expects there will continue to be variances between the expected delivery periods of orders and the actual delivery times, and certain delays could be significant. Such variances or delays could result in the loss of a subsidy or incentive and/or in the cancellation of certain orders, in whole or in part. The Company's presentation of the order book should not be construed as a representation by the Company that the vehicles and charging stations included in its order book will translate into actual sales. See "Financial Information; Non IFRS Financial Measures and Other Performance Metrics" on page 2. See "Appendix A - Non-IFRS Financial Measures and Other Performance Metrics" for a full description of the methodology used by the Company in connection with the order book and certain important risks and uncertainties relating to such methodology and the presentation of the order book.

Joliet (U.S.) Manufacturing Facility

Q4 2022 Update

- Completed first electric school bus unit and delivered its first “Made in America” electric school buses under the EPA program
- Continued to manufacture school buses, mostly for purpose of working stations set-up and employee training and for initial customer deliveries
- Expect to have infrastructure in place for annual production capacity of 2,500 school buses by year-end 2023⁽¹⁾

Project Cost Update

- Incurred ~\$72 million in 2022, including ~\$19 million in Q4/2022
- Total project capex incurred to date of ~\$85 million
- Expected capex of ~\$20 million in 2023⁽¹⁾



¹⁾ The cadence of the Company's investments relating to the Joliet Facility and the timing of installation of additional equipment to increase production rates up to 2,500 buses per year and beyond has been and will continue to be reassessed by management on a continuous basis depending upon prevailing economic conditions, the demand environment for the Company's products as well as the Company's liquidity profile. As such, management's expectations with respect to the Joliet facility and the related ramp-up of production are based on a number of assumptions and may be subject to change. See "Forward-Looking Statements" on page 2.

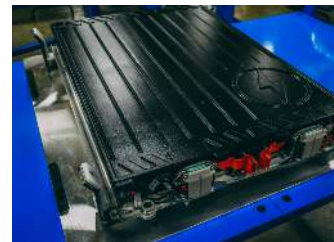
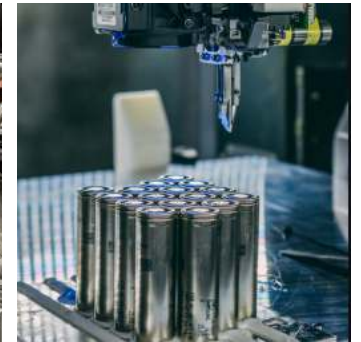
Lion Campus – Battery Plant and Innovation Center

Q4 2022 Update

- Completed transfer of first portion of battery assembly line from JR Automation's facility in Troy, Michigan to Mirabel battery plant
- Received additional portion of battery assembly line from JRA; currently working to install the second portion of production line
- Completed production of the first battery pack in Q4 2022
- Final certification of first battery pack model expected in first half of 2023, followed by gradual ramp up of production in 2023
- Expect to have equipment in place for annual production capacity of 1.7 GWh by year-end 2023⁽¹⁾
- Innovation Center building shell substantially completed

Project Cost Update⁽²⁾

- Incurred **~\$71** million in 2022, including **~\$21** million in Q4/2022
- Total capex incurred to date of **~\$78** million
- Expected capex of **~\$45** million in 2023; **~\$23** million for battery plant and **~\$22** million for Innovation Center⁽²⁾



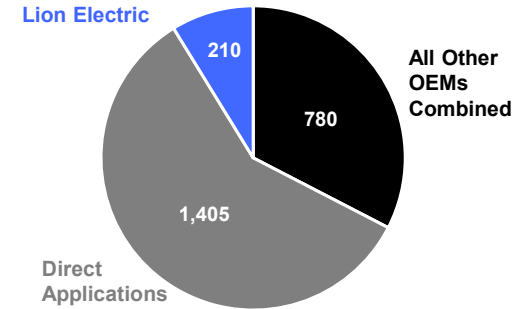
1) The cadence of the Company's investments relating to the Lion Campus and the timing of installation of battery pack and module production lines as well as completion of the Innovation Center has been and will continue to be reassessed by management on a continuous basis depending upon prevailing economic conditions, the demand environment for the Company's products, global market conditions relating to the supply of battery cells and other components used in Lion's battery modules and packs, as well the Company's liquidity profile. As such, management's expectations with respect to the Lion Campus and the related ramp-up of production are based on a number of assumptions and may be subject to change. See "Forward-Looking Statements" on page 2.

