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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

□ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) or 12(g) OF THE *SECURITIES EXCHANGE ACT OF 1934*

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE *SECURITIES EXCHANGE ACT OF 1934*

For the fiscal year ended December 31, 2021

OR

□ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE *SECURITIES EXCHANGE ACT OF 1934*

For the transition period from _____ to _____

OR

□ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE *SECURITIES EXCHANGE ACT OF 1934*

Date of event requiring this shell company report _____

Commission file number **001-38612**

ELECTRAMECCANICA VEHICLES CORP.

(Exact name of Registrant specified in its charter)

Not Applicable
(Translation of Registrant's name into English)

British Columbia, Canada
(Jurisdiction of incorporation or organization)

8057 North Fraser Way, Burnaby, British Columbia, Canada, V5J 5M8
(Address of principal executive offices)

Bal Bhullar; (604) 428-7656; bal@electrameccanica.com
(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Auditor Name: **KPMG LLP** Auditor Location: Vancouver, B.C., Canada Auditor Form ID: 85

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of Each Class	*Trading Symbol(s)*	*Name of each exchange on which registered*
Common Shares, without par value	***SOLO***	***The Nasdaq Stock Market LLC***
Warrants, each to purchase one Common Share	***SOLOW***	***The Nasdaq Stock Market LLC***

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of ClaVss)

Number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of business of the period covered by the annual report.

118,611,496 Common Shares Without Par Value

Indicate by check mark if the Registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the *Securities Exchange Act of 1934*

Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the *Securities Exchange Act of 1934* during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "accelerated filer," "large accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☐	Accelerated Filer ☐
Non Accelerated Filer ☒	Emerging Growth Company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark which basis of accounting the Registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board ☒	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the Registrant has elected to follow: Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b 2 of the Exchange Act):

Yes ☐ No ☒

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the Registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the *Securities Exchange Act of 1934* subsequent to the distribution of securities under a plan confirmed by a court.

Not applicable.

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CURRENCY OF PRESENTATION AND CERTAIN DEFINED TERMS

Unless the context otherwise requires, in this annual report (the "Annual Report") the term(s) "we", "us", "our", "Company", "our company", "ElectraMeccanica" and "our business" refer to Electrameccanica Vehicles Corp.

All references to "$" or "dollars" are expressed in United States dollars ("US" or "U.S.")unless otherwise indicated.

Our financial statements are prepared in US dollars and presented in accordance with International Financial Reporting Standards, or "IFRS", as issued by International Accounting Standards Board ("IASB"). In this Annual Report any discrepancies in any table between totals and the sums of the amounts listed are due to rounding.

FORWARD LOOKING STATEMENTS

This Annual Report on Form 20-F contains statements that constitute "forward-looking statements". Any statements that are not statements of historical facts may be deemed to be forward-looking statements. These statements appear in a number of different places in this Annual Report and, in some cases, can be identified by words such as "anticipates", "estimates", "projects", "expects", "contemplates", "intends", "believes", "plans", "may", "will" or their negatives or other comparable words, although not all forward-looking statements contain these identifying words. Forward-looking statements in this Annual Report may include, but are not limited to, statements and/or information related to: strategy, future operations, the size and value of the order book and the number of orders, the number and timing of building pre-production vehicles, the projection of timing and delivery of SOLOs, eRoadster or Tofinos in the future, projected costs, expected production capacity, expectations regarding demand and acceptance of our products, estimated costs of machinery to equip a new production facility, trends in the market in which we operate and the plans and objectives of management.

Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions made in light of our experience and our perception of trends, current conditions and expected developments, as well as other factors that we believe to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Management believes that the assumption and expectations reflected in such forward-looking statements are reasonable. Assumptions have been made regarding, among other things: the Company's ability to maintain production deliveries within certain timelines; the Company's expected production capacity; prices for machinery to equip a new production facility; labor costs and material costs remaining consistent with the Company's current expectations; production of SOLOs, eRoadster and Tofinos meeting expectations and being consistent with estimates; equipment operating as anticipated; there being no material variations in the current regulatory environment; and the Company's ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

Such risks are discussed in Item 3.D - "Risk Factors" herein. In particular, and without limiting the generality of the foregoing disclosure, the statements contained in Item 4.B. – "Business Overview", Item 5 – "Operating and Financial Review and Prospects" and Item 11 – "Quantitative and Qualitative Disclosures About Market Risk" herein are inherently subject to a variety of risks and uncertainties that could cause actual results, performance or achievements to differ significantly. Such risks, uncertainties and other factors include but are not limited to:

- general economic and business conditions, including changes in interest rates;
- prices of other electric vehicles, costs associated with manufacturing electric vehicles and other economic conditions;
- natural phenomena, including the current COVID-19 pandemic;
- actions by government authorities, including changes in government regulation;
- uncertainties associated with legal proceedings;
- changes in the electric vehicle market;
- future decisions by management in response to changing conditions;
- the Company's ability to execute prospective business plans;

- misjudgments in the course of preparing forward-looking statements;
- the Company's ability to raise sufficient funds to carry out its proposed business plan;
- consumers' willingness to adopt three-wheeled single seat electric vehicles;
- declines in the range of the Company's electric vehicles on a single charge over time may negatively influence potential customers' decisions to purchase such vehicles;
- developments in alternative technologies or improvements in the internal combustion engine;
- inability to keep up with advances in electric vehicle technology;
- inability to design, develop, market and sell new electric vehicles and services that address additional market opportunities;
- dependency on certain key personnel and any inability to retain and attract qualified personnel;
- inexperience in mass-producing electric vehicles;
- inability to reduce and adequately control operating costs;
- failure of the Company's vehicles to perform as expected;
- inexperience in servicing electric vehicles;
- inability to succeed in establishing, maintaining and strengthening the ElectraMeccanica brand;
- disruption of supply or shortage of raw materials;
- the unavailability, reduction or elimination of government and economic incentives;
- failure to manage future growth effectively; and
- labor and employment risks.

Although management has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. These cautionary remarks expressly qualify, in their entirety, all forward-looking statements attributable to our Company or persons acting on our Company's behalf. We do not undertake to update any forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such statements, except as, and to the extent required by, applicable securities laws. You should carefully review the cautionary statements and risk factors contained in this Annual Report and other documents that the Company may file from time to time with the securities regulators.

IMPLICATIONS OF BEING A FOREIGN PRIVATE ISSUER

We are considered a foreign private issuer. In our capacity as a foreign private issuer, we are exempt from certain rules under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), that impose certain disclosure obligations and procedural requirements for proxy solicitations under Section 14 of the Exchange Act. We are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. In addition, we are not required to comply with Regulation FD, which restricts the selective disclosure of material information.

We may take advantage of these exemptions until such time as we are no longer a foreign private issuer. We would cease to be a foreign private issuer at such time as more than 50% of our outstanding voting securities are held by U.S. residents and any of the following three circumstances applies: (i) the majority of our executive officers or directors are U.S. citizens or residents; (ii) more than 50% of our assets are located in the United States; or (iii) our business is administered principally in the United States.

We have taken advantage of certain reduced reporting and other requirements in this Annual Report that are available to foreign private issuers and not to U.S. domestic companies. Accordingly, the information contained herein may be different than the information you receive in a quarterly report on Form 10-Q from public companies required to report as U.S domestic companies in which you hold equity securities.

PART I

The following discussion and analysis, prepared for the year ended December 31, 2021, is a review of our operations, current financial position and outlook and should be read in conjunction with our annual consolidated financial statements for the year ended December 31, 2021 and the notes thereto. Unless stated otherwise, all amounts herein are reported in US dollars based upon financial statements prepared in accordance with IFRS as issued by the IASB. As at December 31, 2021, the Company's functional currency is US dollars, and the presentation currency is US dollars. As at December 31, 2020, the Company's functional currency was Canadian dollars, and the presentation currency was US dollars. The change in presentation currency is discussed in Note 3 to our annual consolidated financial statements.

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Selected financial data

The selected historical consolidated financial information expressed in US dollars as set forth below has been derived from our financial statements for the fiscal years ended December 31, 2021, 2020, 2019, 2018 and 2017.

Consolidated Statement of Net Loss

	Year ended December 31, 2021	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018	Year ended December 31, 2017
Revenues	$ 2,100,770	$ 568,521	$ 585,584	$ 599,757	$ 84,203
Gross Profit (Loss)	$ (2,233,911)	$ (130,934)	$ 98,041	$ 155,961	$ 34,880
Net Loss	$ 41,326,835	$ 63,046,905	$ 23,212,698	$ 7,745,313	$ 8,766,678
Loss per Share – Basic and Diluted	$ 0.37	$ 1.08	$ 0.64	$ 0.29	$ 0.40

Consolidated Statement of Financial Position

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Cash and cash equivalents	$ 221,928,008	$ 129,450,676	$ 8,560,624	$ 13,951,951	$ 6,839,172
Current Assets	$ 240,308,596	$ 135,312,266	$ 14,556,890	$ 16,812,234	$ 7,948,473
Total Assets (1)	$ 252,850,698	$ 145,754,382	$ 23,362,963	$ 21,731,661	$ 10,056,138
Current Liabilities(1)	$ 7,853,979	$ 4,556,443	$ 2,614,657	$ 1,342,838	$ 2,664,408
Total Liabilities(1)	$ 9,712,789	$ 23,075,092	$ 8,733,492	$ 4,846,410	$ 5,567,892
Shareholders' Equity (Deficit)	$ 243,137,909	$ 122,679,290	$ 14,629,471	$ 16,885,251	$ 4,488,246

Note:
(1) IFRS 16 lease standard applied to years ended December 31, 2021, 2020 and 2019. IAS 17 lease standard applied to years ended Dec 31, 2018 and 2017.

Our audited consolidated financial statements as of December 31, 2021 and 2020 and for each of the years in the three-year period ended December 31, 2021 are attached at the end of this Annual Report.

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the offer and use of proceeds

Not applicable.

D. Risk Factors

An investment in our securities carries a significant degree of risk. You should carefully consider the following risks, as well as the other information contained in this Annual Report, including our historical and pro forma financial statements and the financial statements and related notes included elsewhere in this Annual Report, before you decide to purchase our securities. Any one of these risks and uncertainties has the potential to cause material adverse effects on our business, prospects, financial condition and operating results which could cause actual results to differ materially from any forward-looking statements expressed by us and a significant decrease in the value of our securities. Refer to "Forward-Looking Statements".

We may not be successful in preventing the material adverse effects that any of the following risks and uncertainties may cause. These potential risks and uncertainties may not be a complete list of the risks and uncertainties facing us. There may be additional risks and uncertainties that we are presently unaware of, or presently consider immaterial, that may become material in the future and have a material adverse effect on us. You could lose all or a significant portion of your investment due to any of these risks and uncertainties.

Risks Related to our Business and Industry

We have limited cash on hand and we will require a significant amount of capital to carry out our proposed business plan to develop, manufacture, sell and service electric vehicles; there is no assurance that any amount raised through this offering will be sufficient to continue to fund operations of our Company.

We incurred a net loss and comprehensive loss of $41,326,835 and $41,326,248, respectively, during the year ended December 31, 2021, and a net loss and comprehensive loss of $63,046,905 and $58,832,999, respectively, during the year ended December 31, 2020. Although we had a cash and cash equivalents and a working capital surplus of $221,928,008 and $232,454,617, respectively, as at December 31, 2021, and of $129,450,676 and $130,755,823, respectively, as at December 31, 2020, we believe that we will need significant additional equity financing to continue operations; and among other things:

- we have begun the commercial production of our flagship vehicle, the SOLO, and we expect to incur significant ramp-up in costs and expenses through the launch of the vehicle;
- we have begun deliveries to customers of our flagship vehicle, the SOLO, on October 4, 2021;
- we anticipate that the gross profit generated from the sale of the SOLOs will not be sufficient to cover our operating expenses, and our achieving profitability will depend, in part, on our ability to materially reduce the bill of materials and per unit manufacturing cost of our products; and
- we do not anticipate that we will be eligible to obtain bank loans, or other forms of debt financing, on terms that would be acceptable to us.

We anticipate generating a significant loss for the next fiscal year.

We have minimal revenue and expect significant increases in costs and expenses to forestall profits for the foreseeable future, even if we generate revenues in the near term. Even though we have recently launched the SOLO into commercial production and deliveries, and even if we launch the Tofino or other intended electric vehicles (each, an "EV"), they might not become commercially successful. If we are to ever achieve profitability we must have a successful commercial introduction and acceptance of our vehicles, which may not occur. We expect that our operating losses will increase substantially in 2022, and thereafter, and we also expect to continue to incur operating losses and to experience negative cash flows for the next several years.

We have a limited operating history and have generated minimal revenues.

Our limited operating history makes evaluating our business and future prospects difficult. We were formed in February 2015, and we have begun production and deliveries of our first electric vehicle. We intend to derive revenues from the sales of our SOLO vehicle, our Tofino vehicle , our e-Roadster and other intended EVs. The Tofino is still in the early design development stage, and the first commercially-produced SOLOs were delivered to certain of our initial customers commencing on October 4, 2021 and have continued to deliver to customers and fleets since the October 4 date. Our vehicles require significant investment prior to commercial introduction and may never be successfully developed or commercially successful.

We have a history of operating losses and we expect our operating losses to accelerate and materially increase for the foreseeable future.

For the fiscal year ended December 31, 2021, we generated a net loss of $41,326,835, bringing our accumulated deficit to $151,653,994.

We have minimal revenue and expect significant increases in costs and expenses to forestall profits for the foreseeable future. We have begun the commercial production and delivery of our flagship vehicle, the SOLO, and we expect to incur significant additional costs and expenses through the launch of the vehicle. Even with the launch of the SOLO into commercial production, and even if we are able to launch the Tofino or other intended EVs, they might not become commercially successful. If we are to ever achieve profitability, we must have a successful commercial introduction and acceptance of our vehicles, which may not occur. We expect that our operating losses will increase substantially in 2022 and thereafter, and we also expect to continue to incur operating losses and to experience negative cash flows for the next several years.

We expect the rate at which we will incur losses to increase significantly in future periods from current levels as we:

- design, develop and manufacture our vehicles and their components;
- develop and equip our manufacturing facility;
- build up inventories of parts and components for the SOLO, the Tofino and other intended EVs;
- open ElectraMeccanica stores;
- expand our design, development, maintenance and repair capabilities;
- develop and increase our sales and marketing activities; and
- develop and increase our general and administrative functions to support our growing operations.

Because we will incur the costs and expenses from these efforts before we receive any revenues with respect thereto, our losses in future periods will be significantly greater than the losses we would incur if we developed the business more slowly. In addition, we may find that these efforts are more expensive than we currently anticipate or that these efforts may not result in profits or even revenues, which would further increase our losses.

Our ability to achieve profitability will depend, in part, on our ability to materially reduce the bill of materials and per unit manufacturing cost of our products.

We anticipate that the gross profit generated from the sale of the SOLO will not be sufficient to cover our operating expenses for the foreseeable future. To achieve our operating and strategic goals while remaining competitive, we will, among other things, need to reduce the bill of materials and the per-unit manufacturing cost of the SOLO. We expect the primary factors to contribute to a reduced bill of materials and per unit manufacturing cost to include:

- continued product development to make the SOLO easier and cheaper to mass produce commercially;
- our ability to utilize less expensive suppliers and components that meet the requirements for the SOLO;

- increasing the volume of components that we purchase in order to take advantage of volume-based pricing discounts;
- improving assembly efficiency;
- enhancing the automation of our strategic manufacturing partner's facility to increase volume and reduce labour costs; and
- increasing our volume to leverage manufacturing overhead costs.

Continued product development is subject to feasibility and engineering risks. Any increase in manufacturing volumes is dependent upon a corresponding increase in sales. The occurrence of one or more factors that negatively impact the manufacturing or sales of the SOLO, or reduce our manufacturing efficiency, may prevent us from achieving our desired reduction in manufacturing costs, which would negatively affect our operating results and may prevent us from attaining profitability.

We currently have negative operating cash flows, and if we are unable to generate positive operating cash flows in the future our viability as an operating business will be adversely affected.

We have made significant up-front investments in research and development, sales and marketing and general and administrative expenses to rapidly develop and expand our business. We are currently incurring expenditures related to our operations that have generated a negative operating cash flow. Operating cash flow may decline in certain circumstances, many of which are beyond our control. We might not generate sufficient revenues in the near future. Because we continue to incur such significant future expenditures for research and development, sales and marketing and general and administrative expenses, we may continue to experience negative cash flow until we reach a sufficient level of sales with positive gross margins to cover operating expenses. An inability to generate positive cash flow until we reach a sufficient level of sales with positive gross margins to cover operating expenses or raise additional capital on reasonable terms will adversely affect our viability as an operating business.

We may require additional capital to carry out our proposed business plan for the next 12 months if our cash on hand and revenues from the sale of our vehicles are not sufficient to cover our cash requirements.

If our cash on hand, revenue from the sale of our vehicles, if any, and cash received upon the exercise of outstanding warrants, if any are exercised, are not sufficient to cover our cash requirements, we will need to raise additional funds through the sale of our equity securities, in either private placements or registered offerings and/or debt instruments. If we are unsuccessful in raising enough funds through such capital-raising efforts we may review other financing possibilities such as bank loans. Financing might not be available to us or, if available, may not be available on terms that are acceptable to us.

Our ability to obtain the necessary financing to carry out our business plan is subject to a number of factors, including general market conditions and investor acceptance of our business plan. These factors may make the timing, amount, terms and conditions of such financing unattractive or unavailable to us. If we are unable to raise sufficient funds, we will have to significantly reduce our spending, delay or cancel our planned activities or substantially change our current corporate structure. We might not be able to obtain any funding, and we might not have sufficient resources to conduct our business as projected, both of which could mean that we would be forced to curtail or discontinue our operations.

Terms of future financings may adversely impact your investment.

We may have to engage in common equity, debt or preferred stock financing in the future. Your rights and the value of your investment in our securities could be reduced. Interest on debt securities could increase costs and negatively impacts operating results. Preferred stock could be issued in series from time to time with such designation, rights, preferences and limitations as needed to raise capital. The terms of preferred stock could be more advantageous to those investors than to the holders of common shares. In addition, if we need to raise equity capital from the sale of common shares, institutional or other investors may negotiate terms at least as, and possibly more, favorable than the terms of your investment. Common shares which we sell could be sold into any market which develops, which could adversely affect the market price.

Our future growth depends upon consumers' willingness to adopt three-wheeled single-seat electric vehicles.

Our growth highly depends upon the adoption by consumers of, and we are subject to an elevated risk of, any reduced demand for alternative fuel vehicles in general and electric vehicles in particular. If the market for three-wheeled single seat electric vehicles does not develop as we expect, or develops more slowly than we expect, our business, prospects, financial condition and operating results will be negatively impacted. The market for alternative fuel vehicles is relatively new, rapidly evolving, characterized by rapidly changing technologies, price competition, additional competitors, evolving government regulation and industry standards, frequent new vehicle announcements and changing consumer demands and behaviors. Factors that may influence the adoption of alternative fuel vehicles, and specifically electric vehicles, include:

- perceptions about electric vehicle quality, safety (in particular with respect to lithium-ion battery packs), design, performance and cost, especially if adverse events or accidents occur that are linked to the quality or safety of electric vehicles;
- perceptions about vehicle safety in general and, in particular, safety issues that may be attributed to the use of advanced technology, including vehicle electronics and braking systems;
- the limited range over which electric vehicles may be driven on a single battery charge;
- the decline of an electric vehicle's range resulting from deterioration over time in the battery's ability to hold a charge;
- concerns about electric grid capacity and reliability, which could derail our efforts to promote electric vehicles as a practical solution to vehicles which require gasoline;
- the availability of alternative fuel vehicles, including plug-in hybrid electric vehicles;
- improvements in the fuel economy of the internal combustion engine;
- the availability of service for electric vehicles;
- the environmental consciousness of consumers;
- volatility in the cost of oil and gasoline;
- government regulations and economic incentives promoting fuel efficiency and alternate forms of energy;
- access to charging stations, standardization of electric vehicle charging systems and consumers' perceptions about convenience and cost to charge an electric vehicle;
- the availability of tax and other governmental incentives to purchase and operate electric vehicles or future regulation requiring increased use of nonpolluting vehicles; and
- perceptions about and the actual cost of alternative fuel.

The influence of any of the factors described above may cause current or potential customers not to purchase our electric vehicles, which would materially adversely affect our business, operating results, financial condition and prospects.

The range of our electric vehicles on a single charge declines over time which may negatively influence potential customers' decisions whether to purchase our vehicles.

The range of our electric vehicles on a single charge declines principally as a function of usage, time and charging patterns. For example, a customer's use of their vehicle as well as the frequency with which they charge the battery of their vehicle can result in additional deterioration of the battery's ability to hold a charge. We currently expect our battery pack will retain approximately 70% of its ability to hold its initial charge after five years or 45,000 miles, whichever comes first. Such battery deterioration and the related decrease in range may negatively influence potential customer decisions whether to purchase our vehicles, which may harm our ability to market and sell our vehicles.

Developments in alternative technologies or improvements in the internal combustion engine may materially adversely affect the demand for our electric vehicles.

Significant developments in alternative technologies, such as advanced diesel, ethanol, fuel cells or compressed natural gas, or improvements in the fuel economy of the internal combustion engine, may materially and adversely affect our business and prospects in ways we do not currently anticipate. For example, fuel which is abundant and relatively inexpensive in North America, such as compressed natural gas, may emerge as consumers' preferred alternative to petroleum-based propulsion. Any failure by us to develop new or enhanced technologies or processes, or to react to changes in existing technologies, could materially delay our development and introduction of new and enhanced electric vehicles, which could result in the loss of competitiveness of our vehicles, decreased revenue and a loss of market share to competitors.

If we are unable to keep up with advances in electric vehicle technology, we may suffer a decline in our competitive position.

We may be unable to keep up with changes in electric vehicle technology and, as a result, may suffer a decline in our competitive position. Any failure to keep up with advances in electric vehicle technology would result in a decline in our competitive position which would materially and adversely affect our business, prospects, operating results and financial condition. Our research and development efforts may not be sufficient to adapt to changes in electric vehicle technology. As technologies change, we plan to upgrade or adapt our vehicles and introduce new models to continue to provide vehicles with the latest technology, in particular battery cell technology. However, our vehicles may not compete effectively with alternative vehicles if we are not able to source and integrate the latest technology into our vehicles. For example, we do not manufacture battery cells which makes us depend upon other suppliers of battery cell technology for our battery packs.

If we are unable to design, develop, market and sell new electric vehicles and services that address additional market opportunities, our business, prospects and operating results will suffer.

We may not be able to successfully develop new electric vehicles and services, address new market segments or develop a significantly broader customer base. To date, we have focused our business on the sale of the SOLO, a three-wheeled single seat electric vehicle, and have targeted mainly urban residents of modest means and fleets. We will need to address additional markets and expand our customer demographic to further grow our business. Our failure to address additional market opportunities would harm our business, financial condition, operating results and prospects.

Demand in the vehicle industry is highly volatile.

Volatility of demand in the vehicle industry may materially and adversely affect our business, prospects, operating results and financial condition. The markets in which we will be competing have been subject to considerable volatility in demand in recent periods. Demand for automobile sales depends to a large extent on general, economic, political and social conditions in a given market and the introduction of new vehicles and technologies. As a new start-up manufacturer, we will have fewer financial resources than more established vehicle manufacturers to withstand changes in the market and disruptions in demand.

We depend on a third-party for our near-term manufacturing needs.

In October 2017, we entered into a Manufacturing Agreement (the "Manufacturing Agreement") with Chongqing Zongshen Automobile Industry Co., Ltd. ("Zongshen"), a wholly-owned subsidiary of Zongshen Industrial Group Co. Ltd., an affiliate of Zongshen Power Machinery Co., Ltd., located in Chongqing, China, which has now been amended on June 23, 2021. The delivery of SOLO vehicles to our future customers and the revenue derived therefrom depends on Zongshen's ability to fulfil its obligations under that Manufacturing Agreement. Zongshen's ability to fulfil its obligations is outside of our control and depends on a variety of factors, including Zongshen's operations, Zongshen's financial condition and geopolitical and economic risks that could affect China. Our Manufacturing Agreement with Zongshen provides that non-performance by either us or Zongshen shall be excused to the extent that such performance is rendered impossible by strike, fire, flood, earthquake or governmental acts, orders or restrictions; provided that either we or Zongshen, as applicable, use commercially reasonable efforts to mitigate the impact of such non-performance. Notwithstanding any such efforts, any such non-performance by either us or Zongshen shall be cause for termination of the Manufacturing Agreement by the other party if the non-performance continues for more than six months. The novel coronavirus (COVID-19) pandemic or measures taken by the Chinese government relating thereto may result in non-performance by Zongshen under our Manufacturing Agreement. If Zongshen is unable to fulfil its obligations or is only able to partially fulfil its obligations under our existing Manufacturing Agreement with them, or if Zongshen either voluntarily or is forced to terminate our agreement with them, either as a result of the coronavirus outbreak, the Chinese government's measures relating thereto, or otherwise, we will not be able to produce or sell our SOLO vehicle in the volumes anticipated and on the timetable that we anticipate, if at all.

The Chinese government exerts substantial influence over the manner in which Chinese companies conduct their business activities. China is experiencing substantial problems with environmental pollution and energy consumption. Efforts by the Chinese government to control pollution and energy consumption are making it harder for Chinese factories to operate. Our Chinese manufacturers are subject to multiple laws governing environmental protection, as well as standards set by the relevant governmental authorities. It is possible that Chinese national, provincial and local governmental agencies will adopt stricter environmental and consumption controls. There can be no assurance that future changes in Chinese laws and regulations will not impose costly compliance requirements on our Chinese manufacturers or otherwise adversely affect their business activities, which in turn could increase the costs associated with operating our business or otherwise adversely affect our financial condition and operating results.

The impact of the novel coronavirus (COVID-19) pandemic on the global economy and our operations remains uncertain, which could have a material adverse impact on our business, results of operations and financial condition and on the market price of our common shares.

In December 2019, a strain of novel coronavirus (now commonly known as COVID-19) was reported to have surfaced in Wuhan, China. COVID-19 has since spread rapidly throughout many countries and, on March 11, 2020, the World Health Organization declared COVID-19 to be a pandemic. In an effort to contain and mitigate the spread of COVID-19, many countries, including the United States, Canada and China, have imposed unprecedented restrictions on travel, and there have been business closures and a substantial reduction in economic activity in countries that have had significant outbreaks of COVID-19. Although our manufacturing partner, Zongshen, reports that its operations have not been materially affected at this point, significant uncertainty remains as to the potential impact of the COVID-19 pandemic on our and Zongshen's operations (including, without limitation, staffing levels), supply chains for parts and sales channels for our products, and on the global economy as a whole. It is currently not possible to predict how long the pandemic will last or the time that it will take for economic activity to return to prior levels. The COVID-19 pandemic has resulted in significant financial market volatility and uncertainty in recent weeks. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on our ability to access capital, on our business, results of operations and financial condition, and on the market price of our common shares.

We do not currently have all arrangements in place that are required to allow us to fully execute our business plan.

To sell our vehicles as envisioned we will need to enter into certain additional agreements and arrangements that are not currently in place. These include entering into agreements with distributors, arranging for the transportation of the commercially-produced SOLOs to be delivered pursuant to our Manufacturing Agreement with Zongshen and obtaining battery and other essential supplies in the quantities that we require. If we are unable to enter into such agreements, or are only able to do so on terms that are unfavorable to us, we may not be able to fully carry out our business plans.

We depend on certain key personnel, and our success will depend on our continued ability to retain and attract such qualified personnel.

Our success depends on the efforts, abilities and continued service of Kevin Pavlov, our Chief Executive Officer and Chief Operating Officer, Bal Bhullar, our Chief Financial Officer, Kim Brink, our Chief Revenue Officer and Isaac Moss, our Chief Administrative Officer and Corporate Secretary. A number of these key employees and consultants have significant experience in the automobile manufacturing and technology industries. A loss of service from any one of these individuals may adversely affect our operations, and we may have difficulty or may not be able to locate and hire suitable replacements. We have obtained "key person" insurance on certain key personnel.

Since we have little experience in mass-producing electric vehicles, any delays or difficulties in transitioning from producing custom vehicles to mass-producing vehicles may have a material adverse effect on our business, prospects and operating results.

Our management team has experience in producing custom designed vehicles and is now switching focus to mass producing electric vehicles in a rapidly evolving and competitive market. If we are unable to implement our business plans in the timeframe estimated by management and successfully transition into a mass-producing electric vehicle manufacturing business, then our business, prospects, operating results and financial condition will be negatively impacted and our ability to grow our business will be harmed.

We are subject to numerous environmental and health and safety laws and any breach of such laws may have a material adverse effect on our business and operating results.

We are subject to numerous environmental and health and safety laws, including statutes, regulations, bylaws and other legal requirements. These laws relate to the generation, use, handling, storage, transportation and disposal of regulated substances, including hazardous substances (such as batteries), dangerous goods and waste, emissions or discharges into soil, water and air, including noise and odors (which could result in remediation obligations), and occupational health and safety matters, including indoor air quality. These legal requirements vary by location and can arise under federal, provincial, state or municipal laws. Any breach of such laws and/or requirements would have a material adverse effect on our Company and its operating results.

Our vehicles are subject to motor vehicle standards and the failure to satisfy such mandated safety standards would have a material adverse effect on our business and operating results.

All vehicles sold must comply with federal, state and provincial motor vehicle safety standards. In both Canada and the United States vehicles that meet or exceed all federally mandated safety standards are certified under the federal regulations. In this regard, Canadian and U.S. motor vehicle safety standards are substantially the same. Rigorous testing and the use of approved materials and equipment are among the requirements for achieving federal certification. Failure by us to have the SOLO, the Tofino or any future model EV satisfy motor vehicle standards would have a material adverse effect on our business and operating results.

If we are unable to reduce and adequately control the costs associated with operating our business, including costs associated with manufacturing, sales, materials, transportation and logistics, our business, financial condition, operating results and prospects will suffer.

If we are unable to reduce and/or maintain a sufficiently low level of costs for designing, manufacturing, marketing, selling, transporting, distributing and servicing our electric vehicles relative to their selling prices, or if we experience significant increases in these costs and are unable to raise our prices to offset such increases, our operating results, gross margins, business and prospects could be materially and adversely impacted. Further, since our preorder vehicles are at fixed sales prices, if we experience significant increases in costs associated with operating our business, our profitability from these pre-order vehicles may be negatively impacted absent the flexibility to increase such sales prices.

If our vehicles fail to perform as expected, our ability to develop, market and sell our electric vehicles could be harmed.

Our vehicles may contain defects in design and manufacture that may cause them not to perform as expected or that may require repair. For example, our vehicles use a substantial amount of software code to operate. Software products are inherently complex and often contain defects and errors when first introduced. While we have performed extensive internal testing, we currently have a very limited frame of reference by which to evaluate the performance of our SOLO in the hands of our customers and currently have no frame of reference by which to evaluate the performance of our vehicles after several years of customer driving. With the e-Roadster, we are in the prototype phase, and with the Tofino, we are still in early design development phase, whereby the similar evaluations are further behind.

We have very limited experience servicing our vehicles. If we are unable to address the service and warranty requirements of our future customers our business will be materially and adversely affected.

If we are unable to successfully address the service requirements of our future customers our business and prospects will be materially and adversely affected. In addition, we anticipate the level and quality of the service we will provide our customers will have a direct impact on the success of our future vehicles. If we are unable to satisfactorily service our customers, our ability to generate customer loyalty, grow our business and sell additional vehicles could be impaired.

We have very limited experience servicing our vehicles. We have begun production of the SOLO vehicles and began deliveries during the last quarter of 2021. The total number of production SOLOs that we have produced as at December 31, 2021 is 291. The total number of SOLOs that we have produced as pre-production as of December 31, 2021 is 124 (64 from Canada and 60 from Zongshen). Throughout its history, our subsidiary, Intermeccanica International Inc. ("InterMeccanica"), has produced approximately 2,500 cars, which include providing after sales support and servicing. We only have limited experience servicing the SOLO as a limited number of SOLOs have been produced. Servicing electric vehicles on a mass scale is different than servicing electric vehicles and vehicles with internal combustion engines and requires specialized skills, including high voltage training and servicing techniques on a mass scale. On October 14, 2021, we announced our strategic agreement with Robert Bosch LLC ("Bosch") to establish a service network of independent automobile repair shops approved by Bosch (the "Bosch Car Service Network"). The Bosch Car Service Network will support service and maintenance operations for ElectraMeccanica's flagship SOLO EV beginning with commercial launch locations throughout the western United States and then expanding throughout the rest of the United States.

In addition, we presently expect that our warranty covering the SOLO will cover three years/36,000 miles and that the battery pack will cover a five year/45,000 miles warranty period. For additional information on the warranty information please visit https://www.electrameccanica.com/warranty/.

We may not succeed in establishing, maintaining and strengthening the ElectraMeccanica brand, which would materially and adversely affect customer acceptance of our vehicles and components and our business, revenues and prospects.

Our business and prospects heavily depend on our ability to develop, maintain and strengthen the ElectraMeccanica brand. Any failure to develop, maintain and strengthen our brand may materially and adversely affect our ability to sell our planned electric vehicles. If we are not able to establish, maintain and strengthen our brand, we may lose the opportunity to build a critical mass of customers. Promoting and positioning our brand will likely depend significantly on our ability to provide high quality electric vehicles and maintenance and repair services, and we have very limited experience in these areas. In addition, we expect that our ability to develop, maintain and strengthen the ElectraMeccanica brand will also depend heavily on the success of our marketing efforts. To date, we have limited experience with marketing activities as we have relied primarily on the internet, word of mouth and attendance at industry trade shows to promote our brand. To further promote our brand, we may be required to change our marketing practices, which could result in substantially increased advertising expenses, including the need to use traditional media such as television, radio and print. The automobile industry is intensely competitive, and we may not be successful in building, maintaining and strengthening our brand. Many of our current and potential competitors, particularly automobile manufacturers headquartered in Detroit, Japan and the European Union, have greater name recognition, broader customer relationships and substantially greater marketing resources than we do. If we do not develop and maintain a strong brand, our business, prospects, financial condition and operating results will be materially and adversely impacted.

Increases in costs, disruption of supply or shortage of raw materials, in particular lithium-ion cells, could harm our business.

We may experience increases in the cost or a sustained interruption in the supply or shortage of raw materials. Any such increase or supply interruption could materially negatively impact our business, prospects, financial condition and operating results. We use various raw materials in our business, including aluminum, steel, carbon fiber and non-ferrous metals such as copper and cobalt. The prices for these raw materials fluctuate depending on market conditions and global demand for these materials and could adversely affect our business and operating results. For instance, we are exposed to multiple risks relating to price fluctuations for lithium-ion cells. These risks include:

- the inability or unwillingness of current battery manufacturers to build or operate battery cell manufacturing plants to supply the numbers of lithium-ion cells required to support the growth of the electric or plug-in hybrid vehicle industry as demand for such cells increases;
- disruption in the supply of cells due to quality issues or recalls by the battery cell manufacturers; and
- an increase in the cost of raw materials, such as cobalt, used in lithium-ion cells.

