

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name THE LION ELECTRIC COMPANY		2 Issuer's employer identification number (EIN) 98-1026310	
3 Name of contact for additional information NICOLAS BRUNET	4 Telephone No. of contact (450) 432-5466	5 Email address of contact	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 921 CHEMIN DE LA RIVIERE-DU-NORD		7 City, town, or post office, state, and ZIP code of contact SAINT-JEROME, QC, CANADA J7Y 5G2	
8 Date of action 05/06/2021	9 Classification and description TYPE A STATUTORY MERGER REORGANIZATION		
10 CUSIP number 536221	11 Serial number(s)	12 Ticker symbol LEV	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ SEE ATTACHED STATEMENT

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE ATTACHED STATEMENT

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ SEE ATTACHED STATEMENT

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► SEE ATTACHED STATEMENT

18 Can any resulting loss be recognized? ► SEE ATTACHED STATEMENT

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► SEE ATTACHED STATEMENT

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ► Nicolas Brunet Date ► 6/16/2021

Print your name ► NICOLAS BRUNET Title ► EXECUTIVE VICE-PRESIDENT, CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>MELISSA LA VENIA</u>	<u>Melissa VJ</u>	<u>5/26/2021</u>		<u>P01802966</u>
	Firm's name	Firm's EIN			
	<u>RAYMOND CHABOT GRANT THORNTON</u>	<u>98-0197600</u>			
Firm's address	Phone no.				
<u>600 DE LA GAUCHETIERE WEST # 2000, MONTREAL, QUEBEC, CANADA, H3B 4P8</u>	<u>514-878-2691</u>				

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

THE LION ELECTRIC COMPANY

ATTACHMENT TO IRS FORM 8937

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

Notice: The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary of certain U.S. federal tax laws and regulations as relating to the effects of the Business Combination (as defined below). The information contained herein should not be relied upon as tax advice and does not purport to be complete or to provide all tax consequences that may apply in the particular situation of various categories of stock or warrant holders. It is recommended that you consult with your own U.S. tax advisor regarding the consequences of the Business Combination as applicable to you, as well as the applicability and effect of all U.S. federal, state, local and foreign tax laws as they apply to you.

Form 8937 – Part II – Item 14 (Description of Organizational Action):

On May 6, 2021, pursuant to the terms of the Business Combination Agreement and Plan of Reorganization (the “**Business Combination Agreement**”) entered into on November 30, 2020, Lion Electric Merger Sub. Inc. (“**Merger Sub**”), a Delaware corporation and the wholly owned subsidiary of Lion Electric Company (“**Lion**”), a corporation incorporated under the Canadian Business Corporations Act, merged into and with Northern Genesis Acquisition Corp. (“**NGA**”), a Delaware corporation, with NGA surviving the merger (such transaction, the “**Business Combination**”).

Pursuant to the Business Combination, in exchange for their shares of NGA common stock, shareholders of NGA received common stock of Lion. Additionally, pursuant to the Business Combination, warrant holders of NGA received equivalent warrants to purchase shares of Lion common stock. No cash consideration was paid to shareholders and warrant holders engaging in the Business Combination.

The Business Combination is described in the Business Combination Agreement, which is available at:

https://www.sec.gov/Archives/edgar/data/1815495/000121390020039789/ea130701ex2-1_northernngen.htm

Form 8937 – Part II – Item 15 (Description of the Quantitative Effect of the Organizational Action):

The Business Combination was intended by Lion and NGA to be treated as reorganization within the meaning of Section 368(a) of the Code (a “**Section 368 Reorganization**”). While this intended tax treatment is not free from doubt, Lion currently expects to file its tax returns consistent with the Business Combination being treated as a Section 368(a) Reorganization.

Further, Lion intends to take the position that the Business Combination satisfies the requirements applicable under Section 367(a) of the Code and, as a result, generally should not result in U.S. holders of stock and warrants of NGA being required to recognize gain as a consequence of the application of Section 367(a) of the Code. Special rules apply under Section 367(a) to “five-percent transferee shareholders” and such shareholders should consult their own tax advisors regarding their specific tax

treatment of the Business Combination (including, but not limited to, the computation of gain/loss and/or tax basis).

Consistent with such intended reporting positions, the discussion in this Form 8937 assumes that the Business Combination is treated as a Section 368 Reorganization and that U.S. holders of stock and warrants of NGA are not required to recognize gain as a consequence of the application of Section 367(a) of the Code.

Pursuant to Section 358 of the Code, the tax basis of the shares of Lion common stock and the tax basis of the Lion warrants generally are expected to be the same as the tax basis in the shares and warrants of NGA exchanged therefor in the Section 368 Reorganization.

Form 8937 – Part II – Item 16 (Description of the Calculation of the Change in Basis):

Pursuant to Section 358 of the Code, the former shareholders and warrant holders of NGA generally are expected to have a tax basis equal to the tax basis of their surrendered stock and warrants.

Form 8937 – Part II – Item 17 (List of Applicable Internal Revenue Code Sections):

Sections 354, 358, 367(a)(2), 368(a) of the Code. The former shareholders and warrant holders of NGA should consult their own tax advisors regarding their specific tax treatment of these transactions (including, but not limited to, the computation of gain/loss and/or tax basis).

Form 8937 – Part II – Item 18 (Recognition of Loss):

Loss generally is not expected to be recognized as a result of the Business Combination.

Form 8937 – Part II – Item 19 (Other Information):

The Business Combination closed in the calendar year 2021, and the tax basis consequences discussed herein should be taken into account in the tax year of the security holder during which the Business Combination closed (*i.e.*, 2021 for a calendar year taxpayer).