2) Capex figures includes R&D / addition to intangible assets

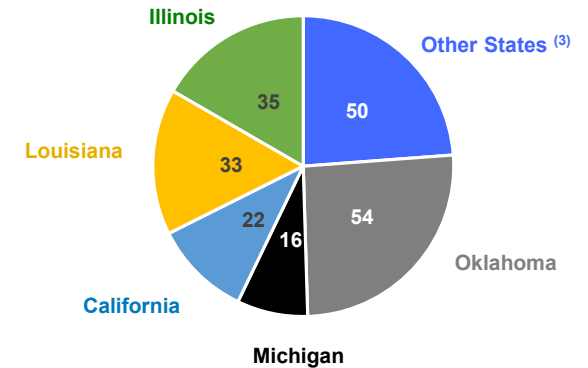
U.S. EPA – Clean School Bus Rebate Program

- **\$5B total program** over 5 years dedicated to zero-and low-emission school buses
 - Part of the Bipartisan Infrastructure Law
- First round of funding for **~\$930 million** awarded as of March 9, 2023
 - Subsidy of up to **\$375K** per electric school bus (**up to 100%** of cost) and up to **\$20k** for charging infrastructure
 - **2,395** electric buses awarded to 376 applicants
 - Purchase order required by **April 28, 2023**; vehicle delivery by **October 2024**
- **210** vouchers granted through school board applications filed through Lion⁽²⁾
- **190** purchase orders received as of March 9, 2023; EPA anticipates disbursing funds within ~60 days of submission
- Significant opportunity to convert additional vouchers into Lion purchase order
 - More than 1,400 unit vouchers obtained directly by school districts (without identifying an OEM or related dealership)
- Another **\$1B** expected to be available in 2023 under an additional round of funding
- Lion started delivering Made-in-America school buses via its Joliet plant

EPA Round 1 Awards Breakdown (Electric Buses)⁽¹⁾



EPA Voucher Awards Filed Through Lion (Electric Buses)



¹⁾ All numbers have been derived from the data made publicly available by the EPA (<https://www.epa.gov/system/files/documents/2022-10/List-of-CSB-Rebate-FY2022-Selectees-Final.pdf>). Numbers shown in this chart with respect to "All Other OEMs Combined (including dealers)" and "No OEM Identified" have been estimated by management based on the name of the applicant organizations publicly disclosed and its knowledge of the industry.

²⁾ While these vouchers relate to applications that have been filed through the Company, there is no certainty that vouchers awarded to school districts will translate into actual purchase orders and/or sales, which will be dependent upon the applicable school district electing to timely submit an actual purchase order to the Company and, as applicable, any purchase order being fulfilled in accordance with its terms. Based on the current terms of the EPA Clean School Bus Rebate Program, unless a purchase order has been received by the Company, vouchers awarded under the actual format of the EPA Clean School Bus Rebate Program are not included in Company's order book. See "Appendix -Non-IFRS Financial Measures and Other Performance Metrics" for a full description of the methodology used by management in connection with the order book. Also see "Forward-Looking Statements" on page 2.

³⁾ Other States include Alabama, Arkansas, Indiana, Kansas, Maine, Missouri, Montana, North and South Dakota, Texas and Wisconsin.

LionCapital Solutions Update

LionCapital Solutions

- LionCapital Solutions provides customers with flexible financing solutions specifically tailored to medium and heavy-duty electric vehicle market
- Offering specifically designed for Lion school buses, Lion trucks and related charging infrastructure
- Financing solutions are integrated into Lion's turnkey fleet electrification package in both Canada and the U.S.