Our business depends on the continued supply of battery cells for our vehicles. We do not currently have any agreements for the supply of batteries and depend upon the open market for their procurement. Any disruption in the supply of battery cells from our supplier could temporarily disrupt the planned production of our vehicles until such time as a different supplier is fully qualified. Moreover, battery cell manufacturers may choose to refuse to supply electric vehicle manufacturers to the extent they determine that the vehicles are not sufficiently safe. Furthermore, current fluctuations or shortages in petroleum and other economic conditions may cause us to experience significant increases in freight charges and raw material costs. Substantial increases in the prices for our raw materials would increase our operating costs, and could reduce our margins if we cannot recoup the increased costs through increased electric vehicle prices. We might not be able to recoup increasing costs of raw materials by increasing vehicle prices. We have set up sales price for the base model of our SOLO to be $18,500 and we have also already announced an estimated price for the base model of our SOLO Cargo, eRoadster and the Tofino. However, any attempts to increase the announced or expected prices in response to increased raw material costs could be viewed negatively by our potential customers, result in cancellations of SOLO, eRoadster and Tofino reservations and could materially adversely affect our brand, image, business, prospects and operating results.

We rely upon independent third-party transportation providers for our vehicle shipments and are subject to increased shipping costs as well as the potential inability of our third-party transportation providers to deliver on a timely basis.

We currently rely upon independent third-party transportation providers for our vehicle shipments. Our utilization of these delivery services for shipments is subject to risks which may impact a shipping company's ability to provide delivery services that adequately meet our shipping needs, including risks related to employee strikes, labor and capacity constraints, and inclement weather. In addition, we are subject to increased shipping costs when fuel prices increase and due to other economic factors affecting supply and demand within the transportation industry. If we change the shipping companies we use, we could face logistical difficulties that could adversely affect deliveries, and we would incur costs and expend resources in connection with such change. Moreover, we may not be able to obtain terms as favorable as those received from our current independent third-party transportation providers which, in turn, would increase our costs and may impact our overall profitability.

The unavailability, reduction or elimination of government and economic incentives could have a material adverse effect on our business, financial condition, operating results and prospects.

Any reduction, elimination or discriminatory application of government subsidies and economic incentives that are offered to purchasers of EVs or persons installing home charging stations, the reduced need for such subsidies and incentives due to the perceived success of the electric vehicle, fiscal tightening or other reasons may result in the diminished competitiveness of the alternative fuel vehicle industry generally or our electric vehicles in particular. This could materially and adversely affect the growth of the alternative fuel automobile markets and our business, prospects, financial condition and operating results.

If we fail to manage future growth effectively, we may not be able to market and sell our vehicles successfully.

Any failure to manage our growth effectively could materially and adversely affect our business, prospects, operating results and financial condition. We plan to expand our operations in the near future in connection with the planned production of our vehicles. On March 16, 2021, the Company announced that it has selected Mesa, AZ, in the greater Phoenix area, for its U.S. based assembly facility and engineering technical center. The proposed facility in Mesa will support the Company's strategic plan to meet anticipated demand for its flagship SOLO EV and other intended EVs. Our future operating results depend to a large extent on our ability to manage this expansion and growth successfully. Risks that we face in undertaking this expansion include:

- training new personnel;
- forecasting production and revenue;
- controlling expenses and investments in anticipation of expanded operations;
- establishing or expanding design, manufacturing, sales and service facilities;
- implementing and enhancing administrative infrastructure, systems and processes;
- addressing new markets; and
- establishing international operations.

We intend to continue to hire a number of additional personnel, including design and manufacturing personnel and service technicians, for our electric vehicles. Competition for individuals with experience in designing, manufacturing and servicing electric vehicles is intense, and we may not be able to attract, assimilate, train or retain additional highly qualified personnel in the future. The failure to attract, integrate, train, motivate and retain these additional employees could seriously harm our business and prospects.

Our business may be adversely affected by labor and union activities.

Although none of our employees are currently represented by a labor union, it is common throughout the automobile industry generally for many employees at automobile companies to belong to a union, which can result in higher employee costs and increased risk of work stoppages. We have a Manufacturing Agreement with Zongshen to produce SOLO vehicles. Zongshen's workforce is not currently unionized, though they may become so in the future or industrial stoppages could occur in the absence of a union. We also directly and indirectly depend upon other companies with unionized work forces, such as parts suppliers and trucking and freight companies, and work stoppages or strikes organized by such unions could have a material adverse impact on our business, financial condition or operating results. If a work stoppage occurs within our business, or that of Zongshen or our key suppliers, it could delay the manufacture and sale of our electric vehicles and have a material adverse effect on our business, prospects, operating results or financial condition. Additionally, if we expand our business to include full in-house manufacturing of our vehicles, our employees might join or form a labor union and we may be required to become a union signatory.

We may become subject to product liability claims, which could harm our financial condition and liquidity if we are not able to successfully defend or insure against such claims.

We may become subject to product liability claims, which could harm our business, prospects, operating results and financial condition. The automobile industry experiences significant product liability claims and we face inherent risk of exposure to claims in the event our vehicles do not perform as expected or malfunction resulting in personal injury or death. Our risks in this area are particularly pronounced given we have limited field experience of our vehicles. A successful product liability claim against us could require us to pay a substantial monetary award. Moreover, a product liability claim could generate substantial negative publicity about our vehicles and business and inhibit or prevent commercialization of other future vehicle candidates which would have a material adverse effect on our brand, business, prospects and operating results. We plan to maintain product liability insurance for all our vehicles on a claims-made basis, but any such insurance might not be sufficient to cover all potential product liability claims. Any lawsuit seeking significant monetary damages either in excess of our coverage or outside of our coverage may have a material adverse effect on our reputation, business and financial condition. We may not be able to secure additional product liability insurance coverage on commercially acceptable terms or at reasonable costs when needed, particularly if we do face liability for our products and are forced to make a claim under our policy.

Our patent applications may not result in issued patents, which may have a material adverse effect on our ability to prevent others from interfering with our commercialization of our products.

The registration and enforcement of patents involves complex legal and factual questions and the breadth and effectiveness of patented claims is uncertain. We cannot be certain that we are the first to file patent applications on these inventions, nor can we be certain that our pending patent applications will result in issued patents or that any of our issued patents will afford sufficient protection against someone creating competing products, or as a defensive portfolio against a competitor who claims that we are infringing its patents. In addition, patent applications filed in foreign countries are subject to laws, rules and procedures that differ from those of the United States, and thus we cannot be certain that foreign patent applications, if any, will result in issued patents in those foreign jurisdictions or that such patents can be effectively enforced, even if they relate to patents issued in the United States.

We may need to defend ourselves against patent or trademark infringement claims, which may be time-consuming and would cause us to incur substantial costs.

Companies, organizations or individuals, including our competitors, may hold or obtain patents, trademarks or other proprietary rights that would prevent, limit or interfere with our ability to make, use, develop, sell or market our vehicles or components, which could make it more difficult for us to operate our business. From time to time we may receive communications from third parties that allege our products are covered by their patents or trademarks or other intellectual property rights. Companies holding patents or other intellectual property rights may bring suits alleging infringement of such rights or otherwise assert their rights. If we are determined to have infringed upon a third party's intellectual property rights, we may be required to do things that include one or more of the following:

- cease making, using, selling or offering to sell processes, goods or services that incorporate or use the third-party intellectual property;
- pay substantial damages;
- seek a license from the holder of the infringed intellectual property right, which license may not be available on reasonable terms or at all;
- redesign our vehicles or other goods or services to avoid infringing the third-party intellectual property; or
- establish and maintain alternative branding for our products and services.

In the event of a successful claim of infringement against us and our failure or inability to obtain a license to the infringed technology or other intellectual property right, our business, prospects, operating results and financial condition could be materially adversely affected. In addition, any litigation or claims, whether or not valid, could result in substantial costs, negative publicity and diversion of resources and management attention.

You may face difficulties in protecting your interests, and your ability to protect your rights through the US federal courts may be limited because we are incorporated under the laws of the Province of British Columbia, a substantial portion of our assets are in Canada and some of our executive officers and directors reside outside the United States.

We are organized pursuant to the laws of the Province of British Columbia under the Business Corporations Act (British Columbia), as amended (the "Business Corporations Act"). Two of our four officers, our auditor and all but four of our directors reside outside the United States. In addition, a substantial portion of their assets and our assets are located outside of the United States. As a result, you may have difficulty serving legal process within the United States upon us or any of these persons. You may also have difficulty enforcing, both in and outside of the United States, judgments you may obtain in U.S. courts against us or these persons in any action, including actions based upon the civil liability provisions of U.S. federal or state securities laws. Furthermore, there is substantial doubt as to the enforceability in Canada against us or against any of our directors, officers and any experts named in this Annual Report who are not residents of the United States, in original actions or in actions for enforcement of judgments of U.S. courts, of liabilities based solely upon the civil liability provisions of the U.S. federal securities laws. In addition, shareholders in British Columbia companies may not have standing to initiate a shareholder derivative action in U.S. federal courts. As a result, our public shareholders may have more difficulty in protecting their interests through actions against us, our management, our directors or our major shareholders than would shareholders of a corporation incorporated in a jurisdiction in the United States.

Global economic conditions could materially adversely impact demand for our products and services.

Our operations and performance depend significantly on economic conditions. Uncertainty about global economic conditions could result in customers postponing purchases of our products and services in response to tighter credit, unemployment, negative financial news and/or declines in income or asset values and other macroeconomic factors, which could have a material negative effect on demand for our products and services and, accordingly, on our business, results of operations or financial condition.

We are vulnerable to a growing trade dispute between the United States and China

A growing trade dispute between the United States and China could increase the proposed sales price of our products or decrease our profits, if any. In June 2018, the previous U.S. administration imposed tariffs on $34 billion of Chinese exports, including a 25% duty on vehicles built in China and shipped to the United States. Following the imposition of these tariffs, China has imposed additional tariffs on U.S. goods manufactured in the United States and exported to China. Subsequently, the U.S. administration indicated that it may impose tariffs on up to $500 billion on goods manufactured in China and imported into the United States. These tariffs may escalate a nascent trade war between China and the United States. This trade conflict could affect our business because we intend to mass produce the SOLO in China and our intended principal market is the west coast of North America. If a trade war were to escalate, or if tariffs were imposed on any of our products, we could be forced to increase the proposed sales price of such products or reduce the margins, if any, on such products.

Recently, U.S. Customs and Border Protection ruled that the SOLO has a classification under the Harmonized Tariff Schedule of the United States that applies to passenger vehicles for less than 10 people with only electric motors. The total applicable duty for this classification was recently raised to 27.5% (2.5% is a “most-favored-nation” tariff for this classification and 25% derives from this classification being on the China 301 List 1). The suggested retail purchase price for our SOLO is U.S.$18,500. As the landscape for tariffs involving imports to the United States from the People’s Republic of China (the “PRC”) has been changing over the past year and may change again, we have not determined how to adjust the purchase price in the United States in response to the recent tariff increase.

On January 15, 2020, the United States and the PRC signed the Phase 1 Trade Agreement which came into force on February 14, 2020. Notwithstanding the coming into force of the Phase 1 Trade Agreement, the United States will maintain its tariffs on vehicles built in China and shipped to the United States.

Uncertainties in the interpretation and enforcement of Chinese laws and regulations could limit the legal protections available to you and us.

The legal system in the PRC is based on written statutes. Unlike common law systems, it is a system in which legal cases have limited value as precedents. In the late 1970s the PRC government began to promulgate a comprehensive system of laws and regulations governing economic matters in general. The overall effect of legislation over the past three decades has significantly increased the protections afforded to various production services in the PRC. Zongshen, our manufacturing partner, is subject to various PRC laws and regulations generally applicable to companies in China. However, since these laws and regulations are relatively new and the PRC legal system continues to rapidly evolve, the interpretations of many laws, regulations and rules are not always uniform and enforcement of these laws, regulations and rules involve uncertainties.

From time to time we may have to resort to administrative and court proceedings to enforce our legal rights or Zongshen may have to resort to administrative and court proceedings to fulfill its obligations under the Manufacturing Agreement. However, since PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems. Furthermore, the PRC legal system is based in part on government policies and internal rules (some of which are not published in a timely manner or at all) that may have retroactive effect. As a result, we or Zongshen may not be aware of our violation of these policies and rules until sometime after the violation. Such uncertainties, including uncertainty over the scope and effect of our contractual, property (including intellectual property) and procedural rights, and any failure to respond to changes in the regulatory environment in China, could materially and adversely affect our business and impede our ability to continue our operations.

Risks Related to Our Common Shares

Our executive officers and directors beneficially own approximately 9.8% of our common shares.

As of March 22, 2022, our executive officers and directors beneficially owned, in the aggregate, approximately 9.8% of our common shares, which includes shares that our executive officers and directors have the right to acquire pursuant to warrants, stock options, restricted stock units ("RSU"s) and deferred stock units ("DSU"s) which have vested. As a result, they will be able to exercise a significant level of control over all matters requiring shareholder approval, including the election of directors, amendments to our Articles and approval of significant corporate transactions. This control could have the effect of delaying or preventing a change of control of our Company or changes in management and will make the approval of certain transactions difficult or impossible without the support of these shareholders.

The continued sale of our equity securities will dilute the ownership percentage of our existing shareholders and may decrease the market price for our common shares.

Our Notice of Articles authorize the issuance of an unlimited number of common shares and the issuance of preferred shares. Our Board of Directors has the authority to issue additional shares of our capital stock to provide additional financing in the future and designate the rights of the preferred shares, which may include voting, dividend, distribution or other rights that are preferential to those held by the common shareholders. The issuance of any such common or preferred shares may result in a reduction of the book value or market price, if one exists at the time, of our outstanding common shares. Given our lack of revenues, we will likely have to issue additional equity securities to obtain working capital we require for the next 12 months. Our efforts to fund our intended business plans will therefore result in dilution to our existing shareholders. If we do issue any such additional common shares, such issuance also will cause a reduction in the proportionate ownership and voting power of all other shareholders. As a result of such dilution, if you acquire common shares your proportionate ownership interest and voting power could be decreased. Furthermore, any such issuances could result in a change of control or a reduction in the market price for our common shares.

Additionally, we had 11,274,981 stock options and 7,252,021 warrants outstanding as of March 22, 2022. The exercise price of some of these options and warrants is below our current market price, and you could purchase shares in the market at a price in excess of the exercise price of our outstanding warrants or options. If the holders of these options and warrants elect to exercise them, your ownership position will be diluted and the per share value of the common shares you have or acquire could be diluted as well. As a result, the market value of our common shares could significantly decrease as well.

Issuances of our preferred stock may adversely affect the rights of the holders of our common shares and reduce the value of our common shares.

Our Notice of Articles authorize the issuance of an unlimited number of shares of preferred stock. Our Board of Directors has the authority to create one or more series of preferred stock and, without shareholder approval, issue shares of preferred stock with rights superior to the rights of the holders of common shares. As a result, shares of preferred stock could be issued quickly and easily, adversely affecting the rights of holder of common shares and could be issued with terms calculated to delay or prevent a change in control or make removal of management more difficult. Although we currently have no plans to create any series of preferred stock and have no present plans to issue any shares of preferred stock, any creation and issuance of preferred stock in the future could adversely affect the rights of the holders of common shares and reduce the value of our common shares.

The market price of our common shares may be volatile and may fluctuate in a way that is disproportionate to our operating performance.

Our common shares began trading on the Nasdaq Capital Market ("Nasdaq") in August 2018, and before that it had been trading on the OTCQB starting in September 2017. The historical volume of trading has been low (within the past fiscal year, the fewest number of our shares that were traded on Nasdaq was 1,325,395 shares daily), and the share price has fluctuated significantly (since trading began on Nasdaq our closing price has been as low as U.S.$0.91 and as high as U.S.$10.81). The share price for our common shares could decline due to the impact of any of the following factors:

- sales or potential sales of substantial amounts of our common shares;
- announcements about us or about our competitors;

- litigation and other developments relating to our patents or other proprietary rights or those of our competitors;
- conditions in the automobile industry;
- governmental regulation and legislation;
- variations in our anticipated or actual operating results;
- change in securities analysts' estimates of our performance, or our failure to meet analysts' expectations;
- change in general economic trends; and
- investor perception of our industry or our prospects.

Many of these factors are beyond our control. The stock markets in general, and the market for automobile companies in particular, have historically experienced extreme price and volume fluctuations. These fluctuations often have been unrelated or disproportionate to the operating performance of these companies. These broad market and industry factors could reduce the market price of our common shares regardless of our actual operating performance.

We do not intend to pay dividends and there will thus be fewer ways in which you are able to make a gain on your investment.

We have never paid any cash or stock dividends and we do not intend to pay any dividends for the foreseeable future. To the extent that we require additional funding currently not provided for in our financing plan, our funding sources may prohibit the payment of any dividends. Because we do not intend to declare dividends, any gain on your investment will need to result from an appreciation in the price of our common shares. There will therefore be fewer ways in which you are able to make a gain on your investment.

FINRA sales practice requirements may limit your ability to buy and sell our common shares, which could depress the price of our shares.

Financial Industry Regulation Authority ("FINRA") rules require broker-dealers to have reasonable grounds for believing that an investment is suitable for a customer before recommending that investment to the customer. Prior to recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status and investment objectives, among other things. Under interpretations of these rules, FINRA believes that there is a high probability such speculative low-priced securities will not be suitable for at least some customers. Thus, FINRA requirements may make it more difficult for broker-dealers to recommend that their customers buy our common shares, which may limit your ability to buy and sell our common shares, have an adverse effect on the market for our common shares and, thereby, depress their market prices.

Our common shares have been thinly traded, and you may be unable to sell at or near ask prices or at all if you need to sell your common shares to raise money or otherwise desire to liquidate your shares.

From October 2017 until August 2018, our common shares were quoted on the OTCQB where they were "thinly-traded", meaning that the number of persons interested in purchasing our common shares at or near bid prices at any given time was relatively small or non-existent. Since we listed on the Nasdaq Capital Market in August 2018, the volume of our common shares traded has increased, but that volume could decrease until we are thinly-traded again. That could occur due to a number of factors, including that we are relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community that generate or influence sales volume, and that even if we came to the attention of such persons, they tend to be risk-averse and might be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our common shares until such time as we became more seasoned. As a consequence, there may be periods of several days or more when trading activity in our common shares is minimal or non-existent, as compared to a seasoned issuer which has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. Broad or active public trading market for our common shares may not develop or be sustained.

Volatility in our common shares or warrant price may subject us to securities litigation.

The market for our common shares may have, when compared to seasoned issuers, significant price volatility, and we expect that our share or warrant prices may continue to be more volatile than that of a seasoned issuer for the indefinite future. In the past, plaintiffs have often initiated securities class action litigation against a company following periods of volatility in the market price of its securities. We may, in the future, be the target of similar litigation. Securities litigation could result in substantial costs and liabilities and could divert management's attention and resources.

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to United States domestic public companies.

We are a foreign private issuer within the meaning of the rules under the Exchange Act. As such, we are exempt from certain provisions applicable to United States domestic public companies. For example:

- we are not required to provide as many Exchange Act reports, or as frequently, as a domestic public company;
- for interim reporting we are permitted to comply solely with our home country requirements, which are less rigorous than the rules that apply to domestic public companies;
- we are not required to provide the same level of disclosure on certain issues, such as executive compensation;
- we are exempt from provisions of Regulation FD aimed at preventing issuers from making selective disclosures of material information;
- we are not required to comply with the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act; and
- we are not required to comply with Section 16 of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and establishing insider liability for profits realized from any "short-swing" trading transaction.

Our shareholders may not have access to certain information they may deem important and are accustomed to receive from U.S. reporting companies.

As an "emerging growth company" under applicable law, we will be subject to lessened disclosure requirements. Such reduced disclosure may make our common shares less attractive to investors.

For as long as we remain an "emerging growth company", as defined in the JOBS Act, we will elect to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" and including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports, exemptions from the requirements of holding a non-binding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. Because of these lessened regulatory requirements, our shareholders would be left without information or rights available to shareholders of more mature companies. If some investors find our common shares less attractive as a result, there may be a less active trading market for such securities and their market prices may be more volatile.

We incur significant costs as a result of being a public company, which costs will grow after we cease to qualify as an "emerging growth company."

We incur significant legal, accounting and other expenses as a public company. The Sarbanes-Oxley Act, as well as rules subsequently implemented by the SEC and the Nasdaq Capital Market, impose various requirements on the corporate governance practices of public companies. We are an "emerging growth company", as defined in the JOBS Act, and will remain an emerging growth company until the earlier of : (1) the last day of the fiscal year (a) following February 10, 2022, (b) in which we have total annual gross revenue of at least U.S.$1.07 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common shares that is held by non-affiliates exceeds US$700 million as of the prior June 30th; and (2) the date on which we have issued more than U.S.$1.0 billion in non-convertible debt during the prior three-year period. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act in the assessment of the emerging growth company's internal control over financial reporting and permission to delay adopting new or revised accounting standards until such time as those standards apply to private companies.

Compliance with these rules and regulations increases our legal and financial compliance costs and makes some corporate activities more time-consuming and costlier. After we are no longer an emerging growth company, we expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 and the other rules and regulations of the SEC. For example, as a public company we have been required to increase the number of independent directors and adopt policies regarding internal controls and disclosure controls and procedures. We have incurred additional costs in obtaining director and officer liability insurance. In addition, we incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our Board of Directors or as executive officers. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the amount of additional costs we may incur or the timing of such costs.

ITEM 4. INFORMATION ON THE COMPANY

Summary

We were incorporated on February 16, 2015, under the laws of the Province of British Columbia, Canada, and our principal activity is the development and manufacturing of electric vehicles (each, an EV).

Our head office is located at, and our principal address is, 8057 North Fraser Way, Burnaby, British Columbia, Canada, V5J 5M8.

Additional information related us is available on SEDAR at www.sedar.com and on our website at www.electrameccanica.com. We do not incorporate the contents of our website or of sedar.com into this Annual Report. Information on our website does not constitute part of this Annual Report.

Our registered and records office is located at Suite 1500, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, Canada, V6E 4N7.

A. History and development of the Company

We are a development-stage electric vehicle, or EV, manufacturing company which was incorporated on February 16, 2015 under the laws of British Columbia, Canada.

We have five subsidiaries: InterMeccanica, a British Columbia, Canada, corporation; EMV Automotive USA Inc., a Nevada corporation; SOLO EV LLC, a Michigan limited liability company; ElectraMeccanica USA LLC, an Arizona limited liability company; and EMV Automotive Technology (Chongqing) Ltd., a PRC corporation.

We currently have 17 existing retail locations located in the States of California, Arizona, Colorado, Oregon and Washington.

B. Business Overview

General

We are a development-stage electric vehicle, or EV, designer and manufacturer company located in Vancouver, British Columbia, Canada. Our initial product line targets urban commuters, commercial fleets/deliveries and shared mobility seeking to commute in an efficient, cost-effective and environmentally friendly manner.

Our first flagship EV is the SOLO, a single seat vehicle, of which we have built 64 prototype vehicles in-house as of December 31, 2021 and 60 pre-production vehicles with our manufacturing partner, Zongshen. We have used some of these pre-mass production vehicles as prototypes and for certification purposes, have delivered some to customers and have used others as test drive models in our showroom. We believe our schedule to mass produce EVs, combined with our subsidiary, InterMeccanica's, 62-year history of automotive design, manufacturing and deliveries of motor vehicles to customers, significantly differentiates us from other early and development stage EV companies.

We launched commercial production of our SOLO on August 26, 2020. For the quarter ended December 31, 2021, we have produced 109 SOLOs for a total of 291 SOLOs since we launched production. We currently have 20 retail stores located in the States of California, Arizona, Oregon, Washington and Colorado. Deliveries will be made to key markets along the U.S. west coast as the Company continues to expand. The Company commenced deliveries on October 4, 2021, to initial customers and commercial fleets.

On September 16, 2020, we announced plans to produce an alternative "cargo and fleet" version of our flagship SOLO EV and debuted the SOLO alternative version at the ACT Expo in Long Beach on August 31, 2021. The Company recently announced its plan to start delivering the SOLO Cargo EV early in the third quarter of 2022. The starting suggested retail price of the SOLO Cargo is U.S.$24,500 with 11.8 cubic feet of storage.

To support our production, in October of 2017 we entered into a Manufacturing Agreement with Zongshen, acting through its wholly-owned subsidiary. Zongshen is an affiliate of Zongshen Power Machinery Co., Ltd., a large-scale scientific and technical enterprise which designs, develops, manufactures and sells a diverse range of motorcycles and motorcycle engines in China. We amended the Manufacturing Agreement in June of 2021 to update certain manufacturing and delivery provisions of the same. Zongshen has previously purchased common shares and exercised 1,400,000 warrants at CAD$4 to common shares from us, and beneficially owns approximately 2.4% of our common shares.

On March 16, 2021, we announced that we had selected Mesa, Arizona, as the site for the establishment of our U.S.-based assembly facility and engineering technical center. On May 12, 2021, we celebrated the official groundbreaking of the assembly facility and engineering technical center. The intended 235,000 square foot facility is to be located on 18 acres of land adjacent to the Phoenix-Mesa Gateway airport. The building is expected to include an assembly and manufacturing plant, a research center, 22,000 square feet of office space and 19,000 square feet of lab space. In this respect we plan to use an asset-light model in the facility's development, whereby the building will be leased from the land owner and developer. The building is being designed by the architectural firm, Ware Malcomb, and is being engineered by Hunter Engineering with Willmeng Construction acting as the facility's general contractor. When operational, it is expected that facility will have a production capacity of up to 20,000 vehicles per year and employ upwards of 200 to 500 people. The current completion date is targeted for summer of 2022.

We have another EV candidate in early design development stage, the "Tofino", an all-electric, two-seater roadster.

We have devoted substantial resources to create an affordable EV which brings significant performance and value to our customers. To this end, the SOLO carries a manufacturer's suggested retail price of $18,500, prior to any surcharge to cover tariffs (discussed below), and being powered by a high-performance electric rear drive motor which enables the SOLO to achieve:

- a top speed of 80 mph and an attainable cruise speed of 68 mph resulting from its lightweight aerospace composite chassis;
- acceleration from 0 mph to 60 mph in approximately ten seconds; and
- a range of up to 100 miles generated from a lithium-ion battery system that requires up to four hours of charging time on a 220-volt charging station (up to eight hours from a 110-volt outlet) that utilizes approximately 17.3 kW/h.

In addition, the SOLO contains a number of standard features found in higher price point vehicles, including:

- LCD Digital Instrument Cluster;
- Power Windows, Power Steering and Power Brakes;
- AM/FM Stereo with Bluetooth/ USB;
- Rear view backup camera;
- Air conditioning;
- Heated seat;
- Heater and defogger; and
- Keyless remote entry.

Unique to Canada, the SOLO is under the three-wheeled vehicle category and is subject to the safety standards listed in Schedule III of the Canadian Motor Vehicle Safety Regulations. See "Government Regulation" herein.

For sale into the United States, we and our vehicles must meet the applicable provisions of the U.S. Code of Federal Regulations ("CFR") Title 49 — Transportation. Since the U.S. regulations do not have a specific class for three-wheeled "autocycles", the SOLO falls under the definition of a motorcycle pursuant to Sec. 571.3 of 49 CFR Part 571. However, currently a motorcycle license is not required to drive them in all but the States of Indiana, Massachusetts, Minnesota, Nebraska, Nevada, New Mexico, North Carolina and New York (New York will no longer require a Helmet as of April 20, 2022); Motorcycle helmets must be worn while operating in the States of Alaska (when operating without a motorcycle license or endorsement), Nebraska, North Carolina and Oregon. Helmets are also required if the driver is under 18 years old in the States of Alaska, Colorado, Indiana, Minnesota, Montana, New Hampshire and New Mexico. See "Government Regulation" herein.

Potential Impact of the COVID-19 Pandemic

In December 2019, a strain of novel coronavirus (now commonly known as COVID-19) was reported to have surfaced in Wuhan, China. COVID-19 has since spread rapidly throughout many countries, and, on March 11, 2020, the World Health Organization declared COVID-19 to be a pandemic. In an effort to contain and mitigate the spread of COVID-19, many countries, including the United States, Canada and China, have imposed unprecedented restrictions on travel, and there have been business closures and a substantial reduction in economic activity in countries that have had significant outbreaks of COVID-19.

Our manufacturing partner, Zongshen, reports that its operations have not been materially affected at this point, and with our partner Zongshen we have begun producing the SOLO for targeted deliveries to customers during 2021. However, significant uncertainty remains as to the potential impact of the COVID-19 pandemic on our and Zongshen's operations, and on the global economy as a whole. Government-imposed restrictions on travel and other "social-distancing" measures, such as restrictions on assemblies of groups of persons, have potential to disrupt supply chains for parts and sales channels for our products, and may result in labor shortages.

It is currently not possible to predict how long the pandemic will last or the time that it will take for economic activity to return to prior levels. We will continue to monitor the COVID-19 situation closely, and intend to follow health and safety guidelines as they evolve.

Potential Impact of Tariffs

A growing trade dispute between the United States and China could increase the proposed sales price of our products or decrease our profits, if any. In June 2018, the previous U.S. administration imposed tariffs on $34 billion of Chinese exports, including a 25% duty on vehicles built in China and shipped to the United States. Following the imposition of these tariffs, China has imposed additional tariffs on U.S. goods manufactured in the United States and exported to China. Subsequently, the U.S. administration indicated that it may impose tariffs on up to $500 billion of goods manufactured in China and imported into the United States. These tariffs may escalate a nascent trade war between China and the United States. This trade conflict could affect our business because we intend to mass produce the SOLO in China and our intended principal market is the west coast of North America. If a trade war were to escalate or if tariffs were imposed on any of our products, we could be forced to increase the proposed sales price of such products or reduce the margins, if any, on such products.

Recently, U.S. Customs and Border Protection ruled that the SOLO has a classification under the Harmonized Tariff Schedule of the United States that applies to passenger vehicles for less than 10 people with only electric motors. The total applicable duty for this classification was recently raised to 27.5% (2.5% is a "most-favored-nation" tariff for this classification and 25% derives from this classification being on the China 301 List 1). As indicated above, the current base purchase price for our SOLO is approximately U.S.$18,500. As the landscape for tariffs involving imports to the United States from the PRC has been changing over the past year and may change again, we have not determined how to adjust the base purchase price in the United States in response to the recent tariff increase.

On January 15, 2020, the United States and the PRC signed an Economic and Trade Agreement commonly referred to as the Phase 1 Trade Agreement, which entered into force on February 14, 2020. Notwithstanding the coming into force of the Phase 1 Trade Agreement, the United States will maintain its tariffs on vehicles built in China and shipped to the United States.

Corporate Structure and Principal Executive Offices

We were incorporated on February 16, 2015 under the laws of British Columbia, Canada, and have a December 31st fiscal year end. As of March 22, 2022, we had 118,611,496 common shares outstanding.

Our principal executive offices are located at 8057 North Fraser Way, Burnaby, British Columbia, Canada, V5J 5M8. Our telephone number is (604) 428-7656. Our website address is www.electrameccanica.com. Information on our website does not constitute part of this Annual Report. Our registered and records office is located at Suite 1500, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, Canada, V6E 4N7.

We have five subsidiaries: InterMeccanica, a British Columbia, Canada, corporation; EMV Automotive USA Inc., a Nevada corporation; SOLO EV LLC, a Michigan limited liability company; ElectraMeccanica USA LLC, an Arizona limited liability company; and EMV Automotive Technology (Chongqing) Ltd., a PRC corporation.

Strategy

Our near-term goal is to commence and expand sales of the SOLO while continuing to develop our other EVs. We intend to achieve this goal by:

- *Began commercial production of the SOLO*: Zongshen, our manufacturing partner, began production of the SOLO on August 26, 2020, with deliveries to customers that commenced on October 4, 2021, and have delivered 61 vehicles as at December 31, 2021;

- *Increasing orders for our EVs*: We have an online reservation system which allows a potential customer to reserve a SOLO by paying a refundable $250 deposit, a Tofino by paying a refundable $1,000 deposit and an e-Roadster by paying a refundable $1,000 deposit. Once reserved, the potential customer is allocated a reservation number and, although we cannot guarantee that such pre-orders will become binding and result in sales, we intend to fulfill the reservations as the respective vehicles are produced. We maintain certain refundable deposits from various individuals for SOLOs, Tofinos and e-Roadsters;

- *Having sales and services supported by local corporate stores*: We will monitor all vehicles in real time via telematics which provides early warning of potential maintenance issues; and

- *Expanding our product offering*: In parallel with the production and sale of the SOLO, we have started to take orders of the SOLO Cargo with anticipated deliveries during third quarter of 2022 with a starting suggested retail price of $24,500. We aim to continue the development of our other proposed products, including the Tofino and e-Roadster, two-seater sports cars, in the expected price range of $50,000 to $60,000 for the Tofino and starting at $150,000 for the e-Roadster.

We have achieved our pre-order book through an online "direct sales to customers and corporate sales" platform, as well as a showroom at our headquarters in Vancouver, British Columbia, Canada. Additionally, we have service and distribution centers in Studio City, California, and in Mesa, Arizona. We plan on expanding the corporate retail stores model and will be opening retail stores in key urban areas. We currently have 17 retail stores located in the States of California, Arizona, Oregon, Washington and Colorado. Deliveries will be made to key markets along the U.S. west coast as the Company continues to expand. The Company commenced deliveries to initial customers on October 4, 2021.

We will continue to identify other retail targets in additional regions. The establishment of stores will depend on regional demand, available candidates and local regulations. Our vehicles will initially be available directly from us. We plan to only establish and operate corporate stores in those states in the United States that do not restrict or prohibit certain retail sales models by vehicle manufacturers.

Marketing and Sales Plan

We recognize that marketing efforts must be focused on customer education and establishing brand presence and visibility which is expected to allow our vehicles to gain traction and subsequently gain increases in orders. Our marketing and promotional efforts emphasize the SOLO's image as an efficient, clean and attainable EV for the masses to commute on a daily basis, for commercial fleets/deliveries and for shared mobility.

A key point to the marketing plan is to target metropolitan areas with high population density, expensive real estate, high commuter traffic load and pollution levels which are becoming an enormous concern. Accordingly, our management has identified California, Washington, Oregon, Arizona, Colorado and Southern Florida as areas with cities that fit the aforementioned criteria. We are currently delivering vehicles in the State of California.

We plan to develop a marketing strategy that will generate interest and media buzz based on the SOLO's selling points. Key aspects of our marketing plan include:

- *Digital marketing*: Organic engagement and paid digital marketing media with engaging posts aimed to educate the public about EVs and develop interest in our SOLO;

- *Earned media*: We have already received press coverage from several traditional media sources and expect these features and news stories to continue as we embark on our commercial launch;

- *Investor Relations/Press Releases*: Our in-house investor relations team will provide media releases/kits for updates and news on our progress;

- *Industry shows and events*: Promotional merchandise giveaways are expected to enhance and further solidify our branding in consumer minds. In October 2020 we hosted the "First Look & Drive" media event in Santa Monica, California, and during March 2021 we showcased the SOLO at Barrett Jackson in Scottsdale, Arizona. In August/September 2021 we showcased the SOLO and SOLO Cargo version at the ACT Expo in Long Beach, California. Computer stations and payment processing software will be readily on hand at such events to accept SOLO reservations. In November of 2021 we showcased SOLO O2 and SOLO Crassodon at SEMA in Las Vegas, Nevada. Also in November we showcased the entire SOLO line up at the LA Autoshow along with test drives; and

- *First-hand experience*: Test-drives and/or public viewings are available at our existing stores in the Vancouver downtown core, Arizona, California, Oregon and soon in Colorado and Washington.

We anticipate that our marketing strategy and tactics will evolve over time as our SOLO gains momentum and we identify appropriate channels and media that align with our long-term objectives. In all of our efforts we plan to focus on the features that differentiate our SOLO from the existing EVs in the market.

SOLO

We created the SOLO's first prototype in September of 2016. Since the completion of the prototype, our engineers and designers have devoted significant efforts to provide the SOLO with an appealing design and have engaged in proprietary research and development leading to a high-performance electric rear drive motor.

The SOLO has a suggested retail purchase price of U.S.$18,500 and features a lightweight chassis to allow for a top speed of 80/mph, an attainable cruise speed of 68/mph and is able to go from 0/mph to 60/mph in approximately 10 seconds. Our SOLO features a lithium ion battery system that requires only up to four hours of charging time on a 220-volt charging station or up to eight hours from a 110-volt outlet. The lithium battery system utilizes approximately 17.3 kW/h for up to 100 miles in range. We offer a limited warranty for three years or 36,000 miles for the SOLO and limited warranty up to five years or 45,000 miles for the battery. Standard equipment in the SOLO includes, but is not limited to the following:

- LCD Digital Instrument Cluster;
- Power Windows, Power Steering and Power Brakes;
- AM/FM Stereo with Bluetooth/ USB;
- Rear view backup camera;
- Air conditioning;
- Heated seat;
- Heater and defogger; and
- Keyless remote entry.

SOLO Cargo

In September 2020 we announced our plans to produce an alternative "utility and fleet" version of our flagship SOLO EV. On February 2, 2022, the Company announced its plan to start delivering the SOLO Cargo EV in the third quarter of 2022. This modified vehicle is being developed based on direct input from potential commercial and fleet partners and will be equipped with a stylish and functional cargo "cap", offering additional capacity and versatility to suit a variety of different, single-occupant commercial and utility fleet applications. Our engineers and designers have devoted efforts to provide the SOLO Cargo with an appealing design and have engaged in proprietary research and development leading to a high-performance electric rear drive motor.

The SOLO Cargo has the similar features as the SOLO; however, we anticipate that there will be some additional fleet technology and features that would be able to add to the SOLO Cargo. The SOLO Cargo EV has a range of up to 100 miles and a top speed of 80 mph, making it safe for highway use. It also features front and rear crumple zones, side impact protection, a Kevlar reinforced safety hoop, torque-limiting control as well as power steering, power brakes, air conditioning and a configurable entertainment system.

SOLO Cargo EV dimensions have been expanded to include cargo space for a total of 11.8 cubic feet of storage space – as compared to 5 cubic feet of storage in the standard SOLO EV. The uniquely styled vehicle is 53" tall and approximately 123" long, and the rear cargo dimensions are 37.5" long x 34" wide x 16" high. The Cargo version contains a variety of features for commercial applications, including a bulkhead which separates the driver from the cargo contents, an adjustable/folding interior floor panel, cargo netting, lighting in the rear cargo space and a telematics enabled device. For added safety, the roof is reinforced with a Kevlar band.

The SOLO Cargo EV is now available for order with your ElectraMeccanica fleet representative by phone or email – all at a starting MRSP of U.S.$24,500. A dedicated sales manager is available to walk customers through the purchasing and outfitting process. A post-sale account manager is provided for aftersales service and warranty support including in-shop service trainings, parts, and allocated resources to ensure limited downtime for fleets.

eRoadster

We currently have a prototype eRoadster that is currently produced. The Company is currently sourcing supply for the production model. This eRoadster will be manufactured out of our Mesa Facility. Further details will be provided as more information becomes available.

The Tofino

We announced on March 28, 2017, at the Vancouver International Auto Show, that we intended to build the Tofino; an all-electric, two-seater roadster. We are designing the Tofino to be equipped with a high-performance, all-electric motor. The Tofino is still in early design stage development.

Sources and Availability of Raw Materials

We continue to source duplicate suppliers for all of our components and, in particular, we are currently sourcing our lithium batteries from Panasonic, Samsung and LT Chem. Lithium is subject to commodity price volatility which is not under our control and could have a significant impact on the price of our lithium batteries.

At present we are subject to the supply of our chassis from one supplier for the production of the SOLO. We are exploring additional suppliers of the chassis to mitigate the risk of depending on only one supplier.

Patents and Licenses

We have filed patent and design applications for inventions and designs that our legal counsel deems necessary to protect our products. We do not rely on any licenses from third-party vendors at this time.

Our success depends, at least in part, on our ability to protect our core technology and intellectual property. To accomplish this we rely on a combination of patent and design applications and registrations, trade secrets, including know-how, employee and third-party non-disclosure agreements, copyright, trademarks and other contractual rights to establish and protect our proprietary rights in our technology and other intellectual property. As at March22. 2022, we have 14 issued design registrations, 17 pending invention patent applications and four granted invention patent in specific countries which we consider core to our business in a broad range of areas related to the design of the SOLO and its powertrain. Additionally, and pursuant to our Manufacturing Agreement with Zongshen, legal title has been transferred for 24 granted Chinese design registrations from Chongqing Zongshen Institute of Innovation and Technology Co., Ltd. to EMV Automotive Technology (Chongqing) Inc., our wholly-owned subsidiary. We intend to continue to file additional patent and design applications with respect to our technology and designs. Examination is proceeding with our pending patent applications, but it is not yet clear whether these applications will result in the issuance of patents or whether the examination process will require us to narrow our claims such that, even if patents are granted, they might not provide us with adequate protection.

Trademarks

We have recently revised our Brand Guidelines, removing the space between "ELECTRA" and "MECCANICA", such that, with the next generation SOLO vehicle we will operate under the trademark "ELECTRAMECCANICA SOLO". Until ELECTRAMECCANICA SOLO is used in commerce, we will continue to maintain the mark "ELECTRA MECCANICA SOLO" which is registered in Canada, China, the European Union and Japan, and which is the subject of pending applications in the United States. We have also registered the trademark "ELECTRA MECCANICA TOFINO" in Canada, Japan, the European Union and China, and we have applied to register the trademark in the United States.

We have additional trademark registrations and pending applications for trademarks (other than those noted above) in Canada, China, Japan, the United States and the European Union. As of March 22, 2022, there are two pending applications in China and eleven pending applications in the United States. We own three federal registrations in the United States. We also own six registrations in each of the European Union and Japan and we own 43 registrations in China. There is also an additional registration in each of the European Union, China and Japan for the trademark "MONSTERRA".

This Annual Report contains references to our trademarks and service marks and to those belonging to other entities. Solely for convenience, trademarks and trade names referred to in this Annual Report may appear without the ® or TM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

Industry Overview

Investment in clean technology has been trending upwards for several years as nations, governments and societies overall become more aware of the damaging effects that pollution and greenhouse gas emissions have on the environment. In an attempt to prevent and/or slow-down these damaging effects and create a more sustainable environment, consumers have taken to exploring and purchasing clean technology while nations and government agencies have undertaken programs to reduce greenhouse gas emissions, contribute funding into research and development in clean technology and offer incentives/rebates for clean technology investments by businesses and consumers. EVs are a growing segment of this clean technology movement.

EV is a broad term for vehicles that do not solely operate on gas or diesel. Within this alternative vehicle group there are sub-categories of alternative vehicles that utilize different innovative technologies such as: (i) battery electric vehicles ("BEV"s); (ii) fuel-cell electric vehicles ("FCV"s) and (iii) plug-in hybrid electric vehicles ("PHEV"s).

BEVs draw on power from battery management systems to power electric motors instead of from an internal combustion engine, a fuel cell or a fuel tank. The Nissan Leaf, Tesla Model S and our vehicles are BEVs.

FCVs typically utilize a hydrogen fuel cell that, along with oxygen from the air, converts chemical energy into electricity which powers the vehicle's motor. Emissions from FCVs are water and heat, hence making FCVs true zero-emission vehicles. The Honda Clarity, Hyundai Tucson and Toyota Mirai are examples of FCVs.

PHEVs are the hybrid vehicles that have both an electric motor and an internal combustion engine. A PHEV can alternate between using electricity while in its all-electric range and relying on its gas-powered engine. The Chevrolet Volt and the Toyota Prius are examples of PHEVs.

The popularity of EVs have also been met with difficulties in charging convenience. There are far more gas stations available than public EV charging stations. The convenience and availability of public EV charging stations may prove to be an obstacle of mass adoption of EVs.

Consumers may be afraid that their EVs may run out of charge while they are out on the road and this fear is recognized by the public and has been popularized with the term “range anxiety”. Despite this fear, the distance travelled by most urban commuters is a lot lower than the typical range of an EV. Data from Statistics Canada’s National Household Survey in 2011 reported the average Canadian takes 25 minutes to commute to work.

There currently exists different categories of charging stations depending on the voltage they provide. EV owners can often charge at home on a regular 110-volt outlet which may take between 10 hours to 20 hours depending on the model and make of the EV. This type of outlet and charging is termed level 1 charging. Level 2 charging means the voltage at the charging station is typically around 240 volts and this type of outlet is usually available at public charging stations, shopping malls and big box retailer parking lots, and even located in certain residential hi-rises. Charging at a level 2 station typically cuts down the level 1 charge time in half and may require a small fee for the service which may vary depending on the provider and the location.

Global EV Market

EVs have been around for over 100 years but have only recently gained widespread adoption and public interest due to open discussions of greenhouse gas emission levels, government and international policies on climate change and pollution, increased literature on EVs, fluctuating fuel costs and improved battery management systems and EV range. In addition, the market for electric vehicles has experienced significant growth in recent years due to consumer demand for vehicles that achieve greater fuel efficiency and lower environmental emissions without sacrificing performance.

Traditional automotive manufacturers have entered into the EV market to capitalize on its growth. The majority of growth in the EV market has been led by the following EV models: the Nissan Leaf, the Honda Clarity (PHEV), the Toyota Prius (PHEV), the Tesla Model 3 and the Mitsubishi Outlander (PHEV). Four of the five models above are made by traditional automotive manufacturers, and the fifth is made by Tesla Motors, one of several manufacturers that are solely devoted to the manufacturing of EVs.

Oil was the predominant energy source in the transport sector, providing 92% of final energy over the past decade, down only two percentage points from 1973. Increased demand for transport for people and goods called for more oil use, which was accompanied by increased carbon dioxide (CO2) emissions. Today, the transport sector is responsible for nearly one-quarter of global energy-related direct CO2 emissions and is a significant contributor to air pollution. Global and local objectives and commitments to improve climate and air quality underscore that the transport sector has a critical role to play.

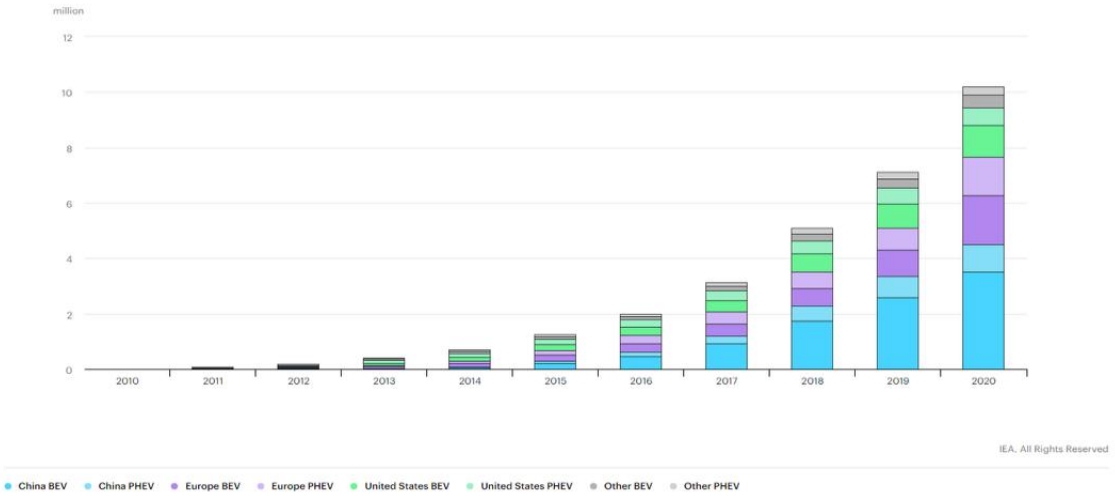
Even with the ongoing dominance of oil products in transport, these drivers drove rapid change. Over the last decade momentum accelerated to deploy a range of powertrains and alternative fuels. The 2010s were ground breaking for the introduction of electric vehicles and to shape a promising nascent market. Electrification is a key technological strategy to reduce air pollution in densely populated areas and a promising option to contribute to countries’ energy diversification and greenhouse gas (“GHG”) emissions reduction objectives. Electric vehicle benefits include zero tailpipe emissions, better efficiency than internal combustion engine vehicles and large potential for GHG emissions reduction when coupled with a low-carbon electricity sector.

Hitting the commercial market in the first-half of the decade, the sales of electric vehicles have soared over the last five years. The top sellers were both fast growing emblematic companies such as Tesla as well as established automakers such as Nissan (Leaf model) and Renault (Zoe model). Notably, a rapidly developing industry in the PRC had the biggest impact on electric vehicle sales.

Only about 17,000 electric vehicles were on the world’s roads in 2010. Just five countries could count more than 1,000 on their roads: China, Japan, Norway, United Kingdom and the United States. The electric vehicle market was in its infancy and made up of early adopters.

Yet by 2020 there were over 10 million electric vehicles on the world’s roads. Nine countries had more than 100,000 electric vehicles on the road. The global stock remains concentrated in China, Europe and the United States. At least 20 countries reached market shares above 1% in 2020.

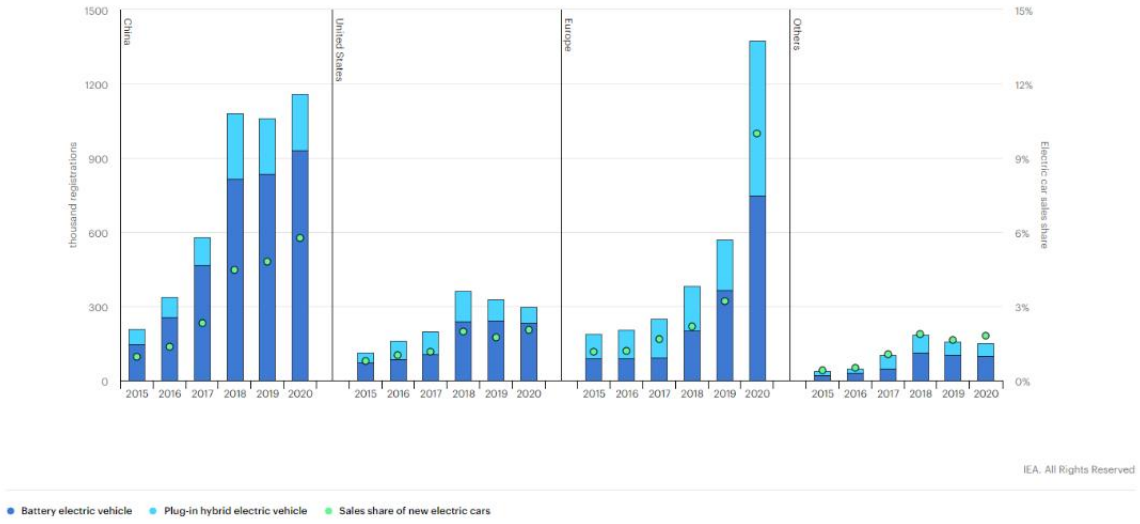
Global Electric Vehicle Stock by Region and Mode, 2010-2020



Source:
Global EV Outlook 2021.

Note:
PHEV = plug-in hybrid electric vehicle. BEV = battery electric vehicle. “Other” includes Australia, Brazil, Chile, India, Japan, South Korea, Malaysia, Mexico, New Zealand, South Africa and Thailand. “Europe” includes the EU27, Norway, Iceland, Switzerland and the United Kingdom.

Electric Vehicle Registrations and Market Share in Selected Countries and Regions, 2015-2020



Source:
Global EV Outlook 2021.

Electric vehicle sales increased 40% in 2020 from 2019 with a record three million vehicles sold. While the EV market was breaking records, overall vehicle sales were down 16%, largely attributed to the COVID-19 pandemic. With over 10 million electric vehicle on the road, EVs now account for ~1% of the global vehicle stock. Early data for 2021 is indicating rapid growth once again in major markets.

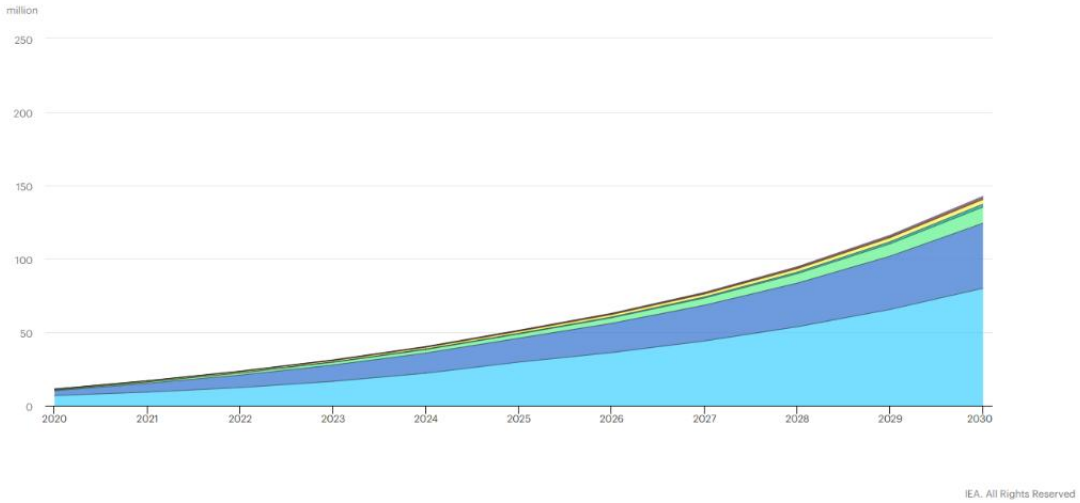
Prospects for Electric Mobility Deployment to 2030

Below is an outlook for electrification of road transport to 2030. It considers deployment of electric vehicles and charging infrastructure, battery capacity and related materials demand as well as the implications for energy demand and GHG emissions.

The projections in this analysis rely on the gross domestic product ("GDP") assumptions in the World Energy Outlook 2020 (IEA, 2020) as at the time of writing there was not yet an updated GDP projection. Given the economic disruption related to the COVID-19 pandemic crisis, the assumption in this outlook implies an economic recovery following the pandemic that leads to a similar level of economic activity over the next few years as was previously estimated, which means a relatively speedy global recovery. The analysis also assumes that policy targets that were in place by end-2020 for transport in general and EVs in particular remain in the context of the COVID-19 pandemic and its economic repercussions.

The global EV stock (excluding two/three-wheelers) expands from around 10 million in 2020 to more than 50 million by 2025 and over 140 million vehicles by 2030, corresponding to an annual average growth rate close to 30%. Thanks to this continuous increase in sales share, EVs are expected to account for about 7% of the global vehicle fleet by 2030. EV sales reach almost 14 million in 2025 and 25 million vehicles in 2030, representing, respectively, 10% and 16% of all road vehicle sales.

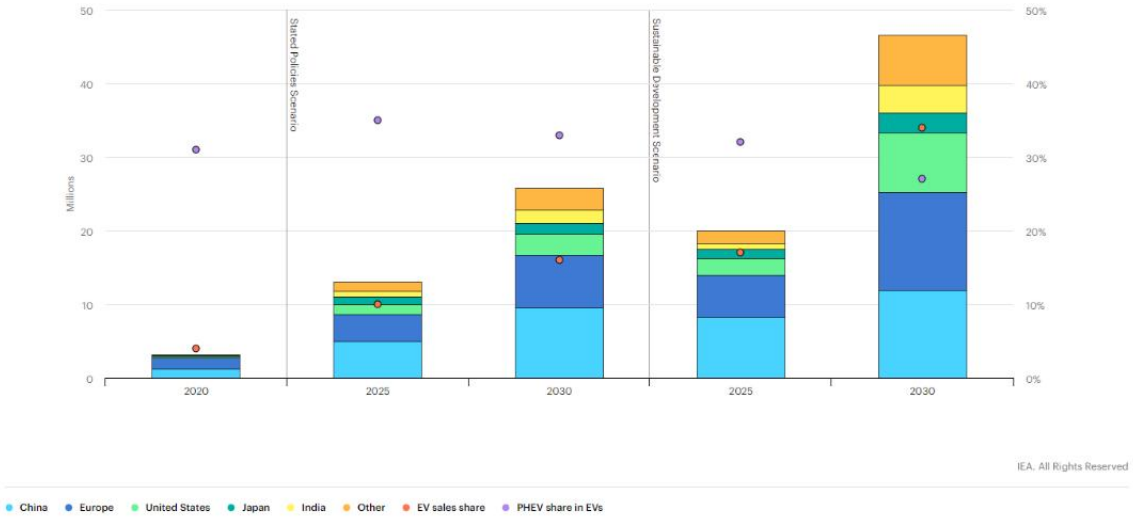
Global EV Stock by Mode in the Stated Policies Scenario, 2020-2030



Source:
Global EV Outlook 2021.

Note:
PLDVs = passenger light-duty vehicles; BEV = battery electric vehicle; LCVs = light-commercial vehicles; PHEV = plug-in hybrid electric vehicle. The figure does not include electric two/three-wheelers. For reference, total road EV stock (excluding two/three-wheelers) in 2030 is 2 billion in the Stated Policies Scenario and 1.9 billion in the Sustainable Development Scenario. Projected EV stock data by region can be interactively explored via the Global EV Data Explorer.

Global EV Sales by Scenario, 2020-2030



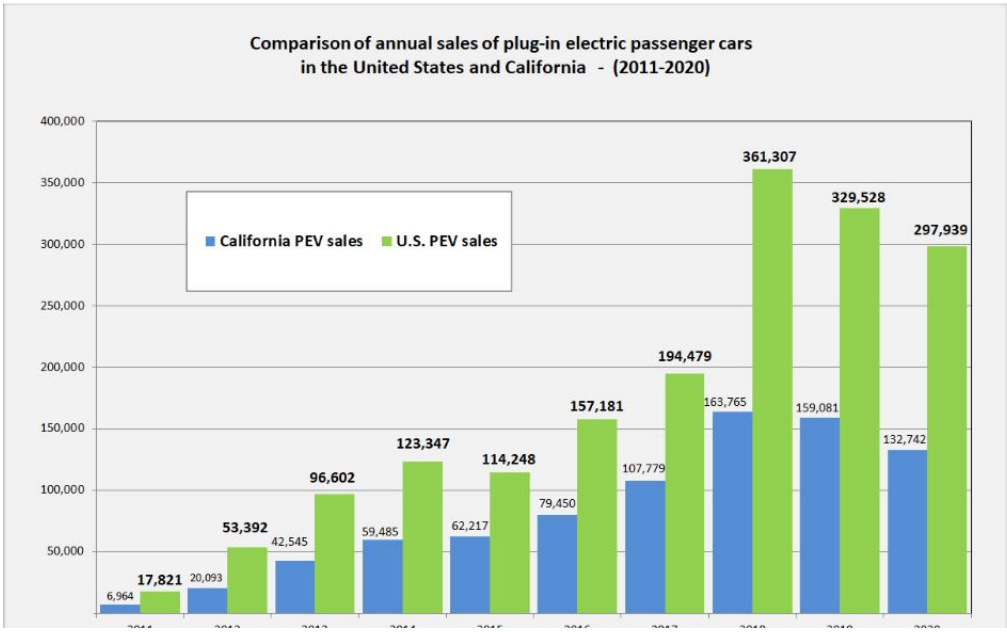
Source:
Global EV Outlook 2021.

Note:
PHEV = plug-in hybrid electric vehicle. EV sales share = share of EVs (BEV+PHEV) out of total vehicles sales. PHEV share in EVs = share of PHEV sales out of EV (BEV+PHEV) sales. The regional breakdown of these figures by vehicle type can be interactively explored via the IEA's Global EV Data Explorer.
By 2030 the global EV stock (excluding two/three-wheelers) is about 140 million with sales of 25 million in the Stated Policies Scenario, while the more ambitions Sustainable Development Scenario sees about 245 million EV stock with sales of more than 45 million.

North American EV Market

Our primary market is North America, with a focus on the west coast of the United States – especially California. As of December 2021, cumulative registrations of plug-in electric passenger vehicles totaled 635,602 units, making California the leading plug-in market in the U.S. While the state represents about 10% of nationwide new vehicle sales, California has accounted for almost half of cumulative plug-in sales in the American market. Plug-in electric vehicles represented about 0.5% of the passenger fleet on California's roads by September 2015.

Until December 2014, California not only had more plug-in electric vehicles than any other American state but also more than any other country in the world. In 2015 only two countries, Norway (22.4%) and the Netherlands (9.7%), achieved a higher plug-in market share than California. Sales of plug-in electric vehicles in the state passed the 200,000 unit milestone in March 2016. By November 2016, with about 250,000 plug-in vehicles sold in the state since 2010, China was the only country market that exceeded California in cumulative plug-in electric vehicle sales. Cumulative plug-in vehicle registrations achieved the 500,000 unit milestone by the end of November 2018.



Source:
Wikipedia.

Annual registrations of plug-in electric vehicles in California increased from 6,964 units in 2011 to 20,093 in 2012, and reached 42,545 units in 2013. In 2014, California's plug-in car market share reached 3.2% of total new car sales in the state, up from 2.5% in 2013, while the national plug-in market share in 2014 was 0.71%. The state's plug-in market share fell to 3.1% in 2015, with the plug-in hybrid segment dropping from 1.6% in 2014 to 1.4%, while the all-electric segment increased to 1.7% from 1.6% in 2014. Still, California's market share was 4.7 times higher than the U.S. market (0.66%), and registrations of plug-in electric cars in the state in 2015 represented 54.5% of total plug-in car sales in the U.S. that year.

California's plug-in car market share rose to 3.5% of new car sales in 2016, while the U.S. take-rate was 0.90%. In 2017, California's plug-in market share reached 4.8%, while the national share was 1.13%. Also, in 2017, the state's plug-in segment market share surpassed the take-rate of conventional hybrids (4.6%) for the first time. The plug-in market share rose to 7.8% in 2018, again ahead of conventional hybrids (4.2%), with the all-electric segment reaching for the first time a higher share than conventional hybrids.

Currently, with the latest numbers from 2020, the plug-in market share has risen to a record 8.1% and the conventional hybrid has reached a six year high of 6.9%. In comparison to the 8.1% market share for plug-in electric vehicles in California, they only make up for 2% of the market-share nationally. Much of the impeded growth in terms of overall vehicle sales has been an effect of the COVID-19 pandemic with chip shortages and supply chain issues.

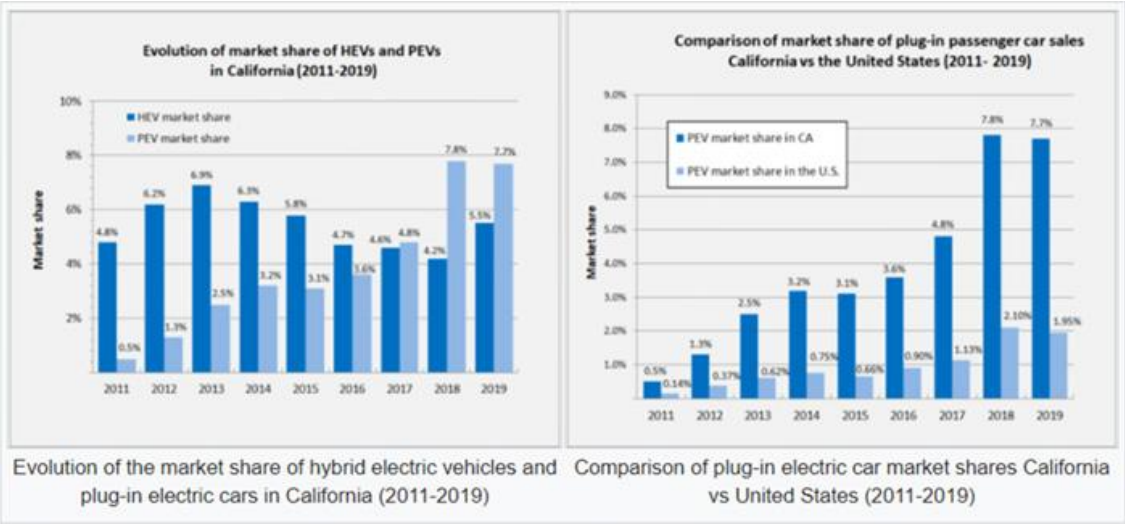
The following table presents annual registrations and market share of new car sales for all-electric and plug-in hybrids sold in California between 2011 and 2020.

Annual New Plug-in Electric Passenger Car Registrations and Market Share in California by Type of Plug-in (2010 - 2020)

	California[1][75][76]						U.S.[71][6][86][81][74][87][88][89][90][91]		CA share of U.S. PEV sales[3]	Ratio CA/US market shares
Year	All-electric	BEV market share[1]	Plug-in hybrid	PHEV market share[1]	Total PEV California	PEV market share[1]	Total PEV sales	PEV market share[2]		
2010	300	0.02 %	97	0.006 %	**397**	0.03 %	**345**	N/A	**100 %**	—
2011	5,302	0.4 %	1,662	0.1 %	**6,964**	0.5 %	**17,821**	0.14 %	**39.1 %**	3.57
2012	5,990	0.4 %	14,103	0.9 %	**20,093**	1.3 %	**53,392**	0.37 %	**37.6 %**	3.51
2013	21,912	1.3 %	20,633	1.2 %	**42,545**	2.5 %	**96,602**	0.62 %	**44.0 %**	4.03
2014	29,536	1.6 %	29,949	1.6 %	**59,485**	3.2 %	**123,347**	0.71 %	**48.2 %**	4.27
2015	34,477	1.7 %	27,740	1.4 %	**62,217**	3.1 %	**114,248**	0.66 %	**54.5 %**	4.70
2016	41,932	1.9 %	37,518	1.7 %	**79,450**	3.6 %	**157,181**	0.90 %	**50.5 %**	4.00
2017	59,388	2.7 %	48,391	2.2 %	**107,779**	4.9 %	**194,479**	1.13 %	**55.4 %**	4.32
2018	99,121	4.6 %	64,644	3.0 %	**163,765**	7.6 %	**361,307**	2.10 %	**45.3 %**	3.62
2019	106,752	5.1 %	52,329	2.5 %	**159,081**	7.6 %	**329,528**	1.98 %	**48.3 %**	3.83
2020	101,628	6.2 %	31,114	1.9 %	**132,742**	8.1 %	**297,939**	2.03 %	**44.6 %**	3.98
Total	**506,338**	N/A	**328,180**	N/A	**834,518**	N/A	**1,746,189**	N/A	**47.8 %**	N/A

Notes: (1) Market share of total new car registrations in California. (2) U.S. market share of total nationwide sales. (3) Californai's market share of total nationwide registrations.

Source:
Wikipedia.



Evolution of the market share of hybrid electric vehicles and plug-in electric cars in California (2011-2019)

Comparison of plug-in electric car market shares California vs United States (2011-2019)

Source:
Wikipedia.

Data Sources:
International Energy Agency, Wikipedia, Alliance of Automobile Manufacturers; National Automobile Dealers Association, California Energy Commission

Chart:
International Energy Agency, Wikipedia.

Fleet and Urban Driving market

We designed the SOLO with a view to redefining SOLO mobility for fleets in terms of vehicle share, deliveries and other mobility purposes; and for urban drivers who use a personal vehicle by cutting their commuting costs and reducing their environmental footprint. We believe that a substantial number of fleets and urban drivers will find the capacity of our EVs attractive in comparison to vehicles designed to carry more people. As vehicles designed to carry between four and eight people generally weigh substantially more than those that carry one or two people, they require more fuel or energy to operate. This significant mismatch between capacity and utilization leads to a significant excess of traffic and pollution and higher operating costs.

Although consumers may be afraid that their EVs may run out of charge while they are out on the road, the average U.S. one-way commute was only 39 minutes in 2019. The 100-mile range of our SOLO on a full charge would more than cover such a round-trip commute. [Data Source: United States KBB.]

Government Support

There has been a growing trend for governments as a matter of public policy to favor EVs. This has taken the form of initiatives aimed at improving transit, financial incentives for the purchase of EVs and financial incentives for the manufacture of EVs.

Initiatives to Improve Transit

Many localities try to reduce or regulate traffic, and particularly in places where there is high population density, chronic congestion, narrow roads and limited urban space. While these initiatives might be onerous to owners of traditional internal combustion engine vehicles, they often exempt or partially exclude EVs. These initiatives include various forms of congestion charging (which often exempt or provide discounts for EVs), priority lanes for high-occupancy vehicles and EVs, restrictions on new registrations of vehicles (excluding EVs) and subsidies for the installation of public charging stations for EVs.

Going further than restrictions on vehicles fueled by petrol or diesel, several European countries and cities are formulating programs that would actually ban them. Norway's Minister for the Environment has expressed an indication that they expect to implement a ban on the sale of vehicles that are not EVs by 2025. President Macron of France has expressed an indication that they will eliminate the sale of vehicles with internal combustion engines in France by 2040, and city hall in Paris has expressed an indication calling for a ban on all vehicles with traditional combustion engines from its streets by 2030. In the United Kingdom the government has announced a strategy that calls for sales of new gas and diesel vehicles and vans to end by 2030.

Purchaser Incentives

To promote the purchase of EVs, many state and local governments offer financial incentives to purchasers. These incentives can take the form of rebates, tax credits or the elimination or reduction of sales tax. Financial incentives available in selected North American jurisdictions for the purchase of EVs are set out in the following table:

	U.S. Federal	California	New York	British Columbia	Ontario	Quebec
Tax credit	$ 7,500	—	—	—	—	—
Rebate	—	$ 2,500	$ 2,000 CAD	$ 5,000 CAD	$ 14,000 CAD	$ 8,000

Although these financial incentives may not continue at this level or at all, we believe that our SOLO would currently qualify for these tax credits and rebates in the States of California and Oregon. As of March 12, 2020, we have passed the CARB test for the State of California for the $750 rebate to be posted on the Clean Vehicle Rebate Project website and for a $2,500 rebate from the State of Oregon.

Several jurisdictions offer similar financial incentives for the purchase and installation of home charging stations for EVs.