Partnership with Mitsubishi HC Capital Canada & ENGS Commercial Finance

- Agreement with Mitsubishi HC Capital Canada and ENGS Commercial Finance to provide financing solutions to Lion school bus and truck customers, announced on February 13, 2023
- Solution available in both the U.S. and Canada
- Leverages Mitsubishi's vehicle financing expertise and capital to provide Lion customers with tailored financing solutions for the EV space

Customer Advantages



Maximize access to funding



Can completely eliminate upfront capital requirements



Simplify the financing process



Flexible and complementary solutions



Competitive pricing

1 | Operational Highlights

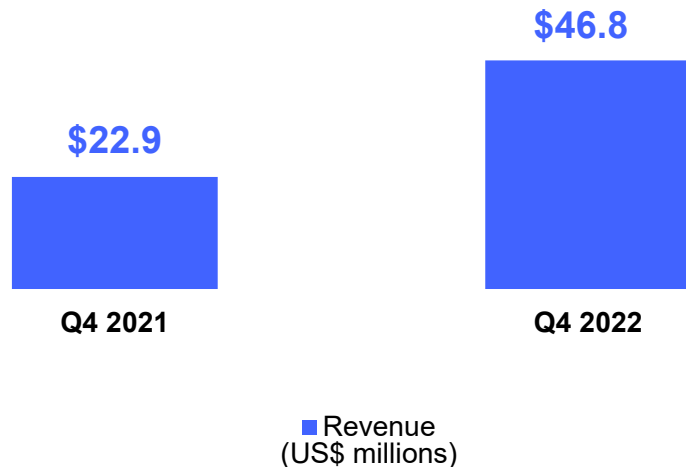
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Q4 2022 Results Overview

Q4 2022 REVENUE



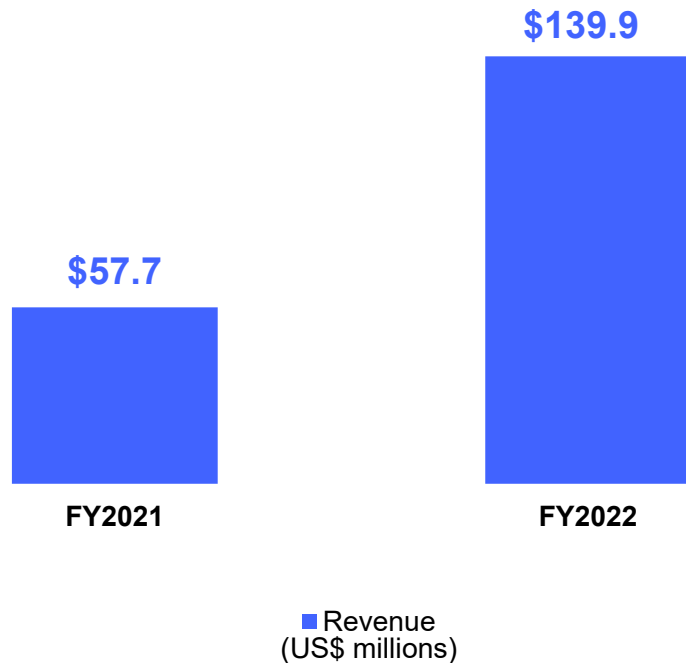
Q4 2022 Highlights

- **Record number of 174** vehicles delivered in Q4 2022 vs. **71** in Q4 2021
- Gross loss of **(\$4.8)** million reflecting higher raw material and commodity costs, product mix, production ramp up costs, higher logistical costs, continuing global supply chain challenges and inflationary environment
- Adjusted EBITDA¹ of **(\$13.9)** million and net loss of **\$4.6** million
- **\$39.1** million in CAPEX
- **\$21.3** million in additions to intangible assets, which mainly consists of R&D activities

1) Non-IFRS measure. See "Financial Information; Non-IFRS Financial Measures and Other Performance Metrics". This measure is also defined in Appendix A, which also includes a reconciliation to the most directly comparable IFRS measure.