Manufacturing Incentives

To promote the manufacture and development of EVs, many federal, state and local governments provide financial incentives to EV companies. These incentives can take the form of tax credits or grants. We did not receive any tax credits or grants in 2021. In 2020, we received $187,421 in a Scientific Research and Experimental Development ("SR&ED") grant and $176,088 from the Innovation Assistance Program administered by the National Research Council. In 2019, we received $797,002 in a SR&ED grant. In 2018, we received $559,872 in a SR&ED grant and $6,659 from Canada's Industrial Research Assistance Program ("IRAP") administered by the National Research Council. In 2017, we received $149,273 from the IRAP and $85,907 in a SR&ED grant. We will continue to apply for grants where we believe warranted.

Competitive Factors

The EV market is evolving and companies within it must be able to adapt without jeopardizing the timing, quality or quantity of their products. Other manufacturers have entered the electric vehicle market and we expect additional competitors to enter this market within the next several years. As they do, we expect that we will experience significant competition. With respect to the SOLO, we face strong competition from established automobile manufacturers, including manufacturers of EVs such as the Tesla Model 3, the Chevrolet Bolt and the Nissan Leaf.

We believe the primary competitive factors in our market include but are not limited to: (i) technological innovation; (ii) product quality and safety; (iii) service options; (iv) product performance; (v) design and styling; (vi) brand perception; (vii) product price; and (viii) manufacturing efficiency.

Most of our current and potential competitors have significantly greater financial, technical, manufacturing, marketing and other resources than we do and may be able to devote greater resources to the design, development, manufacturing, distribution, promotion, sale and support of their products. Virtually all of our competitors have more extensive customer bases and broader customer and industry relationships than we do. In addition, almost all of these companies have longer operating histories and greater name recognition than we do. Our competitors may be in a stronger position to respond quickly to new technologies and may be able to design, develop, market and sell their products more effectively.

Furthermore, certain large manufacturers offer financing and leasing options on their vehicles and also have the ability to market vehicles at a substantial discount, provided that the vehicles are financed through their affiliated financing company. We do not currently offer

any form of direct financing on our vehicles. The lack of our direct financing options and the absence of customary vehicle discounts could put us at a competitive disadvantage.

We expect competition in our industry to intensify in the future in light of increased demand for alternative fuel vehicles, continuing globalization and consolidation in the worldwide automotive industry. Our ability to successfully compete in our industry will be fundamental to our future success in the EV market and our market share. We might not be able to compete successfully in our market. If our competitors introduce new vehicles or services that compete with or surpass the quality, price or performance of our vehicles or services, we may be unable to satisfy existing customers or attract new customers at the prices and levels that would allow us to generate attractive rates of return on our investment. Increased competition could result in price reductions and revenue shortfalls, loss of customers and loss of market share, which could harm our business, prospects, financial condition and operating results.

We believe that our experience, production capability, product offering and management give us the ability to successfully operate in the EV market in a way that our competitors cannot. In particular, we believe that we have a number of competitive advantages:

- *Extensive in-house development capabilities:* Our acquisition of InterMeccanica. in 2017 enables us to leverage InterMeccanica's extensive 62 years of experience in vehicle design, manufacture, sales and customer support. InterMeccanica was founded in Turin, Italy, in 1959, as a speed parts provider and soon began producing in-house designed, complete vehicles like the Apollo GT, Italia, Murena, Indira and the Porsche 356 replica. InterMeccanica's former owner, Henry Reisner, is our former Executive Vice-President and a former director. We have integrated InterMeccanica's staff with the research and development team that we had prior to the acquisition to develop and enhance current and future model offerings;

- *In-house production capabilities*: We have the ability to manufacture our own products on a non-commercial scale. As of December 31, 2021, we have produced 64 prototype SOLOs at our facilities in Vancouver, British Columbia, and 60 pre-production SOLOs with our manufacturing partner, Zongshen;

- *Commercial production of the SOLO commenced August 26, 2020*: As at December 31, 2021, in accordance with our Manufacturing Agreement, Zongshen has produced a total of 60 pre-production vehicles and a total of 291 production vehicles and we have delivered a total of 61 vehicles as at December 31, 2021 to customers and commercial fleets since deliveries commenced on October 4, 2021;

- *Unique product offering*: The SOLO's manufacturer suggested retail price of U.S.$18,500, prior to any surcharge for tariffs, is far below the retail price of EVs offered by those who we consider to be our principal competitors; and we believe that the SOLO compares favorably against them; and

- *Management expertise*: We have selected our management with an eye towards providing us with the business and technical expertise needed to be successful. They include Kevin Pavlov, our Chief Executive Officer and Chief Operating Officer, Bal Bhullar, our Chief Financial Officer, Kim Brink, our Chief Revenue Officer and Isaac Moss, our Chief Administrative Officer and Corporate Secretary. A number of these key employees and consultants have significant experience in the automobile manufacturing and technology industries. We have supplemented additional expertise by adding consultants and directors with corporate, accounting, legal and other strengths.

Government Regulation

As a vehicle manufacturer we are required to ensure that all vehicle production meets applicable safety and environmental standards. Issuance of the National Safety Mark (the "NSM") by the Minister of Transport for Canada will be our authorization to manufacture vehicles in Canada for the Canadian market. Receipt of the NSM is contingent on us demonstrating that our vehicles are designed and manufactured to meet or exceed the applicable sections of the Canadian Motor Vehicle Safety Act (C.R.C. Chapter 1038) and that appropriate records are maintained. Unique to Canada, the SOLO is under the three-wheeled vehicle category and is subject to the safety standards listed in Schedule III of the Canadian Motor Vehicle Safety Regulations ("CMVSR"), which can be found at (http://laws-lois.justice.gc.ca/eng/regulations/C.R.C.,c.1038/section-sched3.html). For sales into the United States, we and our vehicles must meet the applicable parts of the U.S. Code of Federal Regulations ("CFR") Title 49 — Transportation. This includes providing manufacture identification information (49 CFR Part 566), VIN-deciphering information (49 CFR Part 565), and certifying that our vehicles meet or exceeds the applicable sections of the Federal Motor Vehicle Safety Standards (40 CFR Part 571) and Environmental Protection Agency noise emission standards (40 CFR 205). Since the U.S. regulations do not have a specific class for three-wheeled "autocycles", the SOLO falls under the definition of a motorcycle pursuant to Sec. 571.3 of 49 CFR Part 571.

We certified the SOLO for compliance with the applicable US requirements in the first quarter of 2018. Results from third party vehicle testing at a facility in Quebec, Canada, were used for this certification. We continue to use third party facilities for certification testing to ensure that any changes to the SOLO's design continue to meet safety requirements. Compliance certification of the SOLO for Canada began in 2018.

Within the three-wheel vehicle classification in Canada, CMVSR Standard 305 sets out the regulation for prevention of injury to the occupant during and after a crash as related to the vehicle's batteries. Under this standard, the security and integrity of electric drive system components and their isolation from the occupant are evaluated in the course of a frontal barrier crash test in accordance with Technical Standard Document No. 305. The equivalent U.S standard, FMVSS No. 305, is not applicable to the motorcycle category under the U.S. regulations.

We and our vehicles must meet the applicable parts of the U.S. Code of Federal Regulations Title 49 —Transportation. Since the U.S. regulations do not have a specific class for three-wheeled "autocycles", the SOLO falls under the definition of a motorcycle pursuant to Sec. 571.3 of 49 CFR Part 571. For sale into the United States, we and our vehicles must meet the applicable provisions of the U.S. Code of Federal Regulations ("CFR") Title 49 — Transportation. Since the U.S. regulations do not have a specific class for three-wheeled "autocycles", the SOLO falls under the definition of a motorcycle pursuant to Sec. 571.3 of 49 CFR Part 571. However, currently a motorcycle license is not required to drive them in all but the States of Indiana, Massachusetts, Minnesota, Nebraska, Nevada, New Mexico, North Carolina and New York (New York will no longer require a Helmet as of April 20, 2022). Motorcycle helmets must be worn while operating in the States of Alaska (when operating without a motorcycle license or endorsement), Nebraska, North Carolina and Oregon. Helmets are also required if the driver is under 18 years old in the States of Alaska, Colorado, Indiana, Minnesota, Montana, New Hampshire and New Mexico. See "Government Regulation" herein.

Research and Development

We have allocated substantial resources in developing our first vehicles. We expended $17,090,282 during the fiscal year ended December 31, 2021, and $8,666,247 during the fiscal year ended December 31, 2020, on research and development costs which include labor and materials.

InterMeccanica Business

In October 2017, we acquired InterMeccanica. In addition to the manufacturing and design experience that the acquisition provided us, we acquired a business of custom car manufacturing. InterMeccanica, throughout its operating history, has built approximately 2,500 vehicles. We intend to continue the legacy business of Intermeccanica, but we do not envision that it will be central to our operations, or represent a material portion of our revenue if we develop our business as planned, or account for a material portion of our expenses. At the end of December 2021, the Company stopped taking any further orders of the internal combustion engine roadsters.

Legal Proceedings

We are not involved in, or aware of, any legal or administrative proceedings contemplated or threatened by any governmental authority or any other party that is likely to have a material adverse effect on our business. As of the date of this Annual Report, no director, officer or affiliate is a party adverse to us in any legal proceeding or has an adverse interest to us in any legal proceeding.

C. Organizational structure

We have five subsidiaries: InterMeccanica, a British Columbia, Canada, corporation; EMV Automotive USA Inc., a Nevada corporation; SOLO EV LLC, a Michigan limited liability company; ElectraMeccanica USA LLC, an Arizona limited liability company; and EMV Automotive Technology (Chongqing) Ltd., a People's Republic of China corporation. We own 100% of the voting and dispositive control over all of our subsidiaries.

Employees

As of March 22, 2022, we employed a total of 216 full-time and 11 part-time people. None of our employees are covered by a collective bargaining agreement.

The breakdown of full-time employees by main category of activity is as follows:

Activity	Number of Employees
Engineering/R&D	126
Sales & Marketing	62
General & Administration	24
Executives	4

D. Property, plant and equipment

We operate from our head office located in Vancouver, Canada. We do not own any real property. We have leased the following properties:

Location	Area (In square feet)	2021 Gross Monthly Rent		Lease Expiration Date	Use
Vancouver, BC	7,235	$ 10,146	CAD	28-Feb-22	Head office
Burnaby, BC	13,936	$ 15,097	CAD	28-Feb-26	Engineering center
New Westminster, BC, Canada	10,803	$ 11,037	CAD	31-Jul-22	Development office
Studio City, CA, USA	9,600	$ 30,766	USD	31-Mar-22	Service & distribution center
Los Angeles, CA, USA	298	$ 5,607	USD	30-Sep-23	Retail kiosk
Tigard, OR, USA	150	$ 10,450	USD	29-Feb-24	Retail kiosk
San Diego, CA, USA	180	$ 7,950	USD	31-Jan-23	Retail kiosk
Brea, CA, USA	200	$ 5,417	USD	2-May-22	Retail kiosk
Scottsdale, AZ, USA	200	$ 8,232	USD	28-Feb-22	Retail kiosk
Glendale, AZ, USA	200	$ 8,272	USD	14-Nov-22	Retail kiosk
Walnut Creek, CA, USA	200	$ 8,350	USD	31-Mar-22	Retail kiosk
Santa Clara, CA, USA	300	$ 7,725	USD	31-Dec-21	Retail kiosk
Tucson, AZ, USA	200	$ 7,035	USD	28-Feb-22	Retail kiosk
Cerritos, CA, USA	200	$ 7,500	USD	31-Mar-22	Retail kiosk
McLean, VA, USA	150	$ 8,350	USD	28-Feb-22	Retail kiosk
Mission Viejo, CA, USA	150	$ 5,833	USD	30-Apr-22	Retail kiosk
Torrance, CA, USA	200	$ 5,833	USD	30-Apr-22	Retail kiosk
Happy Valley, OR, USA	200	$ 3,125	USD	30-Apr-22	Retail kiosk
Lynnwood, WA, USA	150	$ 3,125	USD	14-May-22	Retail kiosk
Lone Tree, CO, USA	150	$ 3,125	USD	31-May-22	Retail kiosk
Chandler, AZ, USA	200	$ 4,590	USD	30-Apr-22	Retail kiosk
Sacramento, CA, USA	80	$ 8,350	USD	14-May-22	Retail kiosk
Los Angeles, CA, USA	150	$ 8,333	USD	29-Nov-22	Retail kiosk
Scottsdale, AZ, USA	200	$ 8,691	USD	30-Sep-24	Retail kiosk
Mesa, Arizona, USA	14,375	$ 15,618	USD	30-Apr-22	Temporary Office
Mesa, Arizona, USA	235,000	$ Nil	USD	31-Aug-32	Assembly Facility

We believe that our current facilities are adequate to meet our ongoing needs and that, if we require additional space, we will be able to obtain additional facilities on commercially reasonable terms.

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

General

As at January 1, 2021, our functional currency changed to the U.S. dollar (“USD”) from the Canadian dollar. The following management's discussion and analysis, prepared for the year ended December 31, 2021, is a review of our operations, current financial position and outlook and should be read in conjunction with our annual audited financial statements for the year ended December 31,

2021 and the notes thereto. Amounts are reported in USD based upon financial statements prepared in accordance with IFRS as issued by the IASB.

This Annual Report should be read in conjunction with the accompanying financial statements and related notes. The discussion and analysis of the financial condition and results of operations are based upon the financial statements, which have been prepared in accordance with IFRS, as adopted by the IASB.

The preparation of financial statements in conformity with these accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. On an on-going basis we review our estimates and assumptions. The estimates were based on historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results are likely to differ from those estimates or other forward-looking statements under different assumptions or conditions, but we do not believe such differences will materially affect our financial position or results of operations. Our actual results may differ materially as a result of many factors, including those set forth under "Forward-Looking Statements" and "Risk Factors" herein.

Critical accounting policies, the policies we believe are most important to the presentation of our financial statements and require the most difficult, subjective and complex judgments, are outlined below under the heading "Critical Accounting Policies and Estimates", and have not changed significantly since our founding.

Overview

We were incorporated on February 16, 2015, under the laws of the Province of British Columbia, Canada, and our principal activity is the development and manufacturing of single occupancy electric vehicles. Our head office and principal address is located at 8057 North Fraser Way, Burnaby, British Columbia, Canada, V5J 5M8.

Additional information related to the Company is available on www.electrameccanica.com. Information on our website does not constitute part of this Annual Report.

Financing

Our ability to continue operations will depend on our continued ability to raise capital on acceptable terms. We incurred losses of $41,326,835 in 2021, $63,046,905 in 2020, $23,212,698 in 2019 and anticipate incurring losses in our 2022 fiscal year. We had negative operating cash flows of $60,418,163 for the year ended December 31, 2021 and anticipate negative operating cash flows during 2022. Although we had working capital surplus of $232,454,617, including cash and cash equivalents of $221,928,008, at December 31, 2021, and anticipate deriving revenue in 2022 from the sale of EVs and high-end custom cars, and while our cash on hand and cash inflow from sales in 2022 will finance our operations over the 12 month period following issuance of the financial statemetns, we believe that we will need additional financing to continue and expand operations . If we are unable to continue to access private and public capital on terms that are acceptable to us, we may be forced to curtail or cease operations.

Market conditions, trends or events

Our ability to continue operations also depends on market conditions outside of our control. Significant developments in alternative technologies, such as advanced diesel, ethanol, fuel cells or compressed natural gas, or improvements in the fuel economy of the internal combustion engine, may materially and adversely affect our business and prospects. Failure to keep up with advances in electric vehicle technology would result in a decline in the Company's competitive position which may materially and adversely affect our business, prospects, operating results and financial condition.

A. Operating Results

Results of Operations for the Year ended December 31, 2021 as Compared to the Year Ended December 31, 2020

Revenues

Revenue for the year ended December 31, 2021 was $2,100,770 (2020: $568,521). The cost of revenue was $4,334,681 (2020: $699,455) providing a gross loss of $2,233,911 (2020: $130,934) or -106.3% (2020: -23.0%). The revenue of the Company derives from sales of

our flagship vehicle, the SOLO, and our high-end custom build cars. The first commercially-produced SOLOs were delivered to certain of our initial customers on October 4, 2021. 61 SOLOs and 12 high-end custom build cars were delivered in 2021.

The Company operates in two reportable business segments in Canada.

The two reportable business segments offer different products, require different production processes and are based on how the financial information is produced internally for the purposes of making operating decisions. The following summary describes the operations of each of the Company's reportable business segments:

- Electric Vehicles – development and manufacture of electric vehicles for mass markets, and
- Custom build vehicles – development and manufacture of high-end custom built vehicles.

Sales between segments are accounted for at prices that approximate fair value. No business segments have been aggregated to form the above reportable business segments. (Financial statement note 19 for the year ended December 31, 2021).

Revenue for Solo and custom build vehicles is recognized when the Company has transferred control to the customer which generally occurs upon shipment. The following table indicates the number of vehicles produced for either delivery to customers, testing or marketing purposes.

	Production Twelve Months Ended		Customer Deliveries Twelve Months Ended	
Vehicle Type	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020
Custom build vehicles – Roadster/Speedster	11	7	12	7
Electric vehicles – Prototype made in-house	—	6	—	1
Electric vehicles – Pre-production, made by Zongshen	—	4	—	—
Electric vehicles – Production, made by Zongshen	261	30	61	—

Operating Expenses

During the year ended December 31, 2021, the Company incurred a net loss of $41,326,835, compared to a net loss of $63,046,905 for the corresponding period in 2020. The decrease in net loss between the two years resulted from an increase in an operating loss to $60,795,574 for the year ended December 31, 2021, from $27,210,487 for the prior year, and an increase in the income from other items; principally gain from change in the fair value of warrant derivative of $19,033,560 for the year ended December 31, 2021 from loss of $31,923,727 for the prior year. The largest expense items in net comprehensive loss are described below.

General and administrative expenses. For the year ended December 31, 2021, general and administrative expenses were $31,057,633, compared to $15,778,172 for the year ended December 31, 2020. The following items are included in such expenses:

- Rent increased to $1,437,259 for the year ended December 31, 2021, from $616,968 for the year ended December 31, 2020. The increase was caused by the opening of retail kiosks in the U.S.;

- Office expenses increased to $2,522,810 for the year ended December 31, 2021, from $758,424 for the corresponding year ended December 31, 2020. The increase was caused by increases in software subscriptions, travel, office supplies, cable and internet, bank charge and payroll service fee, and postage and courier;

- Professional fees were $5,634,016 for the year ended December 31, 2021, from $2,073,022 for the corresponding year ended December 31, 2020. The increase in legal and professional expenses was caused by the professional services received for our SAP system implementation and the increase in recruitment service expenses, offset by a decrease in legal expenses;

- Consulting expenses were $2,803,967 for the year ended December 31, 2021, compared to $648,524 for the corresponding year ended December 31, 2020. The increase in fees is related to the services in relation to the U.S.-based assembly facility assembly facility located in Mesa, Arizona;

- Amortization expenses were $4,251,274 for the year ended December 31, 2021, compared to $1,603,654 for the corresponding year ended December 31, 2020. The increase was due to the addition in property, plant and equipment of $5,937,305;

- Insurance expenses were $2,348,030 for the year ended December 31, 2021, compared to $572,932 for the corresponding year ended December 31, 2020. The increase is related to insurance coverage increase and the overall rate increase; and

- Salaries increased to $7,575,030 for the year ended December 31, 2021, compared to $3,488,459 for the corresponding year ended December 31, 2020. The increase is related to the addition of new employees as we expand our business into comercial operations.

Research and development expenses. Research and development expenses increased to $17,090,282 for the year ended December 31, 2021, from $8,666,247 for the corresponding year ended December 31, 2020. Research and development costs relate to the electric vehicle segment as the Company continues product development of the SOLO, Tofino, and e-Roadster. All costs related to development of vehicles are being expensed to research and development and SR&ED funds are being booked to reduce the research and development expenses.

Sales and marketing expenses. Sales and marketing expenses increased to $10,413,748 for the year ended December 31, 2021, from $2,635,134 for the corresponding year ended December 31, 2020. The Company has begun the commercial production of our flagship vehicle, the SOLO, and the Company increased its sales and marketing efforts by developing brand assets, increasing presence in social media, opening retail kiosks and rapidly growing its sales team.

Stock-based compensation expense. Stock-based compensation expense, included in general and administrative expenses, research and development expenses and sales and marketing expenses, totaled $3,807,773 for the year ended December 31, 2021, compared to $5,349,201 for the corresponding year ended December 31, 2020. The Company issued 3,217,378 stock options with exercise prices between U.S.$3.01 and U.S.$7.23 per share during the year ended December 31, 2021. The Company also issued 450,442 RSU and 51,468 “DSU”s to Company executives and directors, respectively, during the same period. The Company uses the Black-Scholes method of calculating the stock-based compensation expense under the graded method. The decrease was caused by the decrease of the fair value of the awards vested.

Other Items

Changes in fair values of warrant derivative. The Company incurred a gain relating to changes in the fair value of warrant derivatives of $19,033,560 (2020: loss of $31,923,727) mainly caused by the decrease of our share price from $6.19 at December 31, 2020 to $2.28 at December 31, 2021, as well as the exercising of 3,460,212 warrants when our share prices were between $2.63 and $10.81. Warrants priced in Canadian dollars are classified as derivative liabilities because the Company’s functional currency is in U.S. dollars. As a result of this difference in currencies, the proceeds that are received by the Company are not fixed and will vary based on foreign exchange rates; hence the warrants are a derivative under IFRS and are required to be recognized and measured at fair value at each reporting period. Any changes in fair value from period to period are recorded as a non-cash gain or loss in our consolidated statements of loss and comprehensive loss.

Foreign exchange loss. The Company incurred a foreign exchange loss of $9,758 on net working capital in the year ended December 31, 2021 (2020: $4,447,387) due to less fluctuations between the U.S. and Canadian dollar.

Net Loss

As a result of the above factors, we reported a net loss for the year ended December 31, 2021 of $41,326,835, compared to a net loss of $63,046,905 for the corresponding period in 2020.

Results of Operations for the year ended December 31, 2020 as Compared to the Year Ended December 31, 2019

Revenues

Revenue for the year ended December 31, 2020 was $568,521 (2019: $585,584). The cost of revenue was $699,455 (2019: $487,543) providing a gross loss of $130,934 (2019: gross profit $98,041) or -23.0% (2019: 16.7%).

The Company operates in two reportable business segments in Canada.

The two reportable business segments offer different products, require different production processes and are based on how the financial information is produced internally for the purposes of making operating decisions. The following summary describes the operations of each of the Company's reportable business segments:

- Electric Vehicles – development and manufacture of electric vehicles for mass markets, and
- Custom build vehicles – development and manufacture of high-end custom built vehicles.

Sales between segments are accounted for at prices that approximate fair value. No business segments have been aggregated to form the above reportable business segments.

Revenue recognition for custom build vehicles is based on the percentage completion method.No revenue from sales of electric vehicles is recognized because the vehicle has not been commercialized. Proceeds from these sales are incidental revenue and are not being made with expectation of profit. The following table indicates the number of vehicles produced for either delivery to customers, testing or marketing purposes.

	Production Twelve Months Ended		Customer Deliveries Twelve Months Ended	
Vehicle Type	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Custom build vehicles – Roadster/Speedster	7	8	7	7
Electric vehicles – Prototype made in-house	6	22	1	21
Electric vehicles – Pre-production, made by Zongshen	4	50	—	—
Electric vehicles – Production, made by Zongshen	30	—	—	—

Operating Expenses

During the year ended December 31, 2020, the Company incurred a net loss of $63,046,905 compared to a net loss of $23,212,698 for the corresponding period in 2019. The increase in net loss between the two years resulted from an increase in an operating loss to $27,210,487 for the year ended December 31, 2020, from $20,609,266 for the prior year, and an increase in the loss from other items; principally changes in the fair value of warrant derivative of $31,923,727 for the year ended December 31, 2020 from $2,228,256 for the prior year. The largest expense items in net comprehensive loss are described below.

General and administrative expenses. For the year ended December 31, 2020, general and administrative expenses were $15,778,172 compared to $11,620,875 for the year ended December 31, 2019. The following items are included in such expenses:

- Rent increased to $616,968 for the year ended December 31, 2020, from $320,927 for the year ended December 31, 2019. The increase was caused by the opening of retail kiosks in the U.S.;
- Professional expenses were $2,073,022 for the year ended December 31, 2020, from $1,393,004 for the corresponding year ended December 31, 2019. The increase in legal and professional expenses was caused by the increases in legal fees related to various capital raising, governance, employment and corporate matters, as well as increase in accounting fees and recruiting fees;
- Amortization expenses were $1,603,654 for the year ended December 31, 2020, compared to $804,206 for the corresponding year ended December 31, 2019. The increase was due to the additions in property, plant and equipment;
- Investor relations expenses, not including the consulting fees above, decreased to $666,988 for the year ended December 31, 2020, from $772,259 for the corresponding year ended December 31, 2019. The increase is related to fewer consultants for investor relations; and
- Salaries increased to $3,488,459 for the year ended December 31, 2020, compared to $1,738,829 for the corresponding year ended December 31, 2019. The increase is related to the addition of new employees, performance increases to certain salaried employees and certain bonus costs.

Research and development expenses. Research and development expenses increased to $8,666,247 for the year ended December 31, 2020, from $7,434,084 for the corresponding year ended December 31, 2019. Research and development costs relate to the electric

vehicle segment as the Company continues to develop its first electric vehicle, the SOLO. All costs related to pre-production vehicles are being expensed to research and development and SR&ED funds are being booked to reduce the research and development expenses. During the year ended December 31, 2020, the Company received $187,421 (2019: $797,002) in SR&ED funds under the program administered by the Canada Revenue Agency. In addition, the Company received $176,088 (2019: $Nil) in government grants from the Innovation Assistance Program administered by the National Research Council.

Sales and marketing expenses. Sales and marketing expenses increased to $2,635,134 for the year ended December 31, 2020, from $1,652,348 for the corresponding year ended December 31, 2019. The Company increased its sales and marketing efforts by developing brand assets, increasing presence in social media, opening retail kiosks and rapidly growing its sales team.

Stock-based compensation expense. For the year ended December 31, 2020, stock-based compensation expense included in general and administrative expenses, research and development expenses and sales and marketing expenses totaled $6,260,985 (2019: $5,147,573). The Company issued 1,790,000 stock options with exercise prices between U.S.$3.41 and U.S.$3.77 per share during the year ended December 31, 2020. The Company also issued 507,849 RSUs and 44,623 DSUs to Company executives and directors, respectively, during the same period. In addition, the stock-based compensation charges relate to stock options issued during previous years wherein charges are recognized over the stock option vesting period. The Company uses the Black-Scholes method of calculating the stock-based compensation expense under the graded method.

Share-based payment expense. For the year ended December 31, 2020, share-based payment expense was $Nil (2019: $159,833). These charges relate to shares issued to consultants as compensation for services performed and are valued at the market price of the Company's share price at the time of issuance.

Other Items

Changes in fair values of warrant derivative. The Company incurred a loss relating to changes in the fair value of warrant derivatives of $31,923,727 (2019: $2,228,256) mainly caused the increase of our share price from $2.15 at December 31, 2019 to $6.19 at December 31, 2020, as well as the exercising of 3,460,212 warrants when our share prices were between $2.63 and $10.81. Warrants priced in U.S. dollars are classified as derivative liabilities because the Company's functional currency is in Canadian dollars. As a result of this difference in currencies, the proceeds that are received by the Company are not fixed and will vary based on foreign exchange rates; hence the warrants are a derivative under IFRS and are required to be recognized and measured at fair value at each reporting period. Any changes in fair value from period to period are recorded as a non-cash gain or loss in our consolidated statements of loss and comprehensive loss.

Foreign exchange loss. The Company incurred a foreign exchange loss of $4,447,387 on net working capital in the year ended December 31, 2020 (2019: $597,464) as caused by fluctuations between the U.S. and Canadian dollar.

Net Loss

As a result of the above factors, we reported a net loss for the year ended December 31, 2020 of $63,046,905, compared to a net loss of $23,212,698 for the corresponding period in 2019.

B. Liquidity and Capital Resources

Liquidity

The Company's operations consist of the designing, developing and manufacturing of electric vehicles. The Company's financial success depends upon its ability to market and sell its electric vehicles and to raise sufficient working capital to enable the Company to execute its business plan. The Company's historical capital needs have been met by the sale of the Company's stock. Equity funding might not be possible at the times required by the Company. If no funds can be raised and sales of its electric vehicles do not produce sufficient net cash flow, then the Company may require a significant curtailing of operations to ensure its survival or may be required to cease operations. As at December 31, 2021, the Company has $221,928,008 of cash and cash equivalents on hand and, with inflow from sales in 2022, the Companybelieves that it has sufficient cash to carry on operationfor the next 12 month period following issuance of this Annual Report.

These financial statements have been prepared on a basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company incurred a net loss of $41,326,835 during the

year ended December 31, 2021, and had a cash and cash equivalents balance and a working capital surplus of $221,928,008 and $232,454,617, respectively, as at December 31, 2021. The Company's ability to meet its obligations as they fall due and to continue to operate depends on the continued financial support of its creditors and its shareholders. In the past the Company has relied on sales of its equity securities to meet its cash requirements. Funding from this or other sources might not be sufficient in the future to continue its operations. Even if the Company is able to obtain new financing, it may not be on commercially reasonable terms or terms that are acceptable to it. Failure to obtain such financing on a timely basis could cause the Company to reduce or terminate its operations.

As of December 31, 2021, the Company had 117,338,964 issued and outstanding shares and 137,458,714 shares on a fully-diluted basis. The Company began trading on Nasdaq on August 9, 2018.

The Company had $232,454,617 of working capital surplus as at December 31, 2021, compared to $130,755,823 of working capital surplus as at December 31, 2020. The increase in working capital resulted from cash generated from financing activities of $157,681,605 (2020: $138,927,009) due to the to the issuance of 28,029,401 common shares for net cash proceeds of $157,984,675 (2020: $127,894,718), offset by cash used in operations of $60,418,163 (2020: $22,486,630) and cash used in investing activities of $4,786,697 (2020: $1,399,068) related to additions to property, plant and equipment.

Capital Resources

As at December 31, 2021, the Company had cash and cash equivalents of $221,928,008 (2020: $129,450,676). The Company continues to pursue additional equity financing although there can be no guarantees that the Company will be successful in such endeavors.

Critical Accounting Policies and Estimates

The preparation of the Company's financial statements requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities as well as revenue and expenses. These are based on the best information available at the time utilizing generally accepted industry standards

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the estimated recoverable amount of other long-lived assets, the useful lives of plant and equipment, fair value measurements for financial instruments and share-based payments and the recoverability and measurement of deferred tax assets.

The COVID-19 outbreak brings significant uncertainty as to the potential impact on our operations, supply chains for parts and sales channels for our products, and on the global economy as a whole. It is currently not possible to predict how long the pandemic will last or the time that it will take for economic activity to return to prior levels. Therefore, the Company has not changed any estimates and assumptions in the preparation of the financial statements.

Significant judgements

The preparation of financial statements in accordance with IFRS requires the Company to make judgements, apart from those involving estimates, in applying accounting policies. The most significant judgements in applying the Company's financial statements include:

- the assessment of the Company's ability to continue operations and whether there are events or conditions that may give rise to significant uncertainty;
- the assessment of the Company's functional currency;
- the classification of financial instruments; and
- the vesting probability of stock options with market conditions.

Financial Instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"); or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of financial assets is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income (loss) ("FVTOCI"). Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification of the Company's financial assets and liabilities

Financial assets/liabilities	
Cash and cash equivalents	Amortized cost
Restricted cash	Amortized cost
Receivables	Amortized cost
Trade payables and accrued liabilities	Amortized cost
Derivative liabilities	FVTPL
Lease liabilities	Amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

Revenue from contracts with customers

Sales of electric vehicles

Revenues from selling SOLO EV is recognized when the Company has transferred control to the customer which generally occurs upon delivery and transfer of ownership. Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The total consideration in the contract is allocated to all products and services based on their stand-alone selling prices. The stand-alone selling prices are determined with reference to the selling prices of similar products or services and other reasonably available information.

Customers usually pay consideration prior to the transfer of control over the products to customers.

In addition, product sales contracts with customers include warranty clauses to guarantee that the products comply with agreed-upon specifications. The Company recognizes general estimated warranties costs on its EVs at the time products are sold to customers. These provisions are estimated based on historical warranty claim experience with consideration given to the expected level of future warranty costs as well as current information on repair costs. Provision for product warranties are utilized for expenditures based on the demand from customers. As of December 31, 2021, $nil warranty provision is recognized based on management's estimate of the same.

Share-based payments

Share-based compensation expenses are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payment expenses to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amounts are recorded to the share-based payment reserve. For awards with no market-based performance measurement, the fair value of awards is determined using a Black–Scholes pricing model. For awards subject to the performance against a market-based performance measure, management has used the Monte Carlo simulation model to calculate the grant date fair value. The number of awards expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. The share-based payment reserve records items that are recognized as stock-based compensation expense and other share-based payments until such time that the underlying securities are exercised, at which time the corresponding amount will be transferred to share capital. If the securities expire unexercised, the amount remains in the share-based payment reserve account.

Research and development expenses

Research costs are expensed when incurred and are stated net of government grants. Development costs including direct material, direct labour and contract service costs are capitalized as intangible assets when: the Company can demonstrate that the technical feasibility of the project has been established; the Company intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Company can reliably measure the expenditure attributable to the intangible asset during its development. After initial recognition, internally generated intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. These capitalized costs are amortized on a straight-line basis over the estimated useful life. To date, the Company did not have any development costs that met the capitalization criteria.

Derivative Liability - Warrants

The Company accounts for its warrants as either equity or liabilities based upon the characteristics and provisions of each instrument. Warrants classified as equity are recorded at fair value as of the date of issuance on the Company's consolidated statements of financial position and no further adjustments to their valuation are made. Warrants classified as derivative liabilities that require separate accounting as liabilities are recorded on the Company's consolidated statements of financial position at their fair value on the date of issuance and will be revalued on each subsequent statement of financial position date until such instruments are exercised or expire, with any changes in the fair value between reporting periods recorded as other income or expense. Management estimates the fair value of these liabilities using option pricing models and assumptions that are based on the individual characteristics of the warrants or instruments on the valuation date, as well as assumptions for future financings, expected volatility, expected life, yield and risk-free interest rate. On January 1, 2021, the Company change its functional currency from CAD to USD. As a result, warrants denominated in CAD were recognized as derivative liabilities and warrants denominated in USD were recognized as equity.

Impairment of assets

The carrying amount of the Company's long-lived assets with finite useful lives (which include plant and equipment and intangible assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit ("CGU") assets exceeds its recoverable amount. The Company has identified two CGUs, including electric vehicles, which develop and manufacture electric vehicles for mass markets, and custom-built vehicles which develop and manufacture high-end custom-built vehicles. Impairment losses are recognized in the consolidated statements of loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is recognized, using the liability method, on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset if a deferred income taxes relate to the same taxable entity and the same taxation authority.

C. Research and Development, Patents and Licenses, etc.

The following table specifies the amounts spent on research and development for the fiscal years ended December 31, 2021, 2020 and 2019:

	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019
Labor	$ 13,901,236	$ 5,471,136	$ 4,403,038
Materials	2,367,340	2,383,730	3,253,593
Government grants	—	—	(476,985)
Share-based compensation expense	821,706	811,381	254,438
Total	$ 17,090,282	$ 8,666,247	$ 7,434,084

D. Trend Information

Due to our short operating history, except as noted below, we are not aware of any trends that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Potential Impact of the COVID-19 Pandemic

In December 2019, a strain of novel coronavirus (now commonly known as COVID-19) was reported to have surfaced in Wuhan, China. COVID-19 has since spread rapidly throughout many countries and, on March 12, 2020, the World Health Organization declared COVID-19 to be a pandemic. In an effort to contain and mitigate the spread of COVID-19, many countries, including the United States, Canada and China, have imposed unprecedented restrictions on travel, and there have been business closures and a substantial reduction in economic activity in countries that have had significant outbreaks of COVID-19. Our manufacturing partner, Zongshen, reports that its operations have not been materially affected at this point, and we anticipate that Zongshen remained on track and began production of the SOLOs on August 26, 2020 and deliveries began October 4,2021. However, significant uncertainty remains as to the potential impact of the COVID-19 pandemic on our and Zongshen's operations, and on the global economy as a whole. It is currently not possible to predict how long the pandemic will last or the time that it will take for economic activity to return to prior levels. We do not yet know the full extent of any impact on our business or our operations, however, we will continue to monitor the COVID-19 situation closely, and intend to follow health and safety guidelines as they evolve.

E. Off-Balance Sheet Arrangements

As of December 31, 2021, we did not have any off-balance sheet debt nor did we have any transactions, arrangements, obligations (including contingent obligations) or other relationships with any unconsolidated entities or other persons that may have material current or future effect on financial conditions, changes in the financial conditions, results of operations, liquidity, capital expenditures, capital resources or significant components of revenue or expenses.

F. Tabular Disclosure of Contractual Obligations

The Company adopted IFRS 16 on January 1, 2019, resulting in an increase of $1.60 million in total assets and total liabilities each for recognition of right-of-use assets and lease liabilities, respectively. The following table provides the contractual obligations:

	Within one year	Between one and five years	More than five years	Total
At December 31, 2021	5,432,054	9,584,033	22,456,524	37,472,611
At December 31, 2020	576,232	373,889	125,652	1,075,773

G. Safe Harbor

Not applicable.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

Name, Province/State and Country of Residence	Age	Position	Director/Officer Since
Kevin Pavlov(1), Michigan, U.S.	57	Chief Executive Officer, Chief Operating Officer and a director	May 1, 2021
Henry Reisner(2), British Columbia, Canada	58	President, Chief Operating Officer and a director	February 16, 2015
Bal Bhullar(3), British Columbia, Canada	52	Chief Financial Officer, Secretary and a director	November 19, 2018
Kim Brink, Michigan, U.S.	55	Chief Revenue Officer	January 24, 2022
Steven Sanders(4)(6), New York, U.S.	76	Chairman and a director	March 16, 2018
Jerry Kroll(5), British Columbia, Canada	61	Director	February 16, 2015
Luisa Ingargiola(6), Florida, U.S.	54	Director	March 16, 2018
Joanne Yan(6), British Columbia, Canada	64	Director	March 6, 2019
David Shemmans(6), West Sussex, United Kingdom	55	Director	August 23, 2021
Michael Richardson, Michigan, U.S.	65	Director	November 22, 2021
Isaac Moss, British Columbia, Canada	69	Chief Administrative Officer and Corporate Secretary	May 15, 2018

Notes:

(1) Mr. Pavlov was appointed as Chief Operating Officer of our Company on May 1, 2021 and then appointed the Chief Executive Officer and director of our Company on September 21, 2021. He was appointed President of our Company on January 27, 2022
(2) Mr. Reisner was appointed as President and Chief Operating Officer of our Company on May 15, 2018 and then, effective May 1, 2021, Mr. Reisner's position was changed to Executive Vice-President. Effective January 27, 2022, Mr. Reisner retired from the Company.
(3) Ms. Bhullar was appointed as Chief Financial Officer of our Company on November 19, 2018, and as a director of our Company on December 6, 2019.
(4) Mr.Sanders was appointed Chairman of our Company on October 20, 2018.
(5) Mr. Kroll was appointed President, Chief Executive Officer and a director of our Company effective February 16, 2015. Mr. Kroll resigned from his position as President on May 15, 2018 and as Chairman on October 20, 2018. Mr. Kroll resigned as Chief Executive Officer on August 12, 2019.
(6) Members of the Company's Audit Committee, Nominating and Corporate Governance Committee, Corporate Disclosure and/or Compensation Committee.

Business Experience

The following summarizes the occupation and business experience during the past five years or more for our directors and executive officers as of the date of this Annual Report:

Kevin Pavlov, Chief Executive Officer, Chief Operating Officer and a director

Kevin Pavlov brings over two decades of automotive experience across large global corporations, government entities and start-ups and has extensive experience within electric vehicle development, production and delivery.

Prior to ElectraMeccanica, Mr. Pavlov served as the COO of Karma Automotive, the Southern California-based high-tech mobility incubator and creator of luxury electric vehicles, where he was responsible for operations in the U.S., Europe and Asia resulting in significant manufacturing process and finance operations improvements.

Previous to that, Mr. Pavlov was a mergers & acquisitions consultant at Ricardo US and also served as Chief Executive Officer of Eco-Fueling Inc., a manufacturer in ethanol and diesel fuel technology.

Mr. Pavlov held several senior leadership positions during his seven year tenure at Magna International, including Executive Vice President of Magna Services Ventures and Innovation group, COO of the company's E-Car Joint Venture, where he spearheaded its three divisions: Energy Components, Energy Storage and Lithium Ion Battery manufacturing, and was Global President and General Manager of Magna Electronics.

Before his tenure at Magna, Mr. Pavlov was the President and CEO of BluWāv Systems, which was acquired by Magna in 2008,where he was in charge of corporate development and commercialization of all transportation applications.

Mr. Pavlov holds a bachelor's degree in electrical/electronic engineering from the University of Detroit, a master's in electronics and computer control systems from Wayne State University and an Executive MBA from the Advanced Management Program at Michigan State University**.** He is currently completing an MBA in business turnaround management from the University of Detroit.

Henry Reisner,former Executive Vice- President and director

Until his retirement, Henry Reisner was the President of InterMeccanica, a subsidiary of our Company, which is an automobile manufacturer, and has held this position since 2001. He is experienced in the automotive industry and has a background in manufacturing.

Mr. Reisner holds a Bachelor of Arts degree in political science from the University of British Columbia from 1989.

Mr. Reisner retired from the Company on January 27, 2022.

Bal Bhullar, Chief Financial Officer and a director

Bal Bhullar brings over 25 years of diversified business, financial and risk management experience as an executive and/or as a board member in both public and private companies, which includes such industries as technology, manufacturing, automotive, e-commerce, block chain, resource, marine, energy, transport and health/wellness.

Among some of the her areas of experience, Ms. Bhullar brings to our Company strong banking relationships, increasing market capitalization, raising capital, corporate governance, ESG, diversity as well as financial and strategic planning, initial public offerings, reverse take overs, operational and risk management, regulatory compliance reporting, investor relations, marketing, business expansion, start-up operations, financial modeling, program development, product development, corporate financing, internal controls, SOX compliance and ERP.

Previously, Ms. Bhullar has held various positions including President of BC Risk Management Association, and has held positions as a board member and Chief Financial Officer of several private and public companies. Ms. Bhullar currently holds the following positions: Chief Financial Officer/board director of ElectraMeccanica; Chief Executive Officer/Founder/board member of KISMET Nutrients/American e-Commerce Solutions LLC; Chief Executive Officer/Founder/board member of BKB Management Ltd.; and former Chief Financial Officer/board member and now an Advisory Board member of Enertopia Corp. OTCQB:ENRT.

Ms. Bhullar is a Chartered Professional Accountant, Certified General Accountant and a CRM designation from Simon Fraser University and has a diploma in Financial Management from the British Columbia Institute of Technology.

Kim Brink, Chief Revenue Officer

Kim Brink is a seasoned go-to-market strategist and marketing expert with over 25 years' experience spanning global automotive OEMs, privately held firms and startups. As a global agency and client-side C-suite executive, Ms. Brink has proven expertise at building brands through her keen understanding and curiosity of consumer behavior and trends, an innate ability to identify and untapp the power of a brand for growth and extensive knowledge of data-driven, digitally enabled marketing and CX solutions.

Ms. Brink is experienced at leading large, complex global organizations having held the role of Global Chief Operating Officer of GTB, the advertising agency dedicated to WPP's largest client, Ford Motor Company, and its retail dealers. In this position, she led a highly collaborative team of 3,000 employees in 84 markets and stewarded the industry's most integrated agency model with oversight of all agency capabilities and performance including strategy, analytics, media, creative, digital platforms, business operations, finance, talent and the U.S. Dealer Retail business. Ms. Brink was a trusted strategic advisor to Ford and, as Chair of the agency's Executive Committee, delivered YOY double-digit revenue growth.

Prior to joining GTB, Ms. Brink served as the Senior Vice President of Marketing at NASCAR, in Charlotte, N.C., and held several senior leadership positions at General Motors, including the lead marketing executive role for both Chevrolet and Cadillac during critical moments in their history. At Chevrolet, she was responsible for the launches of over 20 vehicles which helped return the division to sales leadership, and, during her tenure at Cadillac, spearheaded a brand renaissance that changed the trajectory of this legendary luxury make. She also oversaw the creation of the first-ever Cadillac Escalade brand, one of GM's most profitable franchises to date.

As a native of Detroit, Ms. Brink earned her MBA and BS from Wayne State University and is a graduate of the Kellogg Executive Development Program at Northwestern University. As a member of the women's executive leadership organizations, C200 and WBC, she is an advocate for advancing the next generation of female leaders in business.

Steven Sanders, Chairman and a director

Since January 2017, Steven Sanders has been Of Counsel to the law firm of Ortoli Rosenstadt LLP. From July 2007 until January 2017, Mr. Sanders was a Senior Partner of Ortoli Rosenstadt LLP. From January 1, 2004 until June 30, 2007, he was Of Counsel to the law firm of Rubin, Bailin, Ortoli, LLP. From January 1, 2001 to December 31, 2003, Mr. Sanders was counsel to the law firm of Spitzer & Feldman PC. Mr. Sanders also serves as a director of Helijet International, Inc.and Avalon GloboCare (NASDAQ:AVCO). Additionally, Mr. Sanders has been a director at the American Academy of Dramatic Arts since October 2013 and has been a director of the Bay Street Theater since February 2015. Mr. Sanders received his JD from Cornell University and his BBA from The City College of New York.

Jerry Kroll, a director

Jerry Kroll has an extensive background working in small businesses and start-ups. Mr. Kroll's career began when he managed the production, strategic planning and sales operations of Kroll Greenhouses, his family's business. From there, Mr. Kroll served in other management roles in the floral and food services industries, overseeing the import/export of floral products, managing employees, managing food franchises and establishing supplier/distributor relationships.

In 1996 Mr. Kroll became involved in air racing as the owner of Vancouver International Air Races and Airshow, which featured large scale events attracting over 15,000 spectators and 31 corporate sponsors. From then on Mr. Kroll became increasingly involved in air racing and motor races.

In 2007 Mr. Kroll founded KleenSpeed Technologies, a firm focused on stationary energy storage products. Mr. Kroll began researching and developing an EV for the everyday commuter. As an entrepreneur, Mr. Kroll also founded Ascend Sportmanagement Inc., a sports property and technology management firm.

Mr. Kroll's experience and skillset in innovative technology and start-ups, coupled with his passion for clean technology developments, allows Mr. Kroll to coordinate, manage and execute strategies for our Company.

Mr. Kroll is also actively involved in the Vancouver venture capital community and has been a member of the Vancouver Angel Technology Network, an investing and mentoring network for new technology start-ups, since 2003. From February 2013 to February 2015, Mr. Kroll was the President and CEO of Ascend Sportsmanagement Inc.

Luisa Ingargiola, a director

Luisa Ingargiola is a director and the Chair of our Audit Committee. Ms. Ingargiola has significant experience previously serving as Chief Financial Officer or Audit Chair for public companies. She currently serves as a director and Audit Chair for several public companies, including AgEagle (NYSE:UAVS), Progress Acquisition Corporation (NASDAQ:PGRWU), Vision Marine Technologies, Inc. (NASDAQ:VMAR) and BioCorRX (OTC: BICX). In addition, from 2017 to the present, she has served as Chief Financial Officer for Avalon GloboCare (NASDAQ:AVCO). From 2007 through 2016, Ms. Ingargiola served as the Chief Financial Officer and then director at MagneGas Corporation (NASDAQ:MNGA). Prior to 2007, Ms. Ingargiola held various roles as Budget Director and Investment Analyst in several private companies.

Ms. Ingargiola graduated in 1989 from Boston University with a Bachelor's degree in Business Administration and a concentration in Finance. In 1996, she received her MBA in Health Administration from the University of South Florida.

Ms. Ingargiola is qualified to serve as the Chair of our Audit Committee because of her extensive knowledge in corporate governance, regulatory oversight, executive leadership and knowledge of, and experience in, financing and M&A transactions.

Joanne Yan, a director

Joanne Yan has 25 years of experience in advising and managing both publicly traded and private companies and has been active in the cross-border investment and mergers and acquisition space. Ms. Yan serves as the President of Joyco Consulting Services, which she founded in 1994 to provide consulting services in the areas of corporate structuring, business development and strategic planning initiatives.

Ms. Yan was a senior corporate executive and consultant to a number of public companies between 1997 and 2016. Ms. Yan has also been a director and chair of board committees with several publicly traded companies and private companies in Canada, including: (i) the Zongshen Group, our strategic manufacturing partner, and three of its subsidiaries; (ii) the Toronto Stock Exchange-listed Hanwei Energy Services Corp.; (ii) OOOOO Entertainment Commerce Ltd.; and (iii) AADirection Capital Corp., which is a capital pool company and in the process of completing its qualifying transactions.

Dave Shemmans, a director

Dave Shemmans has significant experience with UK market listed, start-up and public regulated companies. Mr. Shemmans has recently (September 2021) stepped down after 16 years as CEO of Ricardo Plc (LSE:RCDO), a global engineering company and is currently

also an active non-executive director (including Chairman of the remuneration committee) of Sutton & East Surrey Water, a regulated UK water company.

Ricardo is a world leading automotive engineering business with engineering expertise including electric vehicle development for global clients. Prior to his 22 years at Ricardo, Mr. Shemmans led a startup Wavedriver Limited , an electric vehicle powertrain business in the UK which designed, manufactured and applied advanced power electronic based drive systems for passenger cars and commercial vehicles. Prior to Wavedriver, Mr. Shemmans designed power electronic systems and solutions for various sectors, including automotive, consumer and industrial, for the engineering consulting firm, The Technology Partnership (TTP). His first career role following graduation from the University of Manchester Institute for Science and Technology (UMIST) in Electrical & Electronic Engineering in 1987 was as a design engineer for Marconi Instruments. Additional qualifications include being a graduate from the Harvard Business School in 1999 on the Exec Ed PMD73 programme.

Michael Richardson

Michael Richardson brings four decades of global automotive experience, working with original equipment manufacturers and Tier 1 system suppliers. Prior to joining ElectraMeccanica, Mr. Richardson served as CTO & CSO of Nexteer Automotive. He worked regionally in Europe & Asia for eight years, overseeing a comprehensive restructuring of both product portfolio and manufacturing footprint. He retired from Nexteer Automotive as President and as a Board member in 2019. Mr. Richardson continues to serve on the boards of Dura Automotive and Shape Corporation.

Mr. Richardson holds a bachelor's degree in mechanical engineering from Kettering University and a master's degree in business administration from Central Michigan University. He also holds a Master Level Professional Board Director Certification from the American College of Corporate Directors. He has been recognized as a Professional Engineer, Certified Quality Engineer and unlimited-rating Stationary Power Engineer. Mr. Richardson has authored numerous intellectual properties impacting both product and process. He is a Boss Kettering Innovation Award recipient, GM Presidents Award winner and Delphi Inventors Hall of Fame inductee.

Isaac Moss, Chief Administrative Officer and Corporate Secretary

Isaac Moss has 27 years of international multi-jurisdictional business, investment banking and corporate finance experience ranging across diverse industry sectors from media, forests products, hospitality, telecommunications, bio technology and green energy. Mr. Moss is experienced in scaling and managing businesses from startup through operations phase. He has held senior executive positions, including President of a European specialty chemical company, Chief Financial Officer of a green energy company, Chief Operating Officer of a software company and Senior Vice-President of a mining company. He is a graduate of the University of Cape Town with a Bachelor of Social Science and Masters Degree in Public Administration. Mr. Moss also studied music, is an accomplished pianist and serves as an ambassador for the University of British Columbia's School of Music.

Family Relationships

There are no family relationships among any of our directors and executive officers.

Term of Office

Each director of our Company is to serve for a term of one year ending on the date of the subsequent annual meeting of stockholders following the annual meeting at which such director was elected. Notwithstanding the foregoing, each director is to serve until his successor is elected and qualified or until his death, resignation or removal. Our Board of Directors appoints our officers and each officer is to serve until his successor is appointed and qualified or until his or her death, resignation or removal.

Involvement in Certain Legal Proceedings

During the past ten years, none of our directors or executive officers have been the subject of the following events:

1. a petition under the Federal bankruptcy laws or any state insolvency law was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;

2. convicted in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);

3. the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:

   (a) acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;

   (b) engaging in any type of business practice; or

   (c) engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws;

4. the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described in paragraph 3.i in the preceding paragraph or to be associated with persons engaged in any such activity;

5. was found by a court of competent jurisdiction in a civil action or by the SEC to have violated any Federal or State securities law, and the judgment in such civil action or finding by the SEC has not been subsequently reversed, suspended, or vacated;

6. was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;

7. was the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:

   (a) any Federal or State securities or commodities law or regulation;

   (b) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or

   (c) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

8. was the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Director Independence

Our Board of Directors has determined that the following directors are “independent”, as such directors do not have a direct or indirect material relationship with our Company. A material relationship is a relationship which could, in the view of our Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

- Steven Sanders;
- Luisa Ingargiola;
- Joanne Yan;

- Dave Shemmans; and
- Michael Richardson.

Code of Business Conduct and Ethics

On April 16, 2020, our Board of Directors adopted a new Code of Business Conduct and Ethics which complies with the definition of a "code of ethics" set out in Section 406(c) of the Sarbanes-Oxley Act of 2002, and any regulations promulgated thereunder by the SEC, and also provides for an enforcement mechanism as required by Nasdaq Listing Rule 5610. The Code of Business Conduct and Ethics applies to the Company's Chief Executive Officer and Chief Financial Officer and all other employees of the Company and the Board of Directors is responsible for monitoring compliance with the Code of Business Conduct and Ethics.

A copy of the complete text of the Code of Business Conduct and Ethics was filed as Exhibit 99.4 to the Company's Form 6-K filed with the SEC on EDGAR on April 27, 2020, which Form 6-K was also filed on SEDAR on the same date as a "material document", and a copy can also be viewed on the Company's website at https://investors.electrameccanica.com/governance-docs.

B. Compensation

Compensation Discussion and Analysis

This section sets out the objectives of our Company's executive compensation arrangements, our Company's executive compensation philosophy and the application of this philosophy to our Company's executive compensation arrangements. It also provides an analysis of the compensation design, and the decisions that the Board of Directors made in Fiscal 2021 with respect to its Named Executive Officers (as herein defined). When determining the compensation arrangements for the Named Executive Officers, our Compensation Committee considers the objectives of: (i) retaining an executive critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and our Company's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

Benchmarking

Our Board of Directors established a Compensation Committee in March of 2018. Prior to that, our Board of Directors acted as the Compensation Committee.

The Compensation Committee will consider a variety of factors when designing and establishing, reviewing and making recommendations for executive compensation arrangements for all our executive officers. The Compensation Committee does not intend to position executive pay to reflect a single percentile within the industry for each executive. Rather, in determining the compensation level for each executive, the Compensation Committee will look at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement and pay equity considerations.

Elements of Compensation

The compensation paid to Named Executive Officers in any year consists of two primary components:

(a) base salary; and

(b) long-term incentives in the form of stock options (each, an"Option") and RSU awards granted under our 2020 Stock Incentive Plan.

The key features of these two primary components of compensation are discussed below.

Base Salary

Base salary recognizes the value of an individual to our Company based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Company competes for talent. Base salaries for the Named Executive Officers are intended to be reviewed annually. Any change in base salary of a Named Executive Officer is generally determined by an assessment of such executive's performance, a consideration of competitive compensation levels

in companies similar to the Company (in particular, companies in the EV industry) and a review of the performance of the Company as a whole and the role such executive officer played in such corporate performance.

Options and RSU Awards

The Company provides long-term incentives to Named Executive Officers in the form of Options and RSUs as part of its overall executive compensation strategy. Our Compensation Committee believes that Option grants and RSU awards serve the Company's executive compensation philosophy in several ways: firstly, it helps attract, retain and motivate talent; secondly, it aligns the interests of the Named Executive Officers with those of the shareholders by linking a specific portion of the officer's total pay opportunity to the share price; and finally, it provides long-term accountability for Named Executive Officers.

Risks Associated with Compensation Policies and Practices

The oversight and administration of the Company's executive compensation program requires the Compensation Committee to consider risks associated with the Company's compensation policies and practices. Potential risks associated with compensation policies and compensation awards are considered at annual reviews and also throughout the year whenever it is deemed necessary by the Compensation Committee.

The Company's executive compensation policies and practices are intended to align management incentives with the long-term interests of the Company and its shareholders. In each case, the Company seeks an appropriate balance of risk and reward. Practices that are designed to avoid inappropriate or excessive risks include: (i) financial controls that provide limits and authorities in areas such as capital and operating expenditures to mitigate risk taking that could affect compensation; (ii) balancing base salary and variable compensation elements; (iii) spreading compensation across short and long-term programs; and (iv) the Company maintains the right to clawback an annual incentive award that may have been based on materially inaccurate financial statements or materially inaccurate performance criteria.

Compensation Committee

Our Compensation Committee consists of Luisa Ingargiola, Steven Sanders, Joanne Yan and Dave Shemmans and is chaired by Dave Shemmans. Each of the Compensation Committee members satisfies the "independence" requirements of Rule 5605(a)(2) of the Listing Rules of Nasdaq. Our Compensation Committee will assist the Board of Directors in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. No officer may be present at any committee meeting during which such officer's compensation is deliberated upon.

The Compensation Committee's responsibility is to formulate and make recommendations to our Board of Directors in respect of compensation issues relating to our directors and executive officers. Without limiting the generality of the foregoing, the Compensation Committee has the following duties:

(a) to review the compensation philosophy and remuneration policy for our executive officers and to recommend to our directors changes to improve our ability to recruit, retain and motivate executive officers;

(b) to review and recommend to the Board of Directors the retainer and fees, if any, to be paid to our directors;

(c) to review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer (the "CEO"), evaluate the CEO's performance in light of those corporate goals and objectives, and determine (or make recommendations to our directors with respect to) the CEO's compensation level based on such evaluation;

(d) to recommend to our directors with respect to non-CEO officer and director compensation including reviewing management's recommendations for proposed Options and other incentive-compensation plans and equity-based plans, if any, for non-CEO officer and director compensation, and make recommendations in respect thereof to our directors;

(e) to administer the 2020 Stock Incentive Plan approved by our directors in accordance with its terms. including the recommendation to our directors of the grant of Options and RSU awards in accordance with the terms thereof; and

(f) to determine and recommend for the approval of our directors' bonuses to be paid to our executive officers and employees and to establish targets or criteria for the payment of such bonuses, if appropriate. Pursuant to the mandate and terms of reference

of the Compensation Committee, meetings of the Compensation Committee are to take place at least once per year and at such other times as the Chair of the Compensation Committee may determine.

Appointment of GGA

Since March of 2020, consistent with good governance practices, our Compensation Committee has now retained an independent compensation advisor to provide advice on the structure and levels of compensation for our executive officers and directors and to undertake a comprehensive review of our incentive plans. In Fiscal 2021, the Compensation Committee retained Global Governance Advisors ("GGA") to provide independent compensation advice to the Compensation Committee and to the Board of Directors. GGA is an internationally recognized, independent advisory firm that provides counsel to boards of directors on matters relating to executive compensation and governance. GGA is now retained to continually review the compensation levels for the Company's executive officers and directors and short and long-term incentive plans, and to evaluate and make recommendations on the Company's overall executive and director compensation philosophy, objectives and approach.

GGA's services in Fiscal 2021 included:

- compensation philosophy validation;
- peer group review and development;
- executive compensation review for our CEO, Chief Financial Officer ("CFO"), Chief Operating Officer and Chief Administrative Officer;
- short-term incentive plan design and performance metric criteria review;
- long-term incentive plan review including:
- performance based restricted stock unit design and long-term incentive plan mix evaluation; and
- non-employee director compensation review; and
- review of compensation discussion and analysis in the Company's proxy statement.

Fees paid for GGA's services for the last fiscal year was CAD$51,000.

The Compensation Committee reviews all fees and the terms of consulting services provided by GGA.

Overview of Executive Compensation Program

In Fiscal 2021, with the recommendations put forth by GGA (the "GGA Recommendations"), the Compensation Committee maintained the following general principles in determining its executive and non-employee director total compensation plans.

The Company recognizes that people are our primary asset and our principal source of competitive advantage. In order to recruit, motivate and retain the most qualified individuals as senior executive officers, the Company strives to maintain an executive compensation program that is competitive in the automotive and electric vehicle industry, which is a competitive, global labor market.

The Compensation Committee's compensation objective is designed to attract and retain the best available talent while efficiently utilizing available resources. The Compensation Committee compensates executive management primarily through base compensation and variable at risk annual incentive and equity based compensation. The executive compensation plan is designed to be competitive with comparable companies, and to align management's compensation with the long-term interests of stockholders. In determining executive management's compensation, the Compensation Committee also takes into consideration the financial condition of the Company and discussions with the executive in each instance.

In order to accomplish our goals and to ensure that the Company's executive compensation program is consistent with its direction and business strategy, the compensation program for our senior executive officers is based on the following objectives:

- to attract, motivate, retain and reward a knowledgeable and driven management team and to encourage them to attain and exceed performance expectations within a calculated risk framework; and
- to reward each executive based on individual and corporate performance and to incentivize such executives to drive the organization's current growth and sustainability objectives.

The following key principles guide the Company's overall compensation philosophy:

- compensation is designed to align executives to the critical business issues facing the Company;
- compensation should be fair and reasonable to stockholders and be set with reference to the local market and similar positions of comparable companies;
- a substantial portion of total compensation is at-risk and linked to individual efforts, as well as divisional and corporate performance. This ensures the link between executive pay and business performance;
- an appropriate portion of total compensation should be equity-based, aligning the interests of executives with stockholders; and
- compensation should be transparent to the Board of Directors, executives and stockholders.

Benchmarking Compensation and Primary Peer Group

In Fiscal 2021 the Compensation Committee commissioned a peer group review from GGA as part of a more holistic executive and non-employee director compensation review, in order to address changes in the external market and to ensure that the Company continued to benchmark executive compensation with appropriate market comparators. The Compensation Committee considered the complexity of the Company and the range of size of several of the appropriate comparable companies and, with the GGA Recommendations provided to them, established a revised peer group to better reflect the Company's current business. The peer group was developed using a combination of criteria including company size, industry, business practices, geography and stock exchange to qualify each organization. More specifically the peer group met some or most of the following parameters:

- companies of similar size to ElectraMeccanica (0.25x to 4x), primarily from a research and development expenditure perspective, but also taking into account other factors such as market capitalization, total assets and revenue;
- companies who belong to similar industry segments as ElectraMeccanica (i.e. automobile, electronic components, health care equipment or other complex engineering-related segments which integrate both software and hardware);
- companies with a similar business strategy and scope of operations to the Company; and
- publicly traded companies on major U.S. or Canadian exchanges.

In Fiscal 2021, with the GGA Recommendations, the resulting companies created a peer group At the time of the peer group selection, ElectraMeccanica's market cap was positioned at the 53rd percentile of the peer group, and the research and development expenditure was also at the 53rd percentile.

In Fiscal 2021, with the GGA Recommendations, our compensation philosophy aimed to align both our executive and Board of Directors' compensation around the median of our peer group.

Compensation Elements and Rationale

There are three basic components to the Company's executive compensation program: base compensation; short-term incentive awards; and long-term incentive equity compensation.

Base Compensation

Base compensation is the foundation of the compensation program and is intended to compensate competitively relative to comparable companies within our industry and the marketplace where we compete for talent. Base compensation is a fixed component of the compensation program and is used as the base to determine elements of incentive compensation and benefits.

Short-Term Incentive Awards

Our short-term incentive plan (the "STIP") is a variable component of compensation and has the objective of motivating the executive officers to achieve pre-determined objectives over a one-year period and to provide a means to reward the achievement of corporate milestones and fulfillment of the annual business plan.

Historically, the amount of the short-term incentive awards paid to the Company's executive officers was determined by the Company's Compensation Committee on a discretionary basis, given the Company's stage of development and its transitional stage of growth, based on the expected benefits to the Company for meeting its performance targets, the Company's available resources and market conditions.

As of our fiscal year ended December 31, 2021, with the GGA Recommendations, the Compensation Committee established guidelines for the amount of annual short-term incentive awards payable to the executives as a percentage of an executive's base compensation for specific performance targets and levels achieve. GGA recommended that the Board of Directors adopt a balanced scorecard that supports a payout curve ranging from 50% of target for threshold performance, 100% of target and a 150% of target for maximum performance to eligible executives.

In Fiscal 2021, the Compensation Committee approved the following guidelines for the opportunity of annual incentive awards to the executives, based on a selection of financial, operating:

- in addition to the performance metrics used to evaluate the executive officer's annual incentive, the payment of annual incentive awards shall be subject to a determination by the Board of Directors that the Company maintains sufficient cash on hand to meet the Company's financial obligations as determined on the date of payment; and

- annual incentive awards shall be subject to a provision for recovery or "clawback" if a payment is subsequently determined by the Board of Directors to have been based on materially inaccurate financial statements or materially inaccurate performance criteria.

The Compensation Committee determined that it would continue evaluating and evolving the short-term incentive program design against best market practices as the Company experiences further growth.

In Fiscal 2021, short-term incentive awards were paid to the executive officers for performance meeting or exceeding target performance levels in the form of cash bonuses as more particularly described in the "Summary Compensation Table" below.

Long-Term Incentive (Equity)

The Company's long-term incentive program provides for, among other awards, the granting of Options and RSUs to executive officers to both motivate executive performance and retention, as well as to align executive officer performance to shareholder value creation. In awarding long-term incentives, the Company compares its long-term incentive program to that of comparable companies within our industry and evaluates such factors as the number of shares available for awards under the Company's Plan, as ratified by the stockholders of the Company on July 9, 2020, and the number of awards outstanding relative to the number of shares outstanding.

Each long-term incentive grant is based on the level of the position held and overall market competitiveness. The Compensation Committee takes into consideration previous grants when it considers new grants of Options and RSUs. The Board of Directors administers the granting of equity awards in accordance with the 2020 Stock Incentive Plan.

In Fiscal 2021, the Compensation Committee reviewed the market prevalence of long-term equity incentive plans within the Company's primary peer group. The Compensation Committee determined that granting Options and making RSU awards were the most appropriate form of long-term equity incentive to award in Fiscal 2021 due to market practice.

In Fiscal 2021, the Compensation Committee considered the advice of GGA and the recommendations issued by leading independent proxy advisors and determined that it would implement a performance based long-term incentive award structure based on best market practice to more closely align pay with future performance.

Summary Compensation Table

The following table sets forth all annual and long-term compensation for services in all capacities to the Company during the fiscal periods indicated in respect of the executive officers set out below (the "Named Executive Officers") and includes amounts paid to affiliates of the Named Executive Officers for services provided by the Named Executive Officers:

Named Executive Officer and Principal Position	Year	Salary ($)	Share-Based Awards ($)	Equity Inventive Awards ($)(1)	Annual Incentive Plan ($)	Long-term Incentive Plan ($)	Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
Kevin Pavlov(2),	2021	246,415	Nil	4,782,808	405,000	Nil	Nil	Nil	5,434,223
Chief Executive Officer and Chief Operating Officer	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	—
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	—
Bal Bhullar(3),	2021	315,957	Nil	328,502	145,038	Nil	Nil	2,872	792,369
Chief Financial Officer	2020	238,935	Nil	351,000	108,000	Nil	Nil	2,704	700,639
	2019	148,350	Nil	1,726,814	27,156	Nil	Nil	2,716	1,905,036
Isaac Moss(4),	2021	289,436	Nil	210,001	193,715	Nil	Nil	Nil	693,152
Chief Administrative Officer and Corporate Secretary	2020	223,101	Nil	338,001	104,000	Nil	Nil	Nil	665,102
	2019	176,011	Nil	1,049,567	18,858	Nil	Nil	Nil	1,244,436
Henry Reisner(5),	2021	289,436	Nil	210,001	Nil	Nil	Nil	Nil	499,437
former Executive Vice-President	2020	209,605	Nil	338,001	141,559	Nil	Nil	Nil	689,165
	2019	135,778	Nil	Nil	Nil	Nil	Nil	Nil	135,778
Jerry Kroll(6),	2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	—
former President and Chief Executive Officer	2020	131,457	n/a	n/a	n/a	n/a	n/a	n/a	131,457
	2019	226,297	Nil	Nil	Nil	Nil	Nil	Nil	226,297
Iain Ball(7),	2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
former Vice-President, Finance	2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2019	67,889	Nil	287,034	Nil	Nil	Nil	Nil	354,923
Ed Theobald (8),	2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
former General Manager Sales and Dealerships	2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2019	24,138	Nil	Nil	Nil	Nil	Nil	Nil	24,138
Lorenzo Caprilli(9),	2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
former Executive Vice-President Sales and Marketing	2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2019	66,054	Nil	Nil	Nil	Nil	Nil	Nil	66,054
Michael Paul Rivera(10),	2021	269,209	Nil	Nil	216,080	Nil	Nil	1,710,527	2,195,816
former President and Chief Executive Officer	2020	331,597	Nil	719,999	277,500	Nil	11,400	Nil	1,340,496
	2019	117,688	Nil	2,821,276	38,904	Nil	Nil	Nil	2,977,868

Notes:

(1) Option-based awards represent the fair value of Options and RSUs granted and awarded in the year under our 2020 Stock Incentive Plan. The fair value of Options granted is calculated as of the grant date using the Black-Scholes option pricing model. The fair value of the RSUs is calculated based on the market price of the Company's common shares on the grant date. For discussion of the assumptions made in the valuation, refer to Note 13 to our financial statements.

(2) Mr. Pavlov was appointed Chief Operating Officer ("COO") on May 1, 2021 and CEO and a director of our Company on September 21, 2021.

(3) Ms. Bhullar was appointed CFO and Corporate Secretary of our Company on November 19, 2018 and as a director on December 6, 2019. In July of 2020 Ms. Bhullar stepped down as Corporate Secretary.

(4) Mr. Moss was appointed Chief Administrative Officer of our Company on May 15, 2018, and in July of 2020 Mr. Moss was appointed Corporate Secretary.