Fiscal 2022 Results Overview

FISCAL 2022 REVENUE



Fiscal 2022 Highlights

- **Record number of 519** vehicles delivered in 2022 vs. **196** in 2021
- Gross loss of **(\$12.9)** million reflecting higher raw material and commodity costs, product mix, overall production ramp up costs, continuing global supply chain challenges and inflationary environment
- Adjusted EBITDA¹ of **(\$54.8)** million and net earnings of **\$17.8** million
- **\$148** million in CAPEX
- **\$79.1** million in additions to intangible assets, which mainly consists of R&D activities

1) Non-IFRS measure. See "Financial Information; Non-IFRS Financial Measures and Other Performance Metrics". This measure is also defined in Appendix A, which also includes a reconciliation to the most directly comparable IFRS measure.

Liquidity Update

Liquidity Profile

- **\$88M** cash on hand as of December 31, 2022
- **~\$21M** received in Feb. 2023 from sale-leaseback of Mirabel battery plant building
- **\$7.5M** from exercise of overallotment option in Jan. 2023 of Dec. 2022 unit offering
- **C\$100M (~\$75M)⁽²⁾** government loans for Lion Campus
 - ~\$20M drawn as of December 31, 2022
 - ~\$10M estimated to be received for capex incurred in 2022 (as Dec. 31)
 - Expected to fund ~55% (~\$25M)⁽¹⁾ of 2023 Lion Campus capex
- **~\$200M** ABL revolving facility
 - ~\$72M drawn vs. borrowing base of ~\$90M (as of December 31, 2022)
 - Expecting borrowing base to increase with receivables and inventory
- **~\$94M** of remaining capacity on \$125M ATM program

Sources of Capital Secured in Q4

- **~\$50M** in gross proceeds from December 2022 Offering (\$57.5M including overallotment)
- **~\$10M** from equity issuance under ATM program
- **~\$35M** draw on ABL revolving Facility
- **~\$12M** from Finalta-CDPQ loan increase
- **~\$9M** from government loans for Lion Campus