(5) Mr. Reisner was appointed COO of our Company on February 16, 2015, and on May 15, 2018 he was appointed as President of our Company. On May 1, 2021 Mr. Reisner stepped down as COO and took on the position of Executive Vice-President of our Company. On January 27, 2022 Mr. Reisner retired from the Company.

(6) Mr. Kroll was appointed the President and CEO of our Company on February 16, 2015 and served as the Secretary of our Company from June 11, 2015 to August 8, 2016. On May 15, 2018, Mr. Kroll resigned from his position as President of our Company and on August 12, 2019 he resigned as CEO.

(7) Mr. Ball was appointed Vice-President, Finance of our Company on June 27, 2016 and resigned effective on June 30, 2019.

(8) Mr. Theobald was appointed General Manager of our Company on February 16, 2015 and resigned effective on June 30, 2019.
(9) Lorenzo Caprilli was appointed Executive Vice-President Sales and Marketing of our Company on May 1, 2019 and resigned effective on November 30, 2019.
(10) Mr. Rivera was appointed CEO and a director of our Company on August 12, 2019. On September 21, 2021, Mr. Rivera resigned as CEO and a director of our Company.

Executive Compensation Agreements

Kevin Pavlov

On October 1, 2020, our Board of Directors approved the entering into of an independent contractor agreement with Kevin Pavlov and EMV Automotive USA Inc. (the "Prior Pavlov Agreement"). On April 5, 2021 (the "Effective Date" therein), the Company and Electrameccanica USA, LLC entered into a new executive employment services agreement with Mr. Pavlov (the "Pavlov Agreement") which superseded the Prior Pavlov Agreement.

The Pavlov Agreement commenced as of its Effective Date and will continue for a period of two years unless terminated in accordance with its terms. The Pavlov Agreement shall renew automatically if not specifically terminated by the Company notifying Mr. Pavlov in writing at least 90 calendar days prior to the end of the term of its intent to not renew the Pavlov Agreement.

Pursuant to the terms of the Pavlov Agreement, Mr. Pavlov will continue to be employed as our COO; and now also as our CEO and will: (a) devote reasonable efforts and attentions to the business and affairs of the Company; (b) perform the Services (as defined in the Pavlov Agreement) in a competent and efficient manner and in manner consistent with his obligations to the Company and in compliance with all the Company policies; and (c) promote the interests and goodwill of the Company. Mr. Pavlov will not, directly or indirectly, anywhere in North America, either individually or in partnership, jointly or in conjunction with any person, firm, association, syndicate, company, whether as agent, shareholder, employee, consultant, or in any manner whatsoever, engage in any business the same or similar to or in competition with that of the Company's Business (as defined therein). However, Mr. Pavlov may hold or become beneficially interest in up to 1% of any class of securities in any company provided that such class of securities are listed on a recognized stock exchange in Canada or the United States.

The Company will pay Mr. Pavlov a monthly base salary from the Effective Date of U.S.$26,000.00 (the "Monthly Salary"). The Monthly Salary is subject to increase based on periodic reviews at the discretion of the Company. The Board of Directors, in its sole discretion, may consider the payment of a reasonable industry standard bonus to Mr. Pavlov based upon the performance of the Company and upon the achievement by Mr. Pavlov of reasonable management objectives. Mr. Pavlov will be eligible to participate in benefits, perquisites and allowances, as such plans and policies may be amended from time to time, and including, but not limited to: (a) group insurance coverage for dental, health and life insurance; (b) the use of a smartphone for Business purposes; and (c) no less than five weeks paid vacation per calendar year (the "Vacation"), such Vacation to extend for such periods and to be taken at such intervals as shall be appropriate and consistent with the proper performance of Mr. Pavlov's duties.

The Company may grant Mr. Pavlov Options under its 2020 Stock Incentive Plan from time to time in its absolute discretion. Any Options will be in accordance with provisions, and including, but not limited to, the following: (a) the exercise of Options shall be subject to, at all times, to such vesting and resale provisions as may then be contained in the Company's 2020 Stock Incentive Plan as may be finally determined by the Board of Directors acting reasonably; (b) Mr. Pavlov in no event make any disposition of all or any portion of Options unless the requirements as provided in the Pavlov Agreement have been satisfied; and (c) the Company shall have an independent committee of the Board of Directors approve each grant of Options and, if required, by the applicable regulatory authorities and the shareholders of the Company.

The Company has the right to and may terminate the Pavlov Agreement at any time for Just Cause (as defined therein). Following any such termination, the Company shall pay to Mr. Pavlov an amount equal to the Monthly Salary and Vacation pay earned and payable to Mr. Pavlov up to the date of termination, and Mr. Pavlov shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Company also has the right to terminate the Pavlov Agreement without Just Cause and for any reason or no reason whatsoever by providing written notice to Mr. Pavlov specifying the effective date of termination. Mr. Pavlov may terminate the Pavlov Agreement at any time in connection with a Change of Control (as defined therein) of the Company by providing not less than 90 calendar days' notice in writing of said date of termination to the Company after the Change of Control has been effected. In the event that the Pavlov Agreement is terminated by the Company without Just Cause, or by Mr. Pavlov as a result of a Change of Control, the Company will have the obligation to: (a) pay Mr. Pavlov an amount equal to the Monthly Salary and Vacation payable to Mr. Pavlov up to the date of termination, together with any Vacation pay required to comply with applicable employment standards legislation; (b) pay Mr. Pavlov his annual performance Bonus entitlements (as defined therein) calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; (c) pay Mr. Pavlov a termination fee equal to 24 months' Monthly Salary plus an additional one month's Monthly Salary for each completed full year of employment with the Company from the Effective Date; (d) subject to provisions of any Company plans and arrangements under which Benefits (as defined therein) are being provided to Mr. Pavlov, continue each of Mr. Pavlov's Benefits in full force and effect for a period of 12 months from the date of termination; (e) pay Mr. Pavlov an amount equal to the greater of (i) the average STIP (as defined therein) paid to Mr. Pavlov for the previous two years and (ii) 80% of Mr. Pavlov's target annual STIP for the current fiscal year of the Company if Mr. Pavlov has been employed by the Company for less than two years at the date of termination; and (f) subject to the Company's 2020 Stock Incentive Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Pavlov to exercise any unexercised and fully vested stock options at any time during the Termination Option Exercise Period (12 months from the date of termination; as defined therein).

The Company may terminate the Pavlov Agreement by notifying Mr. Pavlov in writing at least 90 calendar days prior to the end of the term of its intent to not renew the Pavlov Agreement. In the event of such termination, the Company will be obligated to provide Mr. Pavlov with (a) through (f) noted immediately above, however, the Company will only pay Mr. Pavlov a termination fee equal to four months of Monthly Salary for each completed full year of employment with the Company commencing from the date of the Prior Pavlov Agreement and up to a total of 24 months of Monthly Salary.

Mr. Pavlov may terminate the Pavlov Agreement at any time by providing written notice of resignation to the Board of Directors specifying the date of termination (such date being not less than three months after the date of notice). In the event the Pavlov Agreement is terminated by Mr. Pavlov's resignation, the Company shall pay to Mr. Pavlov an amount equal to the Monthly Salary and Vacation pay earned and payable to Mr. Pavlov up to the date of termination, and Mr. Pavlov shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Pavlov Agreement will automatically terminate upon the death of Mr. Pavlov and, upon such termination, the Company's obligations under the Pavlov Agreement will immediately terminate other than the Company's obligations to: (a) pay Mr. Pavlov's estate an amount equal to the Monthly Salary and Vacation payable to Mr. Pavlov up to the date of termination; (b) pay Mr. Pavlov's estate his annual performance Bonus entitlements calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; and (c) subject to the Company's 2020 Stock Incentive Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Pavlov's estate to exercise any unexercised and fully vested Options at any time during the Termination Option Exercise Period from the date of termination.

The Company may terminate the Pavlov Agreement at any time because of Total Disability (as defined therein) by providing 30 calendar days' written notice. In the event of such termination, the Company's obligations under the Pavlov Agreement will immediately terminate other than the Company's obligations to (a) pay Mr. Pavlov an amount equal to the Monthly Salary and Vacation payable to Mr. Pavlov up to the date of termination; (b) pay Mr. Pavlov his annual performance Bonus entitlements calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; (c) subject to provisions of any Company plans and arrangements under which Benefits are being provided to Mr. Pavlov, continue each of Mr. Pavlov's Benefits in full force and effect for a period of 12 months from the date of termination; and (d) subject to the Company's 2020 Stock Incentive Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Pavlov to exercise any unexercised and fully vested Options at any time during the Termination Option Exercise Period from the date of termination.

Based on the independent report produced by GGA, on September 22, 2021, the Pavlov Agreement annual Monthly Salary was amended to U.S.$450,000.00 and Mr. Pavlov was awarded 230,939 RSUs which vest, as to one-third, at the end of each year during the RSU vesting period. On December 31, 2021, the Compensation Committee approved a cash bonus to Mr. Pavlov of U.S.$405,000.00 for fiscal 2022.

Henry Reisner - retired

On January 15, 2019, our Board of Directors approved the entering into of an executive employment agreement with Henry Reisner, which is dated for reference effective on January 1, 2019, and which then superseded our Company's prior agreement with Mr. Reisner, dated July 1, 2016, which had been amended in August of 2018. On January 1, 2020 (the "Effective Date" therein), the Company entered into a new executive employment services agreement with Henry Reisner (the "Reisner Agreement") which superseded the January 15, 2019 executive employment agreement with Mr. Reisner.

The Reisner Agreement commenced as of its Effective Date and will continue for a period of three years unless terminated in accordance with its terms. The Company may notify Mr. Reisner in writing at least 30 calendar days prior to the end of the term of its intent to renew the Reisner Agreement, any such renewal being on the same terms and conditions as provided in the Reisner Agreement. Pursuant to the terms of the Reisner Agreement, Mr. Reisner will continue to be employed as our Chief Operating Officer and President and will: (a) devote reasonable efforts and attentions to the business and affairs of the Company; (b) perform the Services (as defined in the Reisner Agreement) in a competent and efficient manner and in manner consistent with his obligations to the Company and in compliance with all the Company policies; and (c) promote the interests and goodwill of the Company. Mr. Reisner will not, directly or indirectly, anywhere in Canada or the United States, either individually or in partnership, jointly or in conjunction with any person, firm, association, syndicate, company, whether as agent, shareholder, employee, consultant, or in any manner whatsoever, engage in any business the same or similar to or in competition with that of the Company's Business (as defined therein). However, Mr. Reisner may hold or become beneficially interest in up to 1% of any class of securities in any company provided that such class of securities are listed on a recognized stock exchange in Canada or the United States.

The Company will pay Mr. Reisner a monthly base salary from the Effective Date of CAD$18,333.34 (the "Monthly Salary"). The Monthly Salary is subject to increase based on periodic reviews at the discretion of the Company. The Board of Directors, in its sole discretion, may consider the payment of a reasonable industry standard bonus to Mr. Reisner based upon the performance of the Company and upon the achievement by Mr. Reisner of reasonable management objectives. Mr. Reisner will be eligible to receive a one-time lump sum payment of CAD$25,000.00 by delivering on the Company's objective of having the Generation 3 SOLO begin production by May 15, 2020. Mr. Reisner will be eligible to participate in benefits, perquisites and allowances, as such plans and policies may be amended from time to time, and including, but not limited to: (a) group insurance coverage for dental, health, and life insurance; and (b) no less than five weeks paid vacation per calendar year (the "Vacation"), such Vacation to extend for such periods and to be taken at such intervals as shall be appropriate and consistent with the proper performance of Mr. Reisner's duties.

The Company may grant Mr. Reisner stock options under its Stock Option Plan (as defined therein) from time to time in its absolute discretion. Any stock options granted will be in accordance with provisions, and including, but not limited to, the following: (a) the exercise of stock options shall be subject to, at all times, to such vesting and resale provisions as may then be contained in the Company's Stock Option Plan as may be finally determined by the Board of Directors acting reasonably; (b) Mr. Reisner in no event make any disposition of all or any portion of stock options unless the requirements as provided in the Reisner Agreement have been satisfied; and (c) the Company shall have an independent committee of the Board approve each grant of stock options and, if required, by the applicable regulatory authorities and the shareholders of the Company.

The Company has the right to and may terminate the Reisner Agreement at any time for Just Cause (as defined therein). Following any such termination, the Company shall pay to Mr. Reisner an amount equal to the Monthly Salary and Vacation pay earned and payable to Mr. Reisner up to the date of termination, and Mr. Reisner shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Company also has the right to terminate the Reisner Agreement without Just Cause and for any reason or no reason whatsoever by providing written notice to Mr. Reisner specifying the effective date of termination. Mr. Reisner may terminate the Reisner Agreement at any time in connection with a Change of Control (as defined therein) of the Company by providing not less than 90 calendar days' notice in writing of said date of termination to the Company after the Change of Control has been effected. In the event that the Reisner Agreement is terminated by the Company without Just Cause, or by Mr. Reisner as a result of a Change of Control, the Company will have the obligation to: (a) pay Mr. Reisner an amount equal to the Monthly Salary and Vacation payable to Mr. Reisner up to the date of termination, together with any Vacation pay required to comply with applicable employment standards legislation; (b) pay Mr. Reisner his annual performance Bonus entitlements (as defined therein) calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; (c) pay a termination fee equal to 12 months' Monthly Salary plus an additional one month's Monthly Salary for each completed full year of employment with the Company; and (d) subject to the Company's Stock Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Reisner to exercise any unexercised and fully vested stock options at any time during three months from the date of termination.

Mr. Reisner may terminate the Reisner Agreement at any time by providing written notice of resignation to the Board of Directors specifying the date of termination (such date being not less than three months after the date of notice). In the event the Reisner Agreement is terminated by Mr. Reisner's resignation, the Company shall pay to Mr. Reisner an amount equal to the Monthly Salary and Vacation pay earned and payable to Mr. Reisner up to the date of termination, and Mr. Reisner shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Reisner Agreement will automatically terminate upon the death of Mr. Reisner and, upon such termination, the Company's obligations under the Reisner Agreement will immediately terminate other than the Company's obligations to: (a) pay Mr. Reisner's estate an amount equal to the Monthly Salary and Vacation payable to Mr. Reisner up to the date of termination; (b) pay Mr. Reisner's estate his annual performance Bonus (entitlements) calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; and (c) subject to the Company's Stock Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Reisner's estate to exercise any unexercised and fully vested stock options at any time during three months from the date of termination.

The Company may terminate the Reisner Agreement at any time as a result of Total Disability (as defined therein) by providing 30 calendar days' written notice. In the event of such termination, the Company's obligations under the Reisner Agreement will immediately terminate other than the Company's obligations to (a) pay Mr. Reisner's an amount equal to the Monthly Salary and Vacation payable to Mr. Reisner up to the date of termination; (b) pay Mr. Reisner his annual performance Bonus entitlements calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; (c) subject to provisions of any Company plans and arrangements under which Benefits (as defined therein) are being provided to Mr. Reisner, continue each of Mr. Reisner's Benefits in full force and effect for a period of six months from the date of termination; and (d) subject to the Company's Stock Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Reisner to exercise any unexercised and fully vested stock options at any time during three months from the date of termination.

In the summer of 2020, Mr. Reisner received a CAD$50,000 bonus payment for fiscal 2019. Based on certain recommendations provided to the Compensation Committee from GGA, on July 20, 2020, the Reisner Agreement annual Monthly Salary was amended to $260,000 and Mr. Reisner was awarded 98,256 RSUs which vest as to one-third at the end of each year during the RSU vesting period. On November 26, 2020, the Compensation Committee approved a cash bonus to Mr. Reisner of $104,000 for fiscal 2020. Based on recommendations provided to the Compensation Committee from GGA, on September 22, 2021 the Reisner Agreement annual Monthly Salary was amended to $300,000 and Mr. Reisner was awarded 61,584 RSUs which vest as to on-third at the end of each year during the RSU vesting period. On January 26, 2022 Mr. Reisner retired from the Company and the Reisner Agreement was terminated by mutual agreement.

Bal Bhullar

On January 15, 2019, our Board of Directors approved the entering into of a consulting agreement with BKB Management Ltd., a company under the control and direction of Bal Bhullar, our Chief Financial Officer (the "Consulting Agreement"), which is dated for reference effective on January 1, 2019, and which superseded our Company's prior offer letter with Ms. Bhullar, dated October 19, 2018. On December 19, 2019, the Company entered into a new executive employment agreement with Ms. Bhullar (the "Bhullar Agreement") which is effective January 1, 2020 (the "Effective Date" therein), and which superseded the Consulting Agreement.

The Bhullar Agreement commenced as of its Effective Date and will continue for a period of three years unless terminated in accordance with its terms. The Bhullar Agreement shall renew automatically if not specifically terminated by the Company notifying Ms. Bhullar in writing at least 90 calendar days prior to the end of the term of its intent to not renew the Bhullar Agreement.

Pursuant to the terms of the Bhullar Agreement, Ms. Bhullar will continue to be employed as our Chief Financial Officer and will: (a) devote reasonable efforts and attentions to the business and affairs of the Company; (b) perform the Services (as defined in the Bhullar Agreement) in a competent and efficient manner and in manner consistent with her obligations to the Company and in compliance with all the Company policies; and (c) promote the interests and goodwill of the Company. Ms. Bhullar will not, directly or indirectly, anywhere in North America, either individually or in partnership, jointly or in conjunction with any person, firm, association, syndicate, company, whether as agent, shareholder, employee, consultant, or in any manner whatsoever, engage in any business the same or similar to or in competition with that of the Company's Business (as defined therein). However, Ms. Bhullar may hold or become beneficially interest in up to 1% of any class of securities in any company provided that such class of securities are listed on a recognized stock exchange in Canada or the United States.

The Company will pay Ms. Bhullar a monthly base salary from the Effective Date of CAD$23,333.33 (the "Monthly Salary"). The Monthly Salary is subject to increase based on periodic reviews at the discretion of the Company. The Board of Directors, in its sole discretion, may consider the payment of a reasonable industry standard bonus to Ms. Bhullar based upon the performance of the Company and upon the achievement by Ms. Bhullar of reasonable management objectives. Ms. Bhullar will be eligible to participate in benefits, perquisites and allowances, as such plans and policies may be amended from time to time, and including, but not limited to: (a) group insurance coverage for dental, health and life insurance; (b) an automobile expense allowance of CAD$300.00 per month; (c) professional dues necessary to maintain Ms. Bhullar's professional designation; and (d) no less than five weeks paid vacation per calendar year (the "Vacation"), such Vacation to extend for such periods and to be taken at such intervals as shall be appropriate and consistent with the proper performance of Ms. Bhullar's duties.

The Company may grant Ms. Bhullar stock options under its Stock Option Plan (as defined therein) from time to time in its absolute discretion. Any stock options granted will be in accordance with provisions, and including, but not limited to, the following: (a) the exercise of stock options shall be subject to, at all times, to such vesting and resale provisions as may then be contained in the Company's Stock Option Plan as may be finally determined by the Board of Directors acting reasonably; (b) Ms. Bhullar in no event make any disposition of all or any portion of stock options unless the requirements as provided in the Bhullar Agreement have been satisfied; and (c) the Company shall have an independent committee of the Board of Directors approve each grant of stock options and, if required, by the applicable regulatory authorities and the shareholders of the Company.

The Company has the right to and may terminate the Bhullar Agreement at any time for Just Cause (as defined therein). Following any such termination, the Company shall pay to Ms. Bhullar an amount equal to the Monthly Salary and Vacation pay earned and payable to Ms. Bhullar up to the date of termination, and Ms. Bhullar shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Company also has the right to terminate the Bhullar Agreement without Just Cause and for any reason or no reason whatsoever by providing written notice to Ms. Bhullar specifying the effective date of termination. Ms. Bhullar may terminate the Bhullar Agreement at any time in connection with a Change of Control (as defined therein) of the Company by providing not less than 90 calendar days' notice in writing of said date of termination to the Company after the Change of Control has been effected. In the event that the Bhullar Agreement is terminated by the Company without Just Cause, or by Ms. Bhullar as a result of a Change of Control, the Company will have the obligation to: (a) pay Ms. Bhullar an amount equal to the Monthly Salary and Vacation payable to Ms. Bhullar up to the date of termination, together with any Vacation pay required to comply with applicable employment standards legislation; (b) pay Ms. Bhullar her annual performance Bonus entitlements (as defined therein) calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; (c) pay to Ms. Bhullar a termination fee equal to 24 months' Monthly Salary for each completed year of employment with the Company; (d) subject to provisions of any Company plans and arrangements under which Benefits (as defined therein) are being provided to Ms. Bhullar, continue each of Ms. Bhullar's Benefits in full force and effect for a period of 12 months from the date of termination; (e) pay Ms. Bhullar an amount equal to the greater of (i) the average STIP (as defined therein) paid to Ms. Bhullar for the previous two years and (ii) 80% of Ms. Bhullar's target annual STIP for the current fiscal year of the Company if Ms. Bhullar has been employed by the Company for less than two years at the date of termination; and (f) subject to the Company's Stock Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Ms. Bhullar to exercise any unexercised and fully vested stock options at any time during the Termination Option Exercise Period (as defined therein).

The Company may terminate the Bhullar Agreement by notifying Ms. Bhullar in writing at least 90 calendar days prior to the end of the term of its intent to not renew the Bhullar Agreement. In the event of such termination, the Company will be obligated to provide Ms. Bhullar with (a) through (f) noted immediately above, however, the Company will only pay Ms. Bhullar severance equal to four months of Monthly Salary for each completed full year of employment with the Company.

Ms. Bhullar may terminate the Bhullar Agreement at any time by providing written notice of resignation to the Board of Directors specifying the date of termination (such date being not less than three months after the date of notice). In the event the Bhullar Agreement is terminated by Ms. Bhullar's resignation, the Company shall pay to Ms. Bhullar an amount equal to the Monthly Salary and Vacation pay earned and payable to Ms. Bhullar up to the date of termination, and Ms. Bhullar shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Bhullar Agreement will automatically terminate upon the death of Ms. Bhullar and, upon such termination, the Company's obligations under the Bhullar Agreement will immediately terminate other than the Company's obligations to: (a) pay Ms. Bhullar's estate an amount equal to the Monthly Salary and Vacation payable to Ms. Bhullar up to the date of termination; (b) pay Ms. Bhullar's estate her annual performance Bonus entitlements calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; and (c) subject to the Company's Stock Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Ms. Bhullar's estate to exercise any unexercised and fully vested stock options at any time during the Termination Option Exercise Period from the date of termination.

The Company may terminate the Bhullar Agreement at any time because of Total Disability (as defined therein) by providing 30 calendar days' written notice. In the event of such termination, the Company's obligations under the Bhullar Agreement will immediately terminate other than the Company's obligations to (a) pay Ms. Bhullar an amount equal to the Monthly Salary and Vacation payable to Ms. Bhullar up to the date of termination; (b) pay Ms. Bhullar her annual performance Bonus entitlements calculated pro rata for the period up to the Date of Termination based on the achievement of the objectives to such date; (c) subject to provisions of any Company plans and arrangements under which Benefits are being provided to Ms. Bhullar, continue each of Ms. Bhullar's Benefits in full force and effect for a period of 12 months from the date of termination; and (d) subject to the Company's Stock Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Ms. Bhullar to exercise any unexercised and fully vested stock options at any time during the Termination Option Exercise Period from the date of termination.

Based on certain recommendations provided to the Compensation Committee by GGA, on July 20, 2020, the Bhullar Agreement annual Monthly Salary was amended to $270,000 and Ms. Bhullar was awarded 102,035 RSUs which vest as to one-third at the end of each year during the RSU vesting period. On November 26, 2020, the Compensation Committee approved a cash bonus of$108,000 to Ms. Bhullar for fiscal 2020. Based on recommendations provided to the Compensation Committee from GGA, on September 22, 2021 the Bhullar Agreement annual Monthly Salary was amended to $365,000 and Ms. Bhullar was awarded 96,335 RSUs which vest as to on-third at the end of each year during the RSU vesting period. On December 31, 2021, the Compensation Committee approved a cash bonus to Ms. Bhullar of CAD$182,792.00 for fiscal 2022.

Isaac Moss

On January 15, 2019, our Board of Directors approved the entering into of an independent contractor agreement with Isaac (the "Prior Moss Agreement"), which is dated for reference effective on January 1, 2019, and which superseded our Company's prior agreement with Mr. Moss, dated December 1, 2017 (the "Commencement Date"), which had been amended in August of 2018. On July 1, 2020, our Board of Directors approved the entering into of a new executive employment agreement with Mr. Moss (the "Moss Agreement") which is effective July 1, 2020 (the "Effective Date" therein), and which superseded the Prior Moss Agreement.

The Moss Agreement commenced as of its Effective Date and will continue for a period of two years unless terminated in accordance with its terms. The Moss Agreement shall renew automatically if not specifically terminated by the Company notifying Mr. Moss in writing at least 90 calendar days prior to the end of the term of its intent to not renew the Moss Agreement.

Pursuant to the terms of the Moss Agreement, Mr. Moss will continue to be employed as our Chief Administrative Officer and will: (a) devote reasonable efforts and attentions to the business and affairs of the Company; (b) perform the Services (as defined in the Moss Agreement) in a competent and efficient manner and in manner consistent with his obligations to the Company and in compliance with all the Company policies; and (c) promote the interests and goodwill of the Company. Mr. Moss will not, directly or indirectly, anywhere in North America, either individually or in partnership, jointly or in conjunction with any person, firm, association, syndicate, company, whether as agent, shareholder, employee, consultant, or in any manner whatsoever, engage in any business the same or similar to or in competition with that of the Company's Business (as defined therein). However, Mr. Moss may hold or become beneficially interest in up to 1% of any class of securities in any company provided that such class of securities are listed on a recognized stock exchange in Canada or the United States.

The Company will pay Mr. Moss a monthly base salary from the Effective Date of CAD$23,333.33 (the "Monthly Salary"). The Monthly Salary is subject to increase based on periodic reviews at the discretion of the Company. The Board of Directors, in its sole discretion, may consider the payment of a reasonable industry standard bonus to Mr. Moss based upon the performance of the Company and upon the achievement by Mr. Moss of reasonable management objectives. Mr. Moss will be eligible to participate in benefits, perquisites and allowances, as such plans and policies may be amended from time to time, and including, but not limited to: (a) group insurance coverage for dental, health and life insurance; (b) the use of a smartphone for Business purposes; and (c) no less than five weeks paid vacation per calendar year (the "Vacation"), such Vacation to extend for such periods and to be taken at such intervals as shall be appropriate and consistent with the proper performance of Mr. Moss's duties.

The Company may grant Mr. Moss stock options under its Option Plan (as defined therein) from time to time in its absolute discretion. Any stock options granted will be in accordance with provisions, and including, but not limited to, the following: (a) the exercise of stock options shall be subject to, at all times, to such vesting and resale provisions as may then be contained in the Company's Option Plan as may be finally determined by the Board of Directors acting reasonably; (b) Mr. Moss in no event make any disposition of all or any portion of stock options unless the requirements as provided in the Moss Agreement have been satisfied; and (c) the Company shall have an independent committee of the Board of Directors approve each grant of stock options and, if required, by the applicable regulatory authorities and the shareholders of the Company.

The Company has the right to and may terminate the Moss Agreement at any time for Just Cause (as defined therein). Following any such termination, the Company shall pay to Mr. Moss an amount equal to the Monthly Salary and Vacation pay earned and payable to Mr. Moss up to the date of termination, and Mr. Moss shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Company also has the right to terminate the Moss Agreement without Just Cause and for any reason or no reason whatsoever by providing written notice to Mr. Moss specifying the effective date of termination. Mr. Moss may terminate the Moss Agreement at any time in connection with a Change of Control (as defined therein) of the Company by providing not less than 90 calendar days' notice in writing of said date of termination to the Company after the Change of Control has been effected. In the event that the Moss Agreement is terminated by the Company without Just Cause, or by Mr. Moss as a result of a Change of Control, the Company will have the obligation to: (a) pay Mr. Moss an amount equal to the Monthly Salary and Vacation payable to Mr. Moss up to the date of termination, together with any Vacation pay required to comply with applicable employment standards legislation; (b) pay Mr. Moss his annual performance Bonus entitlements (as defined therein) calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; (c) to pay Mr. Moss a termination fee equal to 24 months' Monthly Salary for each completed year of employment with the Company from the Commencement Date; (d) subject to provisions of any Company plans and arrangements under which Benefits (as defined therein) are being provided to Mr. Moss, continue each of Mr. Moss's Benefits in full force and effect for a period of 12 months from the date of termination; (e) the Company shall pay Mr. Moss an amount equal to the greater of (i) the average STIP (as defined therein) paid to Mr. Moss for the previous two years and (ii) 80% of Mr. Moss's target annual STIP for the current fiscal year of the Company if Mr. Moss has been employed by the Company for less than two years at the date of termination; and (f) subject to the Company's Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Moss to exercise any unexercised and fully vested stock options at any time during the Termination Option Exercise Period (as defined therein).

The Company may terminate the Moss Agreement by notifying Mr. Moss in writing at least 90 calendar days prior to the end of the term of its intent to not renew the Moss Agreement. In the event of such termination, the Company will be obligated to provide Mr. Moss with (a) through (f) noted immediately above, however, the Company will only pay Mr. Moss severance equal to four months of Monthly Salary for each completed full year of employment with the Company commencing from the date of the Prior Moss Agreement and up to a total of 24 months of Monthly Salary.

Mr. Moss may terminate the Moss Agreement at any time by providing written notice of resignation to the Board of Directors specifying the date of termination (such date being not less than three months after the date of notice). In the event the Moss Agreement is terminated by Mr. Moss's resignation, the Company shall pay to Mr. Moss an amount equal to the Monthly Salary and Vacation pay earned and payable to Mr. Moss up to the date of termination, and Mr. Moss shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Moss Agreement will automatically terminate upon the death of Mr. Moss and, upon such termination, the Company's obligations under the Moss Agreement will immediately terminate other than the Company's obligations to: (a) pay Mr. Moss's estate an amount equal to the Monthly Salary and Vacation payable to Mr. Moss up to the date of termination; (b) pay Mr. Moss's estate his annual performance Bonus entitlements calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; and (c) subject to the Company's Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Moss's estate to exercise any unexercised and fully vested stock options at any time during the Termination Option Exercise Period from the date of termination.

The Company may terminate the Moss Agreement at any time because of Total Disability (as defined therein) by providing 30 calendar days' written notice. In the event of such termination, the Company's obligations under the Moss Agreement will immediately terminate other than the Company's obligations to (a) pay Mr. Moss an amount equal to the Monthly Salary and Vacation payable to Mr. Moss up to the date of termination; (b) pay Mr. Moss his annual performance Bonus entitlements calculated pro rata for the period up to the Date of Termination based on the achievement of the objectives to such date; (c) subject to provisions of any Company plans and arrangements under which Benefits are being provided to Mr. Moss, continue each of Mr. Moss's Benefits in full force and effect for a period of 12 months from the date of termination; and (d) subject to the Company's Option Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Mr. Moss to exercise any unexercised and fully vested stock options at any time during the Termination Option Exercise Period from the date of termination.

Based on the independent report produced by GGA, on July 20, 2020, the Moss Agreement annual Monthly Salary was amended to $260,000 and he was awarded 98,256 RSUs which vest, as to one-third, at the end of each year during the RSU vesting period. On November 26, 2020, the Compensation Committee approved a cash bonus to Mr. Moss of $104,000 for fiscal 2020. Based on recommendations provided to the Compensation Committee from GGA, on September 22, 2021 the Moss Agreement annual Monthly Salary was amended to $300,000 and Mr. Moss was awarded 61,584 RSUs which vest as to on-third at the end of each year during the RSU vesting period. On December 31, 2021, the Compensation Committee approved a cash bonus to Mr. Moss of CAD$244,140.00 for fiscal 2022.

Kim Brink

On December 24, 2021, our Board of Directors approved the entering into of an executive employment services agreement with each of the Company, EMV Automotive USA Inc. and Kim Brink (the "Brink Agreement") with effect on January 24, 2022 (the "Effective Date").

The Brink Agreement commenced as of its Effective Date and will continue for a period of two years unless terminated in accordance with its terms. The Brink Agreement shall renew automatically if not specifically terminated by the Company notifying Ms. Brink in writing at least 90 calendar days prior to the end of the term of its intent to not renew the Brink Agreement.

Pursuant to the terms of the Brink Agreement, Ms. Brink will be employed as our Chief Revenue Officer and will: (a) devote reasonable efforts and attentions to the business and affairs of the Company; (b) perform the Services (as defined in the Brink Agreement) in a competent and efficient manner and in manner consistent with his obligations to the Company and in compliance with all the Company policies; and (c) promote the interests and goodwill of the Company. Ms. Brink will not, directly or indirectly, anywhere in North America, either individually or in partnership, jointly or in conjunction with any person, firm, association, syndicate, company, whether as agent, shareholder, employee, consultant, or in any manner whatsoever, engage in any business the same or similar to or in competition with that of the Company's Business (as defined therein). However, Ms. Brink may hold or become beneficially interest in up to 1% of any class of securities in any company provided that such class of securities are listed on a recognized stock exchange in Canada or the United States.

The Company will pay Ms. Brink a monthly base salary from the Effective Date of U.S.$28,333.34 (the "Monthly Salary"). The Monthly Salary is subject to increase based on periodic reviews at the discretion of the Company. The Board of Directors, in its sole discretion, may consider the payment of a reasonable industry standard bonus to Ms. Brink based upon the performance of the Company and upon the achievement by Ms. Brink of reasonable management objectives. Ms. Brink will be eligible to participate in benefits, perquisites and allowances, as such plans and policies may be amended from time to time, and including, but not limited to: (a) group insurance coverage for dental, health and life insurance; (b) the use of a smartphone for Business purposes; and (c) no less than five weeks paid vacation per calendar year (the "Vacation"), such Vacation to extend for such periods and to be taken at such intervals as shall be appropriate and consistent with the proper performance of Ms. Brink's duties.

The Company may grant Mr. Brink Options under its 2020 Stock Incentive Plan from time to time in its absolute discretion. Any Options will be in accordance with provisions, and including, but not limited to, the following: (a) the exercise of Options shall be subject to, at all times, to such vesting and resale provisions as may then be contained in the Company's 2020 Stock Incentive Plan as may be finally determined by the Board of Directors acting reasonably; (b) Ms. Brink in no event make any disposition of all or any portion of Options unless the requirements as provided in the Brink Agreement have been satisfied; and (c) the Company shall have an independent committee of the Board of Directors approve each grant of Options and, if required, by the applicable regulatory authorities and the shareholders of the Company.

The Company has the right to and may terminate the Brink Agreement at any time for Just Cause (as defined therein). Following any such termination, the Company shall pay to Ms. Brink an amount equal to the Monthly Salary and Vacation pay earned and payable to Ms. Brink up to the date of termination, and Ms. Brink shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Company also has the right to terminate the Brink Agreement without Just Cause and for any reason or no reason whatsoever by providing written notice to Ms. Brink specifying the effective date of termination. Ms. Brink may terminate the Brink Agreement at any time in connection with a Change of Control (as defined therein) of the Company by providing not less than 90 calendar days' notice in writing of said date of termination to the Company after the Change of Control has been effected. In the event that the Brink Agreement is terminated by the Company without Just Cause, or by Ms. Brink as a result of a Change of Control, the Company will have the obligation to: (a) pay Ms. Brink an amount equal to the Monthly Salary and Vacation payable to Ms. Brink up to the date of termination, together with any Vacation pay required to comply with applicable employment standards legislation; (b) pay Ms. Brink her annual performance Bonus entitlements (as defined therein) calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; (c) pay Ms. Brink a termination fee equal to 24 months' Monthly Salary plus an additional one month's Monthly Salary for each completed full year of employment with the Company from the Effective Date; (d) subject to provisions of any Company plans and arrangements under which Benefits (as defined therein) are being provided to Ms. Brink, continue each of Ms. Brink's Benefits in full force and effect for a period of 12 months from the date of termination; (e) pay Ms. Brink an amount equal to the greater of (i) the average STIP (as defined therein) paid to Ms. Brink for the previous two years and (ii) 80% of Ms. Brink's target annual STIP for the current fiscal year of the Company if Ms. Brink has been employed by the Company for less than two years at the date of termination; and (f) subject to the Company's 2020 Stock Incentive Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Ms. Brink to exercise any unexercised and fully vested stock options at any time during the Termination Option Exercise Period (12 months from the date of termination; as defined therein).

The Company may terminate the Brink Agreement by notifying Ms. Brink in writing at least 90 calendar days prior to the end of the term of its intent to not renew the Brink Agreement. In the event of such termination, the Company will be obligated to provide Ms. Brink with (a) through (f) noted immediately above, however, the Company will only pay Ms. Brink a termination fee equal to four months of Monthly Salary for each completed full year of employment with the Company commencing from the Effective Date and up to a total of 24 months of Monthly Salary.

Ms. Brink may terminate the Brink Agreement at any time by providing written notice of resignation to the Board of Directors specifying the date of termination (such date being not less than three months after the date of notice). In the event the Brink Agreement is terminated by Ms. Brink's resignation, the Company shall pay to Ms. Brink an amount equal to the Monthly Salary and Vacation pay earned and payable to Ms. Brink up to the date of termination, and Ms. Brink shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, severance, continuation of benefits or any damages whatsoever.

The Brink Agreement will automatically terminate upon the death of Ms. Brink and, upon such termination, the Company's obligations under the Brink Agreement will immediately terminate other than the Company's obligations to: (a) pay Ms. Brink's estate an amount equal to the Monthly Salary and Vacation payable to Ms. Brink up to the date of termination; (b) pay Ms. Brink's estate her annual performance Bonus entitlements calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; and (c) subject to the Company's 2020 Stock Incentive Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Ms. Brink's estate to exercise any unexercised and fully vested Options at any time during the Termination Option Exercise Period from the date of termination.

The Company may terminate the Brink Agreement at any time because of Total Disability (as defined therein) by providing 30 calendar days' written notice. In the event of such termination, the Company's obligations under the Brink Agreement will immediately terminate other than the Company's obligations to (a) pay Ms. Brink an amount equal to the Monthly Salary and Vacation payable to Ms. Brink up to the date of termination; (b) pay Ms. Brink her annual performance Bonus entitlements calculated pro rata for the period up to the date of termination based on the achievement of the objectives to such date; (c) subject to provisions of any Company plans and arrangements under which Benefits are being provided to Ms. Brink, continue each of Ms. Brink's Benefits in full force and effect for a period of 12 months from the date of termination; and (d) subject to the Company's 2020 Stock Incentive Plan and policies of any regulatory authority and stock exchange having jurisdiction over the Company, allow for Ms. Brink to exercise any unexercised and fully vested Options at any time during the Termination Option Exercise Period from the date of termination.

Stock Option Plans and Options

The following table sets forth, as at December 31, 2021, the equity compensation plans pursuant to which equity securities of the Company may be issued:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options ($) (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	—	—	—
Equity compensation plans not approved by securityholders	12,708,354	$ 2.60	12,549,355
Total	12,708,354	$ 2.60	12,549,355

2020 Stock Incentive Plan

On June 11, 2015, our Board of Directors adopted our 2015 Stock Option Plan (the "Stock Option Plan") under which an aggregate of 30,000,000 common shares may be issued, subject to adjustment as described in the Stock Option Plan.

On May 29, 2020, with the prior recommendations from GGA, the Board of Directors passed a resolution to adopt our 2020 Stock Incentive Plan (the "2020 Stock Incentive Plan" herein), subject to, and effective upon, the approval of shareholders. The 2020 Stock Incentive Plan provides flexibility to the Company to grant equity-based incentive awards (each, an "Award") in the form of Options, RSUs, preferred shared units ("PSUs") and DSUs, as described in further detail below. The 2020 Stock Incentive Plan was approved by Company shareholders on July 9, 2020 and, accordingly, all future grants of equity-based Awards will be made pursuant to, or as otherwise permitted by, the 2020 Stock Incentive Plan, and no further equity-based awards will be made pursuant to the Company's prior Stock Option Plan.

The purpose of the 2020 Stock Incentive Plan is to, among other things, provide the Company with a share-related mechanism to attract, retain and motivate qualified directors, employees and consultants of the Company and its subsidiaries, to reward such of those directors, employees and consultants as may be granted awards under the 2020 Stock Incentive Plan by the Board of Directors from time to time for their contributions toward the long-term goals and success of the Company, and to enable and encourage such directors, employees and consultants to acquire Common Shares as long-term investments and proprietary interests in the Company.

A summary of the key terms of the 2020 Stock Incentive Plan is set out below, which is qualified in its entirety by the full text of the 2020 Stock Incentive Plan.

Key Terms of the 2020 Stock Incentive Plan

Shares Subject to the 2020 Stock Incentive Plan

The 2020 Stock Incentive Plan is a fixed number share plan which provides that the aggregate maximum number of common shares (each, a "Common Share") that may be issued upon the exercise or settlement of Awards granted under it shall not exceed 30,000,000 Common Shares, subject to the adjustment provisions provided for therein (including those that apply in the event of a subdivision or consolidation of Common Shares). Such maximum number of Common Shares consists of (i) 12,850,917 Common Shares issuable pursuant to Awards previously granted and that remain outstanding under the Company's Stock Option Plan, which Awards will be covered by the 2020 Stock Incentive Plan upon its ratification by the shareholders, and (ii) 17,149,083 additional Common Shares that may be issued pursuant to Awards to be granted under the 2020 Stock Incentive Plan.

Administration of the 2020 Stock Incentive Plan

The 2020 Stock Incentive Plan designates the Board of Directors as the initial Plan Administrator (as defined in the 2020 Stock Incentive Plan), subject to the ability of the Board of Directors to delegate from time to time all or any of the powers conferred on the Plan Administrator to a committee of the Board of Directors. The Board of Directors has resolved to delegate all powers of administration of the 2020 Stock Incentive Plan to the Compensation Committee.

The Plan Administrator determines which directors, officers, consultants and employees are eligible to receive Awards under the 2020 Stock Incentive Plan, the time or times at which Awards may be granted, the conditions under which awards may be granted or forfeited to the Company, the number of Common Shares to be covered by any Award, the exercise price of any Award, whether restrictions or limitations are to be imposed on the Common Shares issuable pursuant to grants of any Award, and the nature of any such restrictions or limitations, any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine.

In addition, the Plan Administrator interprets the 2020 Stock Incentive Plan and may adopt guidelines and other rules and regulations relating to the 2020 Stock Incentive Plan, and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the 2020 Stock Incentive Plan.

Eligibility

All directors, employees and consultants are eligible to participate in the 2020 Stock Incentive Plan. The extent to which any such individual is entitled to receive a grant of an Award pursuant to the 2020 Stock Incentive Plan will be determined in the sole and absolute discretion of the Plan Administrator.

Types of Awards

Awards of Options, RSUs, PSUs and DSUs may be made under the 2020 Stock Incentive Plan. All of the Awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Plan Administrator, in its sole discretion, subject to such limitations provided in the 2020 Stock Incentive Plan, and will generally be evidenced by an Award agreement. In addition, subject to the limitations provided in the 2020 Stock Incentive Plan and in accordance with applicable law, the Plan Administrator may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding Awards and waive any condition imposed with respect to Awards or Common Shares issued pursuant to Awards.

Options

An Option entitles a holder thereof to purchase a prescribed number of treasury Common Shares at an exercise price set at the time of the grant. The Plan Administrator will establish the exercise price at the time each Option is granted, which exercise price must in all cases be not less than the volume weighted average closing price of the Common Shares on Nasdaq for the five trading days immediately preceding the date of grant (the “Market Price”) on the date of grant. Subject to any accelerated termination as set forth in the 2020 Stock Incentive Plan, each Option expires on its respective expiry date. The Plan Administrator will have the authority to determine the vesting terms applicable to grants of Options. Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as otherwise set forth in any written employment agreement, Award agreement or other written agreement between the Company or a subsidiary of the Company and the participant. The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable. The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in the 2020 Stock Incentive Plan, such as vesting conditions relating to the attainment of specified performance goals.

Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award agreement, an exercise notice must be accompanied by payment of the exercise price. A participant may, in lieu of exercising an Option pursuant to an exercise notice, elect to surrender such Option to the Company (a “Cashless Exercise”) in consideration for an amount from the Company equal to (i) the Market Price of the Common Shares issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ü) the aggregate exercise price of the Option (or portion thereof) surrendered relating to such Common Shares (the “In-the-Money Amount”) by written notice to the Company indicating the number of Options such participant wishes to exercise using the Cashless Exercise, and such other information that the Company may require. Subject to the provisions of the 2020 Stock Incentive Plan, the Company will satisfy payment of the In-the-Money Amount by delivering to the participant such number of Common Shares having a fair market value equal to the In-the-Money Amount.

Restricted Share Units

A RSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share (or the value thereof) for each RSU after a specified vesting period. The Plan Administrator may, from time to time, subject to the provisions of the 2020 Stock Incentive Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any participant in respect of a bonus or similar payment in respect of services rendered by the applicable participant in a taxation year.

The number of RSUs (including fractional RSUs) granted at any particular time under the 2020 Stock Incentive Plan will be calculated by dividing: (a) the amount that is to be paid in RSUs, as determined by the Plan Administrator; by (b) the greater of (i) the Market Price of a Common Share on the date of grant and (ii) such amount as determined by the Plan Administrator in its sole discretion.

The Plan Administrator shall have the authority to determine the settlement and any vesting terms applicable to the grant of RSUs, provided that the terms applicable to RSUs granted to U.S. taxpayers comply with Section 409A of the United States *Internal Revenue Code of 1986*, as amended (the "Code"), to the extent applicable.

Upon settlement, holders will redeem each vested RSU for one fully paid and non-assessable Common Share in respect of each vested RSU.

Performance Share Units

A PSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share for each PSU after specific performance-based vesting criteria determined by the Plan Administrator, in its sole discretion, have been satisfied. The Plan Administrator may, from time to time, subject to the provisions of the 2020 Stock Incentive Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any participant in respect of services rendered by the applicable participant in a taxation year. The performance goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the effect of termination of a participant's service and the settlement terms pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award agreement.

The Plan Administrator shall have the authority to determine the settlement and any vesting terms applicable to the grant of PSUs, provided that the terms applicable to PSUs granted to U.S. taxpayers comply with Section 409A of the Code, to the extent applicable. Upon settlement, holders will redeem each vested PSU for one fully paid and non-assessable Common Share in respect of each vested PSU.

Deferred Share Units

A DSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share (or, at the election of the holder and subject to the approval of the Plan Administrator, the cash value thereof) for each DSU on a future date. The Board of Directors may fix from time to time a portion of the total compensation (including annual retainer) paid by the Company to a director in a calendar year for service on the Board of Directors (the "Director Fees") that are to be payable in the form of DSUs. In addition, each director is given, subject to the provisions of the 2020 Stock Incentive Plan, the right to elect to receive a portion of the cash Director Fees owing to them in the form of DSUs.

Except as otherwise determined by the Plan Administrator or as set forth in the particular Award agreement, DSUs shall vest immediately upon grant. The number of DSUs (including fractional DSUs) granted at any particular time will be calculated by dividing: (a) the amount of Director Fees that are to be paid in DSUs, as determined by the Plan Administrator; by (b) the Market Price of a Common Share on the date of grant. Upon settlement, holders will redeem each vested DSU for: (a) one fully paid and non-assessable Common Share issued from treasury in respect of each vested DSU, or (b) at the election of the holder and subject to the approval of the Plan Administrator, a cash payment on the date of settlement. Any cash payments made under the 2020 Stock Incentive Plan by the Company to a participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Common Share as at the settlement date.

Dividend Equivalents

Except as otherwise determined by the Plan Administrator or as set forth in the particular Award agreement, RSUs, PSUs and DSUs shall be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Dividend equivalents shall vest in proportion to, and settle in the same manner as, the Awards to which they relate. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of RSUs, PSUs and DSUs, as applicable, held by the participant on the record date for the payment of such dividend; by (b) the Market Price at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places.

Black-out Periods

In the event an Award expires, at a time when a scheduled blackout is in place or an undisclosed material change or material fact in the affairs of the Company exists, the expiry of such Award will be the date that is ten business days after which such scheduled blackout terminates or there is no longer such undisclosed material change or material fact.

Term

While the 2020 Stock Incentive Plan does not stipulate a specific term for Awards granted thereunder, as discussed below, Awards may not expire beyond 10 years from its date of grant, except where shareholder approval is received or where an expiry date would have fallen within a blackout period of the Company. All Awards must vest and settle in accordance with the provisions of the 2020 Stock Incentive Plan and any applicable Award agreement, and which Award agreement may include an expiry date for a specific Award.

Termination of Employment or Services

The following describes the impact of certain events upon the participants under the 2020 Stock Incentive Plan, including termination for cause, resignation, termination without cause, disability, death or retirement, subject, in each case, to the terms of a participant's applicable employment agreement, Award agreement or other written agreement:

(a) Termination for Cause or upon Termination: Any Option or other Award held by the participant that has not been exercised, surrendered or settled as of the Termination Date (as defined in the 2020 Stock Incentive Plan) shall be immediately forfeited and cancelled as of the Termination Date.

(b) Termination without Cause: A portion of any unvested Options or other Awards shall immediately vest, such portion to be equal to the number of unvested Options or other Awards held by the participant as of the Termination Date multiplied by a fraction the numerator of which is the number of days between the date of grant and the Termination Date and the denominator of which is the number of days between the date of grant and the date any unvested Options or other Awards were originally scheduled to vest. Any vested Options may be exercised by the participant at any time during the period that terminates on the earlier of: (a) the expiry date of such Option; and (b) the date that is 90 days after the Termination Date. If an Option remains unexercised upon the earlier of (a) or (b), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled within 90 days after the Termination Date.

(c) Disability: A portion of any unvested Options or other Awards shall immediately vest, such portion to be equal to the number of unvested Options or other Awards held by the participant as of the Termination Date multiplied by a fraction the numerator of which is the number of days between the date of grant and the Termination Date and the denominator of which is the number of days between the date of grant and the date any unvested Options or other Awards were originally scheduled to vest. Any vested Option may be exercised by the participant at any time until the Expiry Date of such Option. Any vested Option may be exercised by the participant at any time until the expiry date of such Option. Any vested Award other than an Option will be settled within 90 days after the Termination Date.

(d) Death: A portion of any unvested Options or other Awards shall immediately vest, such portion to be equal to the number of unvested Options or other Awards held by the participant as of the Termination Date multiplied by a fraction the numerator of which is the number of days between the date of grant and the Termination Date and the denominator of which is the number of days between the date of grant and the date any unvested Options or other Awards were originally scheduled to vest. Any vested Option may be exercised by the participant's beneficiary or legal representative (as applicable) at any time during the period that terminates on the earlier of: (a) the expiry date of such Option; and (b) the first anniversary of the date of the death of such participant. If an Option remains unexercised upon the earlier of (a) or (b), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled with the participant's beneficiary or legal representative (as applicable) within 90 days after the date of the Participant's death.

(e) Retirement: A portion of any unvested Options or other Awards shall immediately vest, such portion to be equal to the number of unvested Options or other Awards held by the participant as of the Termination Date multiplied by a fraction the numerator of which is the number of days between the date of grant and the Termination Date and the denominator of which is the number of days between the date of grant and the date any unvested Options or other Awards were originally scheduled to vest. Any vested Option may be exercised by the participant at any time during the period that terminates on the earlier of: (a) the expiry date of such Option; and (b) the third anniversary of the participant's date of retirement. If an Option remains unexercised upon the earlier of (a) or (b), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled within 90 days after the participant's retirement. Notwithstanding the foregoing, if, following his or her retirement, the participant commences on the Commencement Date (as defined in the 2020 Stock Incentive Plan) employment, consulting or acting as a director of the Company or any of its subsidiaries (or in an analogous capacity) or otherwise as a service provider to any person that carries on or proposes to carry on a business competitive with the Company or any of its subsidiaries, any Option or other Award held by the participant that has not been exercised or settled as of the Commencement Date shall be immediately forfeited and cancelled as of the Commencement Date.

Change in Control

Under the 2020 Stock Incentive Plan, except as may be set forth in an employment agreement, Award agreement or other written agreement between the Company or a subsidiary of the Company and a participant:

(a) the Plan Administrator may, without the consent of any participant, take such steps as it deems necessary or desirable, including to cause: (i) the conversion or exchange of any outstanding Awards into or for rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control (as defined below); (ii) outstanding Awards to vest and become exercisable, realizable or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of a Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iii) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the participant's rights as of the date of the occurrence of the transaction; (iv) the replacement of such Award with other rights or property selected by the Board of Directors in its sole discretion where such replacement would not adversely affect the holder; or (v) any combination of the foregoing; provided that: (A) in taking any of the foregoing actions), the Plan Administrator will not be required to treat all Awards similarly in the transaction; and (B) in the case of Options, RSUs and PSUs held by a Canadian taxpayer, the Plan Administrator may not cause the Canadian taxpayer to receive any property in connection with a Change in Control other than rights to acquire shares of a corporation or units of a "mutual fund trust" (as defined in the Income Tax Act (Canada)(the "Tax Act") of the Company or a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for purposes of the Tax Act) with the Company, as applicable, at the time such rights are issued or granted;

(b) if within 12 months following the completion of a transaction resulting in a Change in Control (as defined below), a participant's employment, consultancy or directorship is terminated by the Company or a subsidiary of the Company without Cause (as defined in the 2020 Stock Incentive Plan), without any action by the Plan Administrator:

    (i) any unvested Awards held by the participant at the Termination Date shall immediately vest; and

(ii) any vested Awards may be exercised, surrendered to the Company, or settled by the participant at any time during the period that terminates on the earlier of: (i) the expiry date of such Award; and (ii) the date that is 90 days after the Termination Date. Any Award that has not been exercised, surrendered or settled at the end of such period being immediately forfeited and cancelled; and

(c) unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Common Shares will cease trading on Nasdaq, the Company may terminate all of the Awards (other than an Option, RSU or PSU held by a participant that is a resident of Canada for the purposes of the Tax Act) at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such participant as determined by the Plan Administrator, acting reasonably, provided that any vested Awards granted to U.S. taxpayers will be settled within 90 days of the Change in Control.

Subject to certain exceptions, a "Change in Control" includes: (i) any transaction pursuant to which a person or group acquires more than 50% of the outstanding Common Shares; (ii) the sale of all or substantially all of the Company's assets; (iii) the dissolution or liquidation of the Company; (iv) the acquisition of the Company via consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise; (v) individuals who comprise the Board of Directors at the last annual meeting of shareholders (the "Incumbent Board") cease to constitute at least a majority of the Board of Directors, unless the election, or nomination for election by the shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, in which case such new director shall be considered as a member of the Incumbent Board; or (vi) any other event which the Board of Directors determines to constitute a change in control of the Company.

Non-Transferability of Awards

Except as permitted by the Plan Administrator and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding Award pass to a beneficiary or legal representative upon the death of a participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one year from the participant's death.

Amendments to the 2020 Stock Incentive Plan

The Plan Administrator may also from time to time, without notice and without approval of the holders of voting Common Shares, amend, modify, change, suspend or terminate the 2020 Stock Incentive Plan or any Awards granted pursuant thereto as it, in its discretion, determines appropriate, provided that: (a) no such amendment, modification, change, suspension or termination of the 2020 Stock Incentive Plan or any Award granted pursuant thereto may materially impair any rights of a participant or materially increase any obligations of a participant under the 2020 Stock Incentive Plan without the consent of such participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements; and (b) any amendment that would cause an Award held by a U.S. Taxpayer to be subject to the income inclusion under Section 409A of the Code shall be null and void *ab initio*.

Notwithstanding the above, and subject to the Nasdaq Listing Rules, the approval of shareholders is required to effect any of the following amendments to the 2020 Stock Incentive Plan:

(a) increasing the number of Common Shares reserved for issuance under the 2020 Stock Incentive Plan, except pursuant to the provisions in the 2020 Stock Incentive Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;

(b) reducing the exercise price of an option Award (for this purpose, a cancellation or termination of an Award of a participant prior to its expiry date for the purpose of reissuing an Award to the same participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Award) except pursuant to the provisions in the 2020 Stock Incentive Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;

(c) extending the term of an Option Award beyond the original expiry date (except where an expiry date would have fallen within a blackout period applicable to the participant or within ten business days following the expiry of such a blackout period);

(d) permitting an Option Award to be exercisable beyond ten years from its date of grant (except where an expiry date would have fallen within a blackout period);

(e) increasing or removing the limits on the participation of directors;

(f) permitting Awards to be transferred to a person;

(g) changing the eligible participants; and

(h) deleting or reducing the range of amendments which require approval of the shareholders.

Except for the items listed above, amendments to the 2020 Stock Incentive Plan will not require shareholder approval. Such amendments include (but are not limited to): (a) amending the general vesting provisions of an Award; (b) amending the provisions for early termination of Awards in connection with a termination of employment or service; (c) adding covenants of the Company for the protection of the participants; (d) amendments that are desirable as a result of changes in law in any jurisdiction where a participant resides; and (e) curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error.

The foregoing summary of the 2020 Stock Incentive Plan is not complete and is qualified in its entirety by reference to the 2020 Stock Incentive Plan, which was filed as Exhibit 4.1 to the Company's Form S-8 filed with the SEC on October 5, 2020, and a copy can also be viewed on the Company's website at https://investors.electrameccanica.com/governance-docs.

Incentive Plan Awards

The following table sets out information on the incentive plan awards held by Named Executive Officers and/or directors as at December 31, 2021.

Named Executive Officer or Director	Number of securities underlying unexercised options & units (#)		Exercise price	Expiration date
Kevin Pavlov, *Chief Executive Officer, Chief Operating Officer and a director*	Options	1,500,000	$ 3.01 USD	29-Nov-28
	Options	750,000	$ 4.15 USD	1-May-31
	Options	50,000	$ 3.77 USD	11-Nov-30
	RSUs	230,939	$ Nil	22-Sep-31
Bal Bhullar, *Chief Financial Officer, and a director*	Options	400,000	$ 3.40 USD	19-Mar-26
	Options	1,100,000	$ 1.91 USD	6-Dec-26
	RSUs	68,023	Nil	20-Jul-30
	RSUs	96,335	$ Nil	22-Sep-31
Isaac Moss, *Chief Administrative Officer and Corporate Secretary*	Options	250,000	$ 3.40 USD	19-Mar-26
	Options	750,000	$ 1.91 USD	6-Dec-26
	RSUs	65,504	$ Nil	20-Jul-30
	RSUs	61,584	$ Nil	22-Sep-31
Henry Reisner, *Chief Operating Officer, President and a director*	Options	56,818	$ 0.30 CAD	13-Aug-22
	Options	56,818	$ 0.80 CAD	9-Dec-22
	Options	5,000	$ 2.00 CAD	17-Feb-24
	Options	5,000	$ 9.60 USD	5-Jan-25
	RSUs	65,504	$ Nil	20-Jul-30
	RSUs	61,584	$ Nil	22-Sep-31
Steven Sanders, *Chairman and a director*	Options	120,000	$ 3.40 USD	19-Mar-26
	Options	225,000	$ 1.91 USD	6-Dec-26
	DSUs	12,952	$ Nil	22-Jul-30
	DSUs	13,197	$ Nil	22-Sep-31
Jerry Kroll, *a director*	Options	1,245,455	$ 0.30 CAD	11-Jun-22
	Options	227,273	$ 0.80 CAD	9-Dec-22
	Options	5,000	$ 2.00 CAD	17-Feb-24
	Options	5,000	$ 9.60 USD	5-Jan-25
	Options	1,250,000	$ 2.45 USD	4-Aug-26
	DSUs	8,798	$ Nil	22-Sep-31
Luisa Ingargiola, *a director*	Options	120,000	$ 3.40 USD	19-Mar-26
	Options	105,000	$ 1.91 USD	6-Dec-26
	DSUs	8,797	$ Nil	22-Jul-30
	DSUs	10,264	$ Nil	22-Sep-31
Joanne Yan, *a director*	Options	2,500	$ 2.00 CAD	17-Feb-24
	Options	2,500	$ 9.60 USD	5-Jan-25
	Options	120,000	$ 3.40 USD	19-Mar-26
	Options	225,000	$ 1.91 USD	6-Dec-26
	DSUs	11,364	$ Nil	22-Jul-30
	DSUs	9,531	$ Nil	22-Sep-31
Dave Shemmans, *a director*	DSUs	9,678	$ Nil	22-Sep-31
Michael Richardson, *a director*	DSUs	9,375	$ Nil	22-Nov-31

The following table provides information concerning the incentive award grants of the Company with respect to each Named Executive Officer during the fiscal year ended December 31, 2021. The only incentive award grants of the Company during such fiscal year was under the 2020 Stock Incentive Plan:

Named Executive Officer and Director	Equity Incentive Plan Compensation Value Vested During the Year ($)(*)	Non-Equity Incentive Plan Compensation Value Vested During the Year ($)
Kevin Pavlov, *Chief Executive Officer, Chief Operating Officer and a director*	$ 49,000	Nil
Bal Bhullar, *Chief Financial Officer and a director*	$ 1,071,601	Nil
Isaac Moss, *Chief Administrative Officer and Corporate Secretary*	$ 118,890	Nil
Henry Reisner, *Executive Vice-President and a director*	$ 119,551	Nil
Steven Sanders, *Chairman and a director*	$ Nil	Nil
Jerry Kroll, *a director*	$ 662	Nil
Joanne Yan, *a director*	$ 331	Nil
Luisa Ingargiola, *a director*	$ Nil	Nil
David Shemmans, *a director*	$ Nil	Nil
Michael Richardson, *a director*	Nil	Nil
Peter Savagian, *a director*	Nil	Nil
Michael Paul Rivera, *former President and Chief Executive Officer*	3,579,538	Nil

Note:

(*) The amount represents the aggregate dollar value that would have been realized if the Options had been exercised on the vesting date, based on the difference between the closing price of our shares on the Nasdaq on vesting date, and the exercise price of the Options, multiplied by the number of Options that have vested.

Director Compensation for Fiscal 2021

The following table sets forth all compensation for services as a director to the Company during the fiscal year ended December 31, 2021 in respect of the directors set out below, which for those directors who are Named Executive Officers excludes compensation for services provided as a Named Executive Officer.

Director	Year	Salary ($)	Share-based Awards ($)	Equity Incentive Awards ($) (*)	All Other Compensation ($)	Total Compensation ($)
Kevin Pavlov	2021	Nil	Nil	Nil	Nil	Nil
Bal Bhullar	2021	Nil	Nil	Nil	Nil	Nil
Henry Reisner	2021	Nil	Nil	Nil	Nil	Nil
Steven Sanders	2021	110,649	Nil	45,002	Nil	155,651
Jerry Kroll	2021	79,061	Nil	30,001	Nil	109,062
Joanne Yan	2021	66,380	Nil	32,501	Nil	98,881
Luisa Ingargiola	2021	78,813	Nil	35,000	Nil	113,813
Peter Savagian	2021	29,438	Nil	Nil	Nil	29,438
David Shemmans	2021	35,357	Nil	33,002	Nil	68,359
Michael Richardson	2021	9,863	Nil	30,000	Nil	9,863
Michael Paul Rivera	2021	Nil	Nil	Nil	Nil	Nil

Note:

(*) Option-based awards represent the fair value of Options granted in the year under the 2020 Stock Incentive Plan. The fair value of Options granted is calculated as of the grant date using the Black-Scholes option pricing model. For a discussion of the assumptions made in the valuation, refer to Note 13 to our financial statements for the fiscal year ended December 31, 2021.

We reimburse out-of-pocket costs that are incurred by the directors.

Pension Benefits

We do not have any defined benefit pension plans or any other plans providing for retirement payments or benefits.

Termination of Employment and Change of Control Benefits

Details with respect to termination of employment and change of control benefits for our directors and executive officers is reported above under the section titled "Executive Compensation Agreements".

C. Board Practices

Board of Directors

Our Notice of Articles and Articles were filed as an exhibit to our registration statement on Form F-1 as filed with the SEC on October 12, 2016 and incorporated herein by reference. The Articles of the Company provide that the number of directors is set at:

(a) subject to paragraphs (b) and (c), the number of directors that is equal to the number of our first directors;

(b) if we are a public company, the greater of three and the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given); and

(c) if we are not a public company, the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given).

Our Board of Directors currently consists of eight directors. Our directors are elected annually at each annual meeting of our Company's shareholders. The Board of Directors assesses potential Board candidates to fill perceived needs on the Board of Directors for required skills, expertise, independence and other factors.

Management is delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board of Directors facilitates its independent supervision over management by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its Audit Committee, the Board of Directors examines the effectiveness of the Company's internal control processes and management information systems. The Compensation Committee reviews executive compensation and recommends Option grants. Members of the Company's Audit Committee are Luisa Ingargiola (Chair), Steven Sanders, Joanne Yan and Dave Shemmans.

The independent members of the Board of Directors are Ms. Ingargiola, Ms. Yan and Messrs. Sanders, Shemmans and Richardson. Ms. Bhullar and Mr. Pavlov are not independent as they are officers of the Company and Mr. Kroll is not independent as he is a significant security holder of the Company and was the former President and Chief Executive Officer of the Company until August 12, 2019.

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the Board of Directors' opinion, be reasonably expected to interfere with the exercise of a director's independent judgment. The Board of Directors facilitates its independent supervision over management of the Company through frequent meetings of the Board of Directors at which members of management or non-independent directors are not in attendance and by retaining independent consultants where it deems necessary.

On April 16, 2020, the Board of Directors adopted a new Board Mandate among other new corporate governance materials. Pursuant to the Board Mandate, the Board of Directors is specifically charged with responsibility for:

(a) to the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the Company;

(b) adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business;

(c) the identification of the principal risks of the Company's business, and ensuring the implementation of appropriate systems to manage these risks;

(d) succession planning (including appointing, training and monitoring senior management);

(e) adopting a communication policy for the Company;

(f) the Company's internal control and management information systems; and

(g) developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company.

A copy of the complete text of the Board Mandate was filed as Exhibit 99.5 to the Company's Form 6-K filed with the SEC on April 27, 2020, and a copy can also be viewed on the Company's website at https://investors.electrameccanica.com/governance-docs.

Our Board of Directors is responsible for appointing our Company's officers. On April 16, 2020, our Board of Directors adopted written position descriptions for the Chair of the Board of Directors and the Chair of each Committee of the Board of Directors. In addition, our Board of Directors and the CEO have adopted a written position description for the CEO.

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's assets, business, technology and industry and on the responsibilities of directors.

Board of Directors' meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

Board of Director Committees

Our Board of Directors currently has four committees, the Audit Committee, the Nominating and Corporate Governance Committee, the Compensation Committee and the Corporate Disclosure Committee.

Audit Committee

Our Audit Committee consists of Luisa Ingargiola, Steven Sanders, Joanne Yan and Dave Shemmans and is chaired by Luisa Ingargiola. Each member of the Audit Committee satisfies the "independence" requirements of Rule 5605(a)(2) of the Listing Rules of the Nasdaq and meets the independence standards under Rule 10A-3 under the Exchange Act. Our Audit Committee consists solely of independent directors that satisfy the Nasdaq and SEC requirements. Our Board of Directors believes that Louisa Ingargiola qualifies as an audit committee financial expert pursuant to Items 16A(b) and (c) of Form 20-F. The Audit Committee oversees our accounting and financial reporting processes and the audits of the financial statements of our Company. The Audit Committee is responsible for, among other things:

- selecting our independent registered public accounting firm and pre-approving all auditing and non-auditing services permitted to be performed by our independent registered public accounting firm;
- reviewing with our independent registered public accounting firm any audit problems or difficulties and management's response and approving all proposed related party transactions, as defined in Item 404 of Regulation S-K;
- discussing the annual audited financial statements with management and our independent registered public accounting firm;
- annually reviewing and reassessing the adequacy of our Audit Committee Charter;
- meeting separately and periodically with the management and our internal auditor and our independent registered public accounting firm;
- reporting regularly to the full Board of Directors;

- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposure; and

- such other matters that are specifically delegated to our Audit Committee by our Board of Directors from time to time.

Nominating and Corporate Governance Committee

On April 16, 2020, our Board of Directors adopted a new Nominating and Corporate Governance Committee Charter that complies with the requirements of Nasdaq Listing Rule 5605(e)(2), and has established a nominating and corporate governance committee (the "N&CG Committee") which operates under its Nominating and Corporate Governance Committee Charter. The N&CG Committee is currently comprised of Steven Sanders, Luisa Ingargiola, Joanne Yan (Chair) and Dave Shemmans. The N&CG Committee is responsible for corporate governance generally, reviewing the composition and size of the Board of Directors, evaluating the Board of Directors as a whole, identifying, considering and recommending candidates to fill new positions or vacancies on the Board of Directors, evaluating individual members of the Board of Directors, reviewing composition of each committee of the Board of Directors, recommending persons to be members of various committees and dealing with conflicts of interest.

The N&CG Committee is responsible for: making recommendations to the Board of Directors regarding an appropriate organization and structure for the Board of Directors; evaluating the size, composition, membership qualifications, scope of authority, responsibilities, reporting obligations and charters of each committee of the Board of Directors; periodically reviewing and assessing the adequacy of the Company's corporate governance principles as contained in the Nominating and Corporate Governance Committee Charter and, should it deem it appropriate, it may develop and recommend to the Board of Directors for adoption of additional corporate governance principles; periodically reviewing the Company's Articles and Bylaws in light of existing corporate governance trends, and shall recommend any proposed changes for adoption by the Board of Directors or submission by the Board of Directors to the Company's shareholders; making recommendations on the structure and logistics of Board of Directors' meetings and may recommend matters for consideration by the Board of Directors; considering, adopting and overseeing all processes for evaluating the performance of the Board of Directors, each committee and individual directors; and annually reviewing and assessing its own performance.

Compensation Committee

On April 16, 2020, our Board of Directors adopted a new Compensation Committee Charter which complies with the requirements of Nasdaq Listing Rule 5605(d)(1) and the Board of Directors has established a Compensation Committee (the "Compensation Committee"). The Compensation Committee is comprised of Luisa Ingargiola, Steven Sanders, Joanne Yan and Dave Shemmans (Chair).