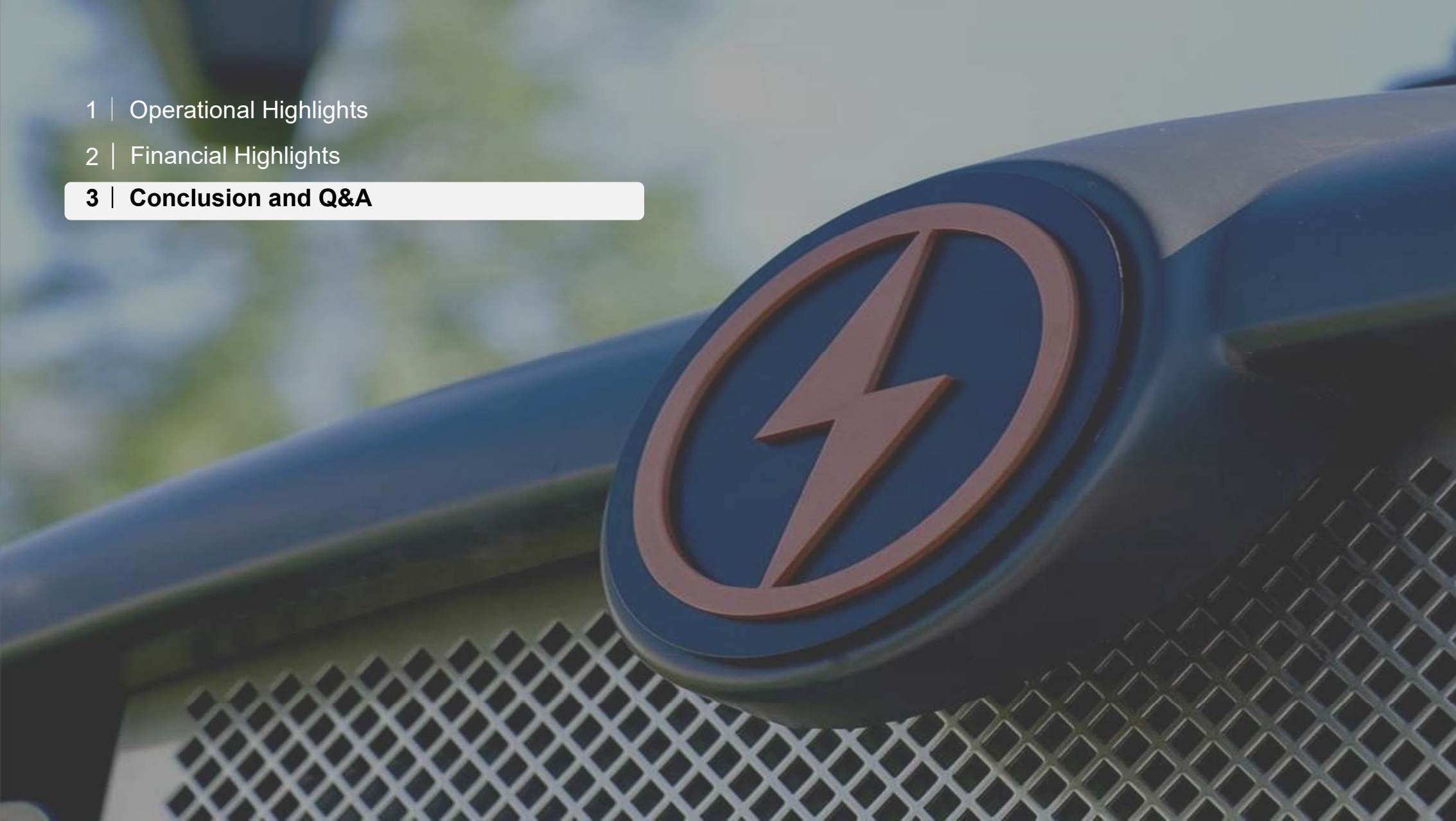
1) Subject to meeting the requirements for the related claim process and timing under such instruments. See "Forward-Looking Statements" on page 2.

2) Based on 1.35 CAD/USD FX rate as of December 31, 2022.

1 | Operational Highlights

2 | Financial Highlights

3 | Conclusion and Q&A



Established EV Company with Vehicles on the Road and Proven Technology



Established commercial EV OEM with 12+ years of R&D and manufacturing experience and 950+ EVs on the road, having collectively travelled 10M+ miles



Massive TAM in the U.S. and Canada in medium- and heavy-duty EVs, with strong secular tailwinds accelerating fleet electrification



Commanding leadership in the all-electric school bus space, based on customer deliveries (800+) and order book of 2,000+ vehicles⁽¹⁾



Uniquely positioned to lead the medium- and heavy-duty truck segment, with purpose-built vehicles available for purchase today and a growing list of Tier 1 clients



Existing manufacturing footprint to further support growth plan: once ramp up is complete, estimated 20K annual production capacity at U.S. plant, and estimated 5GWh annual production capacity at battery plant, leveraging over a decade of battery and vehicle electrification R&D⁽²⁾

¹⁾ Please refer to Appendix A for a full description of the methodology used by the Company in connection with the order book and certain important risks and uncertainties relating to such methodology and the presentation of the order book.

²⁾ Represents management's estimates of the projected annual production capacity at the facility after completion of the production ramp-up and scale-up of manufacturing operations. Such estimates have been prepared on the basis of current footprint and projected work stations and equipment. See "Forward-Looking Statements" on page 2 and see section 6.10 of the Company's Annual Information Form for the year ended December 31, 2022 entitled "Property, Plants and Equipment".



Q&A

Appendix A – Non-IFRS Financial Measures and Other Performance Metrics

Adjusted EBITDA

- “Adjusted EBITDA” is defined as net earnings (loss) before finance costs, income tax expense or benefit, and depreciation and amortization, adjusted for share-based compensation, changes in fair value of share warrant obligations, foreign exchange (gain) loss and transaction and other non-recurring expenses. Adjusted EBITDA is intended as a supplemental measure of performance that is neither required by, nor presented in accordance with, IFRS. Lion believes that the use of Adjusted EBITDA provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing Lion’s financial measures with those of comparable companies, which may present similar non-IFRS financial measures to investors. However, readers should be aware that when evaluating Adjusted EBITDA, Lion may incur future expenses similar to those excluded when calculating Adjusted EBITDA. In addition, Lion’s presentation of these measures should not be construed as an inference that Lion’s future results will be unaffected by unusual or non-recurring items. Lion’s computation of Adjusted EBITDA may not be comparable to other similarly entitled measures computed by other companies, because all companies may not calculate Adjusted EBITDA in the same fashion.
- The following table reconciles net earnings (loss) to Adjusted EBITDA for the three months ended December 31, 2022, and 2021 and the years ended December 31, 2022, and 2021:

	Three months ended December 31,		Year ended December 31,	
	2022	2021	2022	2021
	(in thousands)		(in thousands)	
Revenue	\$46,769	\$22,870	\$139,914	\$57,710
Net earnings (loss)	\$(4,638)	\$28,266	\$17,776	\$(43,325)
Finance costs	\$(891)	\$1,194	\$955	\$8,332
Depreciation and amortization	\$3,724	\$1,643	\$11,492	\$5,260
Share-based compensation ⁽¹⁾	\$2,522	\$5,080	\$12,362	\$71,081
Change in fair value of share warrant obligations ⁽²⁾	\$(15,434)	\$(46,587)	\$(101,468)	\$(85,796)
Foreign exchange loss (gain) ⁽³⁾	\$559	\$2,337	\$1,973	\$1,037
Transaction and other non-recurring expenses ⁽⁴⁾	\$245	\$616	\$2,140	\$15,815
Income taxes	–	–	–	–
Adjusted EBITDA	\$(13,915)	\$(7,453)	\$(54,770)	\$(27,596)

- Represents non-cash expenses recognized in connection with the issuance and revaluation to fair value of stock options issued to participants under Lion’s stock option plan as described in note 15 to the annual audited consolidated financial statements as at and for years ended December 31, 2022 and 2021.
- Represents non-cash change in the fair value of the share warrant obligations as described in note 13 to the annual audited consolidated financial statements as at and for years ended December 31, 2022 and 2021.
- Represents non-cash losses (gains) relating to foreign exchange translation.
- For the year ended December 31, 2022, represents professional fees related mostly to supply chain and project optimization initiatives and other non-recurring professional fees. For the year ended December 31, 2021, represents transaction costs related to the Business Combination which was completed on May 6, 2021, as described in note 4 to the annual audited consolidated financial statements, professional fees related to financing transactions, and other non-recurring professional fees. For the year ended December 31, 2020, represents professional fees related to financing transactions and other non-recurring professional fees.

Appendix A – Non-IFRS Financial Measures and Other Performance Metrics

Order Book Methodology

- General Principle:** The Company's vehicle and charging stations order book is determined by management based on purchase orders that have been signed, orders that have been formally confirmed by clients or products in respect of which formal joint applications for governmental subsidies or economic incentives have been made by the applicable clients and the Company. The order book is expressed as a number of units or a total dollar value, which dollar value is determined based on the pricing of each unit included in the order book as further explained below under the section entitled "Pricing". The vehicles included in the vehicle order book as of March 9, 2023 provided for a delivery period ranging from a few months to the end of the year ending December 31, 2025. Substantially all of the vehicle orders included in the order book are subject to the granting of governmental subsidies and incentives, including programs in respect of which applications relating to vehicles of Lion have not yet been fully processed to date. The processing times of governmental subsidies and incentives are also subject to important variations. As further described below under the sections entitled "Delivery Periods" and "Ongoing Evaluation; Risk Factors", there has been in the past and the Company expects there will continue to be variances between the expected delivery periods of orders and the actual delivery times, and certain delays could be significant. Such variances or delays could result in the loss of a subsidy or incentive and/or in the cancellation of certain orders, in whole or in part. The Company's presentation of the order book should not be construed as a representation by the Company that the vehicles and charging stations included in its order book will translate into actual sales.
- Delivery Periods:** The Company's order book refers to products that have not yet been delivered but which are reasonably expected by management to be delivered within a time period that can be reasonably estimated and includes, in the case of charging stations, services that have not been completed but which are reasonably expected by management to be completed in connection with the delivery of the product. Purchase orders and applications relating to vehicles of Lion generally provide for a time period during which the client expects delivery of the vehicles. Such period can vary from a specific date, a number or range of months after the issuance of the order or application, or a calendar year. The vehicles included in the vehicle order book as of March 9, 2023 provided for a delivery period, subject to the satisfaction of the conditions set forth in each order (which, in substantially all cases as further discussed herein, relate to the approval of governmental subsidies and grants), ranging from a few months to the end of the year ending December 31, 2025, which corresponds to the latest date by which claims are required to be made according to the current eligibility criteria of the Federal's Infrastructure Canada's Zero-Emission Transit Fund ("ZETF"), unless otherwise agreed by Infrastructure Canada. Delivery periods are disclosed from time to time by the Company when available in respect of material orders. Delivery periods should not be construed as a representation or a guarantee by the Company that the actual delivery time will take place as scheduled. Given the nature of the business and the products of the Company, the implied lead time for the production and delivery of a vehicle (which may be impacted, among other things, by supply chain challenges or changes in specifications), the nature of certain customers of the Company (in many cases, fleet owners operating capital intensive operations which require financing and ongoing scheduling flexibility), and the fact that, as further described herein, substantially all of the vehicle orders included in the order book are subject to the granting of governmental subsidies and incentives, actual delivery times may be subject to important variations or delays. Please refer to the section entitled "Ongoing Evaluation; Risk Factors" below regarding the potential impact of variations or delays in deliveries.
- Pricing:** When the Company's order book is expressed as an amount of sales, such amount has been determined by management based on the current specifications or requirements of the applicable order, assumes no changes to such specifications or requirements and, in cases where the pricing of a product or service may vary in the future, represents management's reasonable estimate of the prospective pricing as of the time such estimate is reported. A small number of vehicles included in the order book have a pricing that remains subject to confirmation based on specifications and other options to be agreed upon in the future between the applicable client and the Company. For purposes of the determination of the order book and the value allocated to such orders, management has estimated the pricing based on its current price lists and certain other assumptions relating to specifications and requirements deemed reasonable in the circumstances.
- Performance Metric:** The order book is intended as a supplemental measure of performance that is neither required by, nor presented in accordance with, IFRS, and is neither disclosed in nor derived from the financial statements of the Company. The Company believes that the disclosure of its order book provides an additional tool for investors to use in evaluating the Company's performance, market penetration for its products, and the cadence of capital expenditures and tooling. The Company's computation of its order book is subject to the specific methodology described herein and may not be comparable to other similarly entitled measures computed by other companies, because all companies may not calculate their order book in the same fashion. Other companies also sometimes refer to or use "order backlog" or "order intake" as performance metrics, which are most likely not calculated on the same basis as the Company's order book. In addition, as explained above, the Company's presentation of the order book is calculated based on the orders and the applications made as of the time that the information is presented, and it is not based on the Company's assessment of future events and should not be construed as a representation by the Company that the vehicles and charging stations included in its order book will translate into actual sales.
- Ongoing Evaluation; Risk Factors**
 - A portion of the vehicles or charging stations included in the Company's order book may be cancellable in certain circumstances (whether by reason of a delivery delay, unavailability of a subsidy or incentive or otherwise) within a certain period. Management reviews the composition of the order book every time it is reported in order to determine whether any orders should be removed from the order book. For purposes of such exercise, management identifies orders that have been or are reasonably likely to be cancelled and examines, among other things, whether conditions attaching to the order are reasonably likely to result in a cancellation of the order in future periods as well as any other available information deemed relevant, including ongoing dialogue with clients. Such exercise may result from time to time in orders that have previously been included in the order book being removed even if they have not been formally canceled by the client.
 - The Company cannot guarantee that its order book will be realized in full, in a timely manner, or at all, or that, even if realized, revenues generated will result in profits or cash generation as expected, and any shortfall may be significant. The Company's conversion of its order into actual sales is dependent on various factors, including those described below and under section 23.0 of the Company's MD&A entitled "Risk Factors". For instance, a customer may voluntarily or involuntarily default on an order, may become subject to bankruptcy or insolvency or cease its business operations. In addition, substantially all of the vehicle orders included in the order book are subject to conditions relating to the granting of governmental subsidies or incentives or a specified timing for the delivery of the vehicle and, in a limited number of cases, the availability of certain specifications and options or the renewal of certain routes by governmental or school authorities. As a result, the Company's ability to convert its order book into actual sales is highly dependent on the granting and timing of governmental subsidies and incentives, most notably subsidies and incentives under the Quebec government's 2030 Plan for a Green Economy (the "Quebec Green Economy Plan"), under the Federal's Infrastructure ZETF, the Government of Canada Incentives for Medium- and Heavy-Duty Zero-Emission Vehicles (iMHZEV) Program, the U.S. Environmental Protection Agency Clean School Bus Program and California's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP). Approximately half of the vehicles included in the order book are contingent upon grants under the ZETF, in respect of which applications relating to vehicles of Lion have not yet been fully processed to date and December 31, 2025 is the latest date by which claims are required to be made according to the current eligibility criteria of the program, unless otherwise agreed by Infrastructure Canada. Any termination, modification, delay or suspension of any governmental subsidies and incentives, including, most importantly as of the date hereof, the ZETF or the Quebec Green Economy Plan, could result in delayed deliveries or the cancellation of all or any portion of orders, which, in turn, could have a material and adverse effect on the Company's business, results of operations or financial condition.
 - The Company's conversion of its order book into actual sales is also dependent on its ability to economically and timely manufacture its vehicles, at scale. The Company delivered 196 vehicles during the year ended December 31, 2021, and 519 vehicles during the year ended December 31, 2022. As of March 9, 2023, the Company's vehicle order book stood at 2,443 vehicles. The execution of the Company's growth strategy and the conversion of its order book, which currently provides for deliveries ranging from a few months to the end of the year ending December 31, 2025, will therefore require significant ramp-up in its production. The Company's Saint-Jerome facility currently has an estimated annual production capacity of 2,500 vehicles at full scale and the Company is in the process of establishing its operations at the Joliet Facility and the Lion Campus (see section 8.0 of the Company's MD&A entitled "Operational Highlights" and "Product Development and Manufacturing" under section 11.0 of the Company's MD&A entitled "Key Factors Affecting Lion's Performance" for further details), the Company has limited experience to date in high volume manufacturing of its vehicles. In addition, as of March 9, 2023, 428 units included in the order book, consisting mainly of LionA and LionD buses and Lion8T trucks and representing a combined total order value of approximately \$155 million, related to products which had been developed and were being sold, but that were not currently in commercial production. See "Products and Solutions" in section 6.2 of the Company's Annual Information Form entitled "General Development of the Business". Any failure by the Company to successfully develop its vehicles, source its key components, and scale its manufacturing processes within projected costs and timelines could have a material adverse effect on its business, results of operations or financial condition. As a result, the Company's realization of its order book is subject to a number of risks and uncertainties, including the risks described in sections 3.0 and 23.0 of the Company's MD&A entitled "Caution Regarding Forward-Looking Statements" and "Risk Factors", respectively, and there can be no assurance that the Company will be successful in converting all or a significant portion of its order book into actual sales.