The Compensation Committee determines compensation for the directors and officers of the Company, as well as the procedures for this determination, as are described under "Overview of Executive Compensation Program" herein.

Our Compensation Committee also reviews any "red flags" or issues that may arise out of the Compensation Committee compensation and award recommendations and report them to the Board of Directors. The Compensation Committee and the N&CG Committee, at times, may be collaborative but will not coordinate as the process is intended to be a "checks and balance" approach. It is set up as an internal control mechanism that would safeguard against fraud and errors due to omission.

Each of the Compensation Committee members satisfies the "independence" requirements of Rule 5605(a)(2) of the Listing Rules of Nasdaq. Our Compensation Committee will assist the Board of Directors in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. No officer may be present at any committee meeting during which such officer's compensation is deliberated upon. The Compensation Committee will be responsible for, among other things:

- reviewing and recommending to the Board of Directors for approval with respect to the total compensation package for our most senior executive officers;

- approving and overseeing the total compensation package for our executives other than the most senior executive officers;

- reviewing and recommending to the Board of Directors with respect to the compensation of our directors;

- reviewing periodically and approving any long-term incentive compensation or equity plans;

- selecting compensation consultants, legal counsel or other advisors after taking into consideration all factors relevant to that person's independence from management; and

- programs or similar arrangements, annual bonuses, employee pension and welfare benefit plans.

Corporate Disclosure Committee

Our Corporate Disclosure Committee consists of Steven Sanders, Luisa Ingargiola, Joanne Yan and Dave Shemmans and is chaired by Steven Sanders. The Corporate Disclosure Committee oversees the effectiveness of risk management policies, procedures and practices implemented by management of the Company with respect to strategic, operational, environmental, health and safety, human resources, legal and compliance and other risks faced by the Company. The Corporate Disclosure Committee:

- reviews executive management's assessment of our material risk exposures and our actions to identify, monitor and mitigate such exposures,

- reviews executive management's implementation of systems and controls designed to promote compliance with applicable legal and regulatory requirements and

- Reports to the Board of Directors on an annual basis with respect to the committee's review of our material risks and measures in place to mitigate them, and at least annually in respect of the committee's other activities.

- provides compliant Regulation FD strategic leadership for social media through the alignment of social media strategies and activities with enterprise strategic objectives and processes;

- establishes and maintains corporate policies with respect to use of social media for both process-driven social engagements, as well as for use of social media by employees for participating in social conversations (e.g., blogging and Tweeting by subject matter experts);

- prioritizes social media initiatives and deliver final approvals and recommendations on proceeding with proposed social media projects, including process, technology and organizational projects; and

- ensures open communication between the social media department and our other functional units so as to promote collaborative strategies, planning, and implementation.

D. Employees

As of March 22, 2022, we employed a total of 216 full-time and 11 part-time people. None of our employees are covered by a collective bargaining agreement.

The breakdown of full-time employees by main category of activity is as follows:

Activity	Number of Employees
Engineering/R&D	126
Sales & Marketing	62
General & Administration	24
Executives	4

E. Share Ownership

Shares

The shareholdings of our officers and directors are set out in Item 7 below.

Options

The Options, exercisable into common shares of the Company, held by our officers and directors are set out in Item 6 B above.

Warrants

No warrants are held by our officers and directors as of March 22, 2022.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information regarding the beneficial ownership of our common share as of March 22, 2022 by: (a) each stockholder who is known to us to own beneficially 5% or more of our outstanding common share; (b) all directors; (c) our executive officers; and (d) all executive officers and directors as a group. Except as otherwise indicated, all persons listed below have (i) sole voting power and investment power with respect to their common shares, except to the extent that authority is shared by spouses under applicable law, and (ii) record and beneficial ownership with respect to their common shares.

Name	Common Shares of the Company Beneficially Owned (1)	Percentage of Common Shares Beneficially Owned (2)
Directors and Executive Officers:		
Kevin Pavlov(3), *Chief Executive Officer, Chief Operating Officer and a director*	555,098	*
Bal Bhullar(4), *Chief Financial Officer and a director*	1,344,375	1.12 %
Kim Brink(5), *Chief Revenue Officer*	213,889	*
Steven Sanders(6), *Chairman and a director*	357,952	*
Jerry Kroll(7), *a director*	8,740,335	6.28 %
Joanne Yan(8), *a director*	436,364	*
Luisa Ingargiola(9), *a director*	276,021	*
Dave Shemmans, *a director*	nil	
Michael Richardson, *a director*	nil	
Isaac Moss(10), *Chief Administrative Officer and Corporate Secretary*	1,022,926	*
Directors and Executive Officers as a Group (Eleven Persons)	12,946,960	9.8 %
Other 5% or more Shareholders:		
Zongshen (Canada) Environtech Ltd.(11)	2,800,000	2.4 %

Notes:

* Less than 1%.

(1) Under Rule 13d-3, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or common shares: (i) voting power, which includes the power to vote, or to direct the voting of common shares; and (ii) investment power, which includes the power to dispose or direct the disposition of common shares. Certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the common shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of common shares actually outstanding on March 22, 2021.
(2) The percentage is calculated based on 118,611,496 common shares that were outstanding as of March 22, 2022.
(3) Shares beneficially owned consists of (i) 5,100 common shares registered directly to Kevin Pavlov (ii) an Option to purchase 508,331 of our common shares which have vested and (iii) 41,667 shares of our common stock which will vest within 60 days of March 22, 2022.
(4) Shares beneficially owned consists of (i) 3,900 common shares registered directly to Bal Bhullar, (ii) an Option to purchase 1,255,556 shares of our common stock which have vested and (iii) an Option to purchase 61,111 shares of our common stock which will vest within 60 days of March 22, 2022.
(5) Shares beneficially owned by Kim Brink consists of (i) an Option to purchase 183,333 shares of our common stock which have vested and (ii) an Option to purchase 30,556 shares of our common stock which will vest within 60 days of March 22, 2022.
(6) Shares beneficially owned by Steven Sanders consists of (i) an Option to purchase 345,000 shares of our common stock which have vested and (ii) 26,149 vested DSUs
(7) Shares beneficially owned consists of (i) 4,920,455 common shares held by Jerry Kroll, (ii) 1,138,167 common shares registered to Ascend Sportmanagement Inc. (over which Mr. Kroll has discretionary voting and investment authority), (iii) Options to purchase 1,487,273 shares of our common stock which have vested.
(8) Shares beneficially owned consists of (i) 75,000 common shares registered directly to Joanne Yan, (ii) an Option to purchase 350,000 shares of our common stock which have vested and (iii) 20,895 vested DSUs.
(9) Shares beneficially owned consists of (i) 42,224 common shares registered directly to Luisa Ingargiola, (ii) an Option to purchase 225,000 shares of our common share which have vested and (iii) 19,061 vested DSUs.
(10) Shares beneficially owned consists of (i) 22,926 common shares registered directly to Isaac Moss and (ii) an Option to purchase 1,000,000 shares of our common stock which have vested..
(11) Shares beneficially owned consists of 2,800,000 common shares registered directly to Zongshen (Canada) Environtech Ltd. (over which Mr. Daxue Zhang has discretionary voting and investment authority).

The information as to shares beneficially owned, not being within our knowledge, has been furnished by the officers and directors.

As at March 22, 2022, there were 290 holders of record of our common shares.

Transfer Agent

Our shares of common stock are recorded in registered form on the books of our transfer agent, VStock Transfer, LLC, located 18 Lafayette Place, Woodmere, New York 11598.

B. Related Party Transactions

Kevin Pavlov

On November 29, 2021, we granted Mr. Pavlov the following Options: (a) a vesting (as to 50% on each day which is one and two years from the grant date) Option to purchase up to 750,000 shares of our common stock at an exercise price of U.S.$3.01 per common share (the “Exercise Price”) for a period of seven years from the date of grant (the “Exercise Term”); and (b) a performance-based vesting Option to purchase up to a further 750,000 shares of our common stock at the Exercise Price during the Exercise Term and vesting as follows: (i) an initial 25% on such day as the Company’s prior 30-day VWAP is U.S.$6.00 or greater; (ii) a further 25% on such day as the Company’s prior 30-day VWAP is U.S.$7.00 or greater; and (iii) the final 50% on such day as the Company’s prior 30-day VWAP is U.S.$8.00 or greater.

On April 5, 2021, we and Electrameccanica USA, LLC entered into a new Pavlov Agreement with Kevin Pavlov, which superseded a prior independent contractor agreement dated October 1, 2020, and pursuant to which Mr. Pavlov was to receive a Monthly Salary of U.S.$26,000.00

Based on the independent report produced by GGA, on September 22, 2021, the Pavlov Agreement annual Monthly Salary was amended to U.S.$450,000 and Mr. Pavlov was awarded 230,939 RSUs which vest, as to one-third, at the end of each year during the RSU vesting period. On December 31, 2021, the Compensation Committee approved a cash bonus to Mr. Pavlov of U.S.$405,000.00 for fiscal 2021.

Henry Reisner

On October 18, 2017, we entered into a Share Purchase Agreement (the "SPA") to acquire Intermeccanica with Mr. Reisner and two members of his family, which replaced a prior Joint Operating Agreement, dated July 15, 2015, as amended on September 19, 2016, which was comprised of three underlying agreements. Under the SPA, we agreed to purchase all the shares of Intermeccanica for CAD$2,500,000; CAD$300,000 of which had been previously paid under the Joint Operating Agreement. At closing we paid the sellers CAD$700,000 and issued a promissory note (the "Note") for the balance of CAD$1,500,000. On January 28, 2018, we paid off all of the principal and interest due on the Note for CAD$1,520,548.

On February 16, 2015, Mr. Reisner acquired 2,375,000 common shares at a deemed price of CAD$0.0004 per common share pursuant to a private share acquisition. Mr. Reisner's wife and daughter acquired 525,000 common shares and 125,000 common shares, respectively, at a deemed price of CAD$0.0004 per common share pursuant to a private share acquisition.

On August 13, 2015, we granted an Option for 625,000 common shares to Mr. Reisner having an exercise price of CAD $0.30 per common share and being exercisable until August 13, 2022. On July 20, 2018, Mr. Reisner agreed to forfeit an aggregate of 568,182 of that Option. As of the date hereof, Mr. Reisner holds 56,818 of that Option. In addition, on December 9, 2015, we granted an Option for 625,000 common shares to Mr. Reisner having an exercise price of CAD$0.80 per common share and being exercisable until December 9, 2022. On July 20, 2018, Mr. Reisner agreed to forfeit an aggregate of 568,182 of that Option. As of the date hereof, Mr. Reisner holds 56,818 of that Option. On February 17, 2017, we granted an Option for 5,000 common shares to Mr. Reisner having an exercise price of CAD$2.00 per common share and being exercisable until February 17, 2024. Furthermore, on January 5, 2018, we granted an Option for 5,000 common shares to Mr. Reisner having an exercise price of $9.60 per common share and being exercisable until January 5, 2025.

On January 15, 2019, we entered into an executive employment agreement with Mr. Reisner pursuant to which he receives a base salary in the amount of CAD$180,000 per year. On January 15, 2020, we replaced that agreement with the Reisner Agreement pursuant to which Mr. Reisner receives a base salary in the amount of CAD$225,000 per year and subject to an additional CAD$25,000 bonus.

In the summer of 2020, Mr. Reisner received a CAD$50,000 bonus payment for fiscal 2019. Based on certain recommendations provided to the Compensation Committee from GGA, on July 20, 2020, the Reisner Agreement annual Monthly Salary was amended to $260,000 and Mr. Reisner was awarded 98,256 RSUs which vest as to one-third at the end of each year during the RSU vesting period. On November 26, 2020, the Compensation Committee approved a cash bonus to Mr. Reisner of $104,000 for fiscal 2020. Based on the recommendation provided to the Compensation Committee from GGA, on September 22, 2021 the Reisner Agreement annual Monthly Salary was amended to $300,000 and Mr. Reisner was awarded 61,584 RSUs which vest as to on-third at the end of each year during the RSU vesting period. On January 26, 2022 Mr. Reisner retired from the Company and the Reisner Agreement was terminated by mutual agreement.

Bal Bhullar

On February 19, 2019, Ms. Bhullar bought 3,800 common shares at price of $4.59 and 100 shares at a price of $4.57. On March 19, 2019, we granted an Option for 400,000 common shares to Ms. Bhullar having an exercise price of $3.40 per common share and being exercisable until March 19, 2026. On December 6, 2019, we granted an Option for 1,100,000 common shares to Ms. Bhullar having an exercise price of $1.91 per common share and being exercisable until December 6, 2026.

On January 15, 2019, we entered into a Consulting Agreement with BKB Management Ltd., a company under the control and direction of Ms. Bhullar, and which superseded our Company's prior offer letter with Ms. Bhullar, dated October 19, 2018. A bonus of CAD$36,000 was paid at the end of 2019. On January 1, 2020, we entered into the Bhullar Agreement with Ms. Bhullar, and which superseded the Consulting Agreement, and pursuant to which Ms. Bhullar receives CAD$280,000 per year.

Based on certain recommendations provided to the Compensation Committee by GGA, on July 20, 2020, the Bhullar Agreement annual Monthly Salary was amended to $270,000 and Ms. Bhullar was awarded 102,035 RSUs which vest as to one-third at the end of each year during the RSU vesting period. On November 26, 2020, the Compensation Committee approved a cash bonus of $108,000 to Ms. Bhullar for fiscal 2020. Based on the recommendation provided to the Compensation Committee from GGA, on September 22, 2021 the Bhullar Agreement annual Monthly Salary was amended to $365,000 and Ms. Bhullar was awarded 96,335 RSUs which vest as to on-third at the end of each year during the RSU vesting period. On December 31, 2021, the Compensation Committee approved a cash bonus to Ms. Bhullar of CAD$182,792.00 for fiscal 2021.

Kim Brink

On January 24, 2022, we entered into the Brink Agreement with Ms. Brink which provides for an annual salary of U.S.$340,000 and an Option grant of 550,000 stock options at an exercise price of U.S.$1.91 per common share. One-third of the Option vested on the grant date and balance vests monthly over a 24 month period.

Steven Sanders

On May 5, 2018, we issued an Option to purchase 75,000 of our common shares at $9.00 to Steven Sanders in exchange for his services as a director of our Company. The Option vested in equal quarters every three months with the first quarter vesting on the date the Option was granted, and it has now been cancelled. On March 19, 2019, we granted an Option to purchase 120,000 common shares to Mr. Sanders having an exercise price of $3.40 per common share and being exercisable until March 19, 2026. On December 6, 2019, we granted an Option to purchase 225,000 common shares to Mr. Sanders having an exercise price of $1.91per common share and being exercisable until December 6, 2026. Mr. Sanders now receives directors' fees of $125,000 annually.

Based on certain recommendations provided to the Compensation Committee by GGA, on July 22, 2020, Mr. Sanders' annual directors' fees were amended to $132,500, whereby $88,333 will be paid in quarterly installments with the balance being payable in 12,952 DSUs. Based on certain recommendations provided to the Compensation Committee by GGA, on September 22, 2021, Mr. Sanders' annual directors' fees were amended to $180,000, whereby $135,000 will be paid in quarterly installments with the balance being payable in 13,197 DSUs.

Jerry Kroll

On October 16, 2017, Jerry Kroll, our then CEO, as Pledgor, entered into a Share Pledge to guarantee the payment by the Company for the cost of the prototype tooling and molds estimated to be CNY ¥9.5 million (CAD$1.4 million) to Zongshen through the pledge of 400,000 common shares of the Company. The Company approved its obligations under the Share Pledge and had agreed to reimburse the Pledgor on a one for one basis for any pledged shares realized by Zongshen. During third quarter of 2020, the Company has paid 100% of the cost of the prototype tooling and molds and, accordingly, the Share Pledge has been terminated.

From February 16, 2015 to November 13, 2015, Mr. Kroll provided us with loans in the aggregate amount of CAD$185,000. These loans were unsecured, non-interest bearing and due on demand. No formal written agreements regarding these loans were signed, however, they are documented in our accounting records. On January 20, 2016, we repaid CAD$135,000 of these loans and CAD$50,000 was repaid through the issuance of 62,500 post-subdivision units of our Company at a price of CAD$0.80 per unit.

On February 16, 2015, Mr. Kroll acquired 3,500,000 common shares of our Company and Ascend Sportmanagement Inc., a corporation under the control and direction of Mr. Kroll, acquired 5,000,000 common shares at a price of CAD$0.0004 per common share pursuant to a private placement. In addition, on June 15, 2015, Mr. Kroll acquired 25,000 units of our Company at a price of CAD $0.40 per unit pursuant to a private placement. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable for one additional common share at a price of CAD$0.80 per common share and is exercisable until June 15, 2020. Furthermore, on January 22, 2016, Mr. Kroll acquired 62,500 units of our Company at a price of CAD$0.80 per unit pursuant to a private placement. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable for one additional common share at a price of CAD$2.00 per common share and is exercisable until January 22, 2021.

On June 11, 2015, we granted an Option to purchase 22,500,000 of our common shares to Mr. Kroll having an exercise price of CAD$0.30 per common share and being exercisable until June 11, 2022. On July 20, 2018, Mr. Kroll agreed to forfeit an aggregate of 20,454,545 of that Option. As of the date hereof, Mr. Kroll holds 2,045,455 of that Option. In addition, on December 9, 2015, we granted an Option to purchase 2,500,000 of our common shares to Mr. Kroll having an exercise price of CAD $0.80 per common share and being exercisable until December 9, 2022. On July 20, 2018, Mr. Kroll agreed to forfeit an aggregate of 2,272,777 of that Option. As of the date hereof, Mr. Kroll holds 227,273 of that Option. On February 17, 2017, we granted an Option to purchase 5,000 of our common shares to Mr. Kroll having an exercise price of CAD$2.00 per common share and being exercisable until February 17, 2024. Furthermore, on January 5, 2018 we granted an Option to purchase 5,000 of our common shares to Mr. Kroll having an exercise price of $9.60 per common share and being exercisable until January 5, 2025. On August 4, 2019, Mr. Kroll was granted an Option to purchase 1,250,000 of our common shares an exercise price of $2.45 per common share and is exercisable until August 4, 2026.

On January 15, 2019, we entered into the Kroll Agreement with Mr. Kroll, which superseded our Company's prior agreement with Mr. Kroll, dated July 1, 2016, which had been amended in August of 2018. On August 16, 2019, we entered into the Continuing Relationship Agreement with Mr. Kroll, which superseded the Kroll Agreement, and pursuant to which Mr. Kroll received a fee of CAD$300,000 over a period of 12 months. As a result of the expiration of the Continuation Relationship Agreement on August 16, 2020, Mr. Kroll now receives annual directors' fees of US$70,000 which are paid quarterly. Based on certain recommendations provided to the Compensation Committee by GGA, on September 22, 2021, Mr. Kroll annual directors' fees were amended to $120,000, whereby $90,000 will be paid in quarterly installments with the balance being payable in 8,798 DSUs.

Luisa Ingargiola

On May 5, 2018, we issued an Option to purchase 75,000 of our common shares at $9.00 to Luisa Ingargiola in exchange for her services as a director of our Company. That Option vested in equal quarters every three months with the first quarter vesting on the date the Option was granted and it has now been cancelled. On March 19, 2019, we granted an Option to purchase 120,000 of our common shares to Ms. Ingargiola having an exercise price of $3.40 per common share and being exercisable until March 19, 2026. On December 6, 2019, we granted an Option to purchase 225,000 of our common shares to Ms. Ingargiola having an exercise price of $1.91per common share and being exercisable until December 6, 2026. Ms. Ingargiola receives directors' fees of $80,000 annually.

Based on certain recommendations provided to the Compensation Committee by GGA, on July 22, 2020, Ms. Ingargiola's annual directors' fees were amended to $90,000, whereby $60,003 will be paid in quarterly installments and the balance will be paid in 8,797 DSUs. Based on certain recommendations provided to the Compensation Committee by GGA, on September 22, 2021, Ms. Ingargiola annual directors' fees were amended to $140,000, whereby $105,000 will be paid in quarterly installments with the balance being payable in 10,264 DSUs.

Joanne Yan

On November 7, 2016, Joanne Yan acquired 50,000 units of our Company at a price of CAD$0.3634 per unit. Ms. Yan has only 25,000 of those common shares left. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable for one additional common share at a price of CAD$4.00 per common share and is exercisable until November 7, 2021.

On February 17, 2017, we granted an Option to purchase 2,500 common shares to Ms. Yan having an exercise price of CAD$2.00 per common share and being exercisable until February 17, 2024. On January 5, 2018, we granted an Option to purchase 2,500 of our common shares to Ms. Yan having an exercise price of $9.60 per common share and being exercisable until January 5, 2025. On March 19, 2019, we granted an Option to purchase 120,000 of our common shares to Ms. Yan having an exercise price of $3.40 per common share and being exercisable until March 19, 2026. On December 6, 2019, we granted an Option to purchase 225,000 of our common shares to Ms. Yan having an exercise price of $1.91per common share and being exercisable until December 6, 2026. Ms. Yan receives directors' fees of $60,000 annually.

Based on certain recommendations provided to the Compensation Committee by GGA, on July 22, 2020, Ms. Yan's annual directors' fees were amended to US$77,500, whereby USD$38,750 will be paid in quarterly installments and the balance will be paid in 11,364 DSUs. Based on certain recommendations provided to the Compensation Committee by GGA, on September 22, 2021, Ms. Yan annual directors' fees were amended to $130,000, whereby $97,500 will be paid in quarterly installments with the balance being payable in 9,531 DSUs.

Dave Shemmans

On August 23, 2021 we appointed Dave Shemmans to our Board of Directors. At the time of Mr. Shemmans appointment, he received annual directors' fees of $78,500. Based on certain recommendations provided to the Compensation Committee by GGA, on September 22, 2021, Mr. Shemmans annual directors' fees were amended to $132,000, whereby $99,000 will be paid in quarterly installments with the balance being payable in 9,678 DSUs.

Michael Richardson

On November 22, 2021 we appointed Michael Richardson to our Board of Directors. At the time of Mr. Richardson's appointment, he received annual directors' fees of $120,000, whereby $90,000 will be paid in quarterly installments with the balance being payable in 9,375 DSUs.

Peter Savagian

On October 16, 2019 we appointed Peter Savagian to our Board of Directors. In conjunction with such appointment Mr. Savagian was granted an Option to purchase 120,000 of our common shares, with an exercise price of $1.80 per common share and being exercisable until October 16, 2026, and directors' fees of $60,000 annually. On December 6, 2019, we granted an Option to purchase 225,000 of our common shares to Mr. Savagian having an exercise price of $1.91 per common share and being exercisable until December 6, 2026.

Based on certain recommendations provided to the Compensation Committee by GGA, on July 22, 2020, Mr. Savagian's annual directors' fees were amended to $78,500, whereby $39,250 will be paid in quarterly installments and the balance will be paid in 11,510 DSUs. Ms. Savagian resigned on August 23, 2021.

Isaac Moss

On January 5, 2018 we granted an Option to purchase 125,000 of our common shares to Isaac Moss having an exercise price of $9.60 per common share and being exercisable until January 5, 2025, and that Option has now been cancelled. On March 19, 2019, we granted an Option to purchase 250,000 of our common shares to Mr. Moss having an exercise price of $3.40 per common share and being exercisable until March 19, 2026. On December 6, 2019, we granted an Option to purchase 750,000 of our common shares to Mr. Moss having an exercise price of $1.91 per common share and being exercisable until December 6, 2026.

On January 15, 2019, our Board of Directors approved the entering into of the Prior Moss Agreement which superseded our Company's prior agreement with Mr. Moss which had been amended in August of 2018. On July 1, 2020, our Board of Directors approved the entering into of the new Moss Agreement which superseded the Prior Moss Agreement.

Based on certain recommendations provided to the Compensation Committee by GGA, on July 20, 2020, the Moss Agreement annual Monthly Salary was amended to $260,000 and Mr. Moss was awarded 98,256 RSUs which vest as to one-third at the end of each year during the RSU vesting period. On November 26, 2020, the Compensation Committee approved a cash bonus of $104,000 to Mr. Moss for fiscal 2020. Based on the recommendation provided to the Compensation Committee from GGA, on September 22, 2021 the Moss Agreement annual Monthly Salary was amended to $300,000 and Mr. Moss was awarded 61,584 RSUs which vest as to on-third at the end of each year during the RSU vesting period. On December 31, 2021, the Compensation Committee approved a cash bonus to Mr. Moss of CAD$244,140.00 for fiscal 2022.

Michael Paul Rivera

On June 24, 2019, we granted an Option for 700,000 common shares to Mr. Rivera having an exercise price of US$2.62 per common share and being exercisable until June 24, 2022. On December 6, 2019, we granted an Option for 2,300,000 common shares to Mr. Rivera having an exercise price of US$1.91 per common share and being exercisable until December 6, 2022.

On May 17, 2019, the Company entered into the Rivera Agreement with Mr Rivera. Effective on January 1, 2020, Mr. Rivera and the Company entered into the Amended Rivera Agreement to the Rivera Agreement. Mr. Rivera has a base salary annual salary of US$300,000 with a guaranteed bonus of US$150,000.

In January 2020, Mr. Rivera received a US$38,904 bonus payment for fiscal 2019. Based on certain recommendations provided to the Compensation Committee by GGA, on July 20, 2020, the Rivera Agreement annual Base Salary was amended to US$370,000 and Mr. Rivera was awarded 209,302 RSUs which vest as to on- third at the end of each year during the RSU vesting period. On November 26, 2020, the Compensation Committee approved a cash bonus to Mr. Rivera of US$277,500 for fiscal 2020. On September 22, 2021 Mr. Rivera retired from the Company and the Rivera Agreement was terminated by mutual agreement.

Zongshen (Canada) Environtech Ltd.

On October 2, 2017, we announced a Manufacturing Agreement with Zongshen to produce 75,000 SOLO all-electric vehicles, which we expect to occur in the three full years from the commencement of production. Zongshen is an entity under common control with Zongshen (Canada) Environtech Ltd., which is the beneficial owner of approximately 2.4% of our common shares. The production plan in the Manufacturing Agreement is 75,000 SOLOs over a period of three years once mass scale production has begun. We amended the Manufacturing Agreement in June of 2021 to update certain manufacturing and delivery provisions of the same. We commenced production on August 26, 2020. Under the Manufacturing Agreement we agreed to reimburse Zongshen for the estimated cost of the prototype tooling and molds in amount of $1.4million and of the mass production tooling and molds in amount of $4.3 million, which shall be payable 50% when Zongshen commences manufacturing the tooling and molds. At December 31, 2021, Zongshen completed prototype tooling and molds with actual cost of $1.7 million and the mass production tooling and molds with actual cost of $6.4 million. The Company inspected the completed prototype and mass production tooling and molds. The Company paid 100% of the prototype tooling and molds cost and 95% of the mass production tolling and molds cost. The unpaid amount of mass production tooling and molds is included in accrued liabilities as at December 31, 2021.

The prototype and mass production tooling and molds are estimated to be used for three years to produce the Generation 3 SOLO EVs. The existing production tooling and molds will be depreciated on a straight-line basis over a 3 year period as the assets were custom built for the production of the SOLO EVs and will be retired at the end of the production run. The Company estimates that the residual value of the assets will be minimal at the end of the 3 year period.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

Financial Statements

The financial statements of the Company for the years ended December 31, 2021, 2020 and 2019 have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board, or IASB, and are included under Item 18 of this Annual Report. The financial statements including related notes are accompanied by the report of the Company's independent registered public accounting firm, KPMG LLP.

Legal Proceedings

As of the date of this Annual Report, in the opinion of our management, we are not currently a party to any litigation or legal proceedings which are material, either individually or in the aggregate, and, to our knowledge, no legal proceedings of a material nature involving us currently are contemplated by any individuals, entities or governmental authorities.

Dividends

We have not paid any dividends on our common shares since incorporation. Our management anticipates that we will retain all future earnings and other cash resources for the future operation and development of our business. We do not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the Board of Directors' discretion, subject to applicable law, after taking into account many factors including our operating results, financial condition and current and anticipated cash needs.

B. Significant Changes

We have not experienced any significant changes since the date of the financial statements included with this Annual Report except as disclosed in this Annual Report.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing

Our common shares are traded on Nasdaq under the symbol "SOLO".

B. Plan of Distribution

Not applicable.

C. Markets

Please see Item 9.A above.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The following is a summary of our Notice of Articles and Articles. You should read those documents for a complete understanding of the rights and limitations set out therein. Our corporation number, as assigned by the British Columbia Registry Services, is BC1027632.

Remuneration of Directors

Our directors are entitled to the remuneration, if any, for acting as directors as the directors may from time to time determine. If the directors so decide, the remuneration of the directors will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to a director in such director's capacity as an officer or employee of ours.

Number of Directors

According to Article 11.1 of our Articles, the number of directors, excluding additional directors appointed under Article 12.7 is set at:

(a) subject to paragraphs (b) and (c), the number of directors that is equal to the number of our first directors;

(b) if we are a public company, the greater of three and the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given); and

(c) if we are not a public company, the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given).

Directors

Our directors are elected annually at each annual meeting of our Company's shareholders. Our Articles provide that the Board of Directors may, between annual meetings, appoint one or more additional directors to serve until the next annual meeting, but the number of additional directors must not at any time exceed:

(a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or

(b) in any other case, one-third of the number of the current directors who were elected or appointed as directors at the expiration of the last annual meeting of our Company's shareholders.

Our Articles provide that our directors may from time to time, on behalf of our Company, without shareholder approval:

- create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- increase, reduce or eliminate the maximum number of shares that we are authorized to issue out of any class or series of shares or establish a maximum number of shares that we are authorized to issue out of any class or series of shares for which no maximum is established;
- if we are authorized to issue shares of a class of shares with par value;
- decrease the par value of those shares;
- if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- subdivide all or any of its unissued or fully paid issued shares with par value into shares of smaller par value;
- consolidate all or any of its unissued or fully paid issued shares with par value into share of larger par value;
- subdivide all or any of its unissued or fully paid issued shares without par value;
- change all or any of its unissued or fully paid issued shares with par value into shares without par value or all or any of its unissued shares without par value into shares with par value;
- alter the identifying name of any of its shares;
- consolidate all or any of its unissued or fully paid issued shares without par value;
- otherwise alter it shares or authorized share structure when required or permitted to do so by the Business Corporations Act;
- borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person, and at any discount or premium and on such terms as they consider appropriate;
- guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- mortgage or charge, whether by way of specific or floating charge, or give other security on the whole or any part of the present and future assets and undertaking of the Company.

Our Articles also provide that we may by resolution of the directors authorize an alteration to our Notice of Articles to change our name or adopt or change any translation of that name.

Our Articles provide that the directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the Board of Directors held at regular intervals may be held at the place and at the time that the Board of Directors may by resolution from time to time determine. Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote. A director may participate in a meeting of the directors or of any committee of the directors in person, or by telephone or other communications medium, if all directors participating in the meeting are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communication medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by such provisions of our Articles is deemed for all purposes of the Business Corporations Act and our Articles to be present at the meeting and to have agreed to participate in that manner.

Our Articles provide that the quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is a majority of the directors.

Our Articles do not restrict: (i) a director's power to vote on a proposal, arrangement or contract in which the director is materially interested (although the Business Corporations Act generally requires a director who is materially interested in a material contract or material transaction to disclose his or her interest to the Board of Directors and to abstain from voting on any resolution to approve the contract or transaction, failing which the British Columbia Supreme Court may, on application of our Company or any of our shareholders, set aside the material contract or material transaction on any terms that it thinks fit, or require the director to account to us for any profit or gain realized on it, or both); or (ii) our directors' power, in the absence of an independent quorum, to vote compensation to themselves or any members of their body.

Our Articles do not set out a mandatory retirement age for our directors. Our directors are not required to own securities of our Company to serve as directors.

Authorized Capital

Our Notice of Articles provide that our authorized capital consists of an unlimited number of common shares, without par value, and an unlimited number of preferred shares, without par value, which have special rights or restrictions.

Rights, Preferences and Restrictions Attaching to Our Shares

The Business Corporations Act provides the following rights, privileges, restrictions and conditions attaching to our common shares:

- to vote at meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote;
- subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of our company, to share equally in the remaining property of our company on liquidation, dissolution or winding-up of our company; and
- subject to the rights of the preferred shares, the common shares are entitled to receive dividends if, as and when declared by the Board of Directors.

Our preferred shares may include one or more series and, subject to the Business Corporations Act, the directors may, by resolution, if none of the shares of that particular series are issued, alter our Articles and authorize the alteration of our Notice of Articles, as the case may be, to do one or more of the following:

(a) determine the maximum number of shares of that series that we are authorized to issue and determine that there is no such maximum number or alter any such determination;

(b) create an identifying name for the shares of that series, or alter any such identifying name; and

(c) attach special rights or restrictions to the shares of that series, or alter any such special rights or restrictions.

The provisions in our Articles attaching to our common shares and our preferred shares may be altered, amended, repealed, suspended or changed by the affirmative vote of the holders of not less than two-thirds of the outstanding common shares and two-thirds of the preferred shares, as applicable.

With the exception of special resolutions (i.e., resolutions in respect of fundamental changes to our Company, including the sale of all or substantially all of our assets, a merger or other arrangement or an alteration to our authorized capital that is not allowed by resolution of the directors) that require the approval of holders of two-thirds of the outstanding common shares entitled to vote at a meeting, either in person or by proxy, resolutions to approve matters brought before a meeting of our shareholders require approval by a simple majority of the votes cast by shareholders entitled to vote at a meeting, either in person or by proxy.

Shareholder Meetings

The Business Corporations Act provides that: (i) a general meetings of shareholders must be held in British Columbia, or may be held at a location outside British Columbia since our Articles do not restrict our Company from approving a location outside of British Columbia for the holding of the general meeting and the location for the meeting is approved by ordinary resolution, or the location for the meeting is approving in writing by the British Columbia Registrar of Companies before the meeting is held; (ii) directors must call an annual meeting of shareholders not later than 15 months after the last preceding annual meeting; (iii) for the purpose of determining shareholders entitled to receive notice of or vote at meetings of shareholders, the directors may fix in advance a date as the record date for that determination, provided that such date shall not precede by more than two months or by less than 21 days the date on which the meeting is to be held; (iv) the holders of not less than 5% of the issued shares entitled to vote at a meeting may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition; (v) only shareholders entitled to vote at the meeting, our directors and our auditor are entitled to be present at a meeting of shareholders; and (vi) upon the application of a director or shareholder entitled to vote at the meeting, the British Columbia Supreme Court may order a meeting to be called, held and conducted in a manner that the Court directs.

Pursuant to Article 8.20 of our Articles, a shareholder or proxy holder who is entitled to participate in a meeting of shareholders may do so in person, or by telephone or other communications medium, if all shareholders and proxy holders participating in the meeting are able to communicate with each other; provided, however, that nothing in Article 8.20 of our Articles shall obligate us to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders. If one or more shareholders or proxy holders participate in a meeting of shareholders in a matter contemplated by Article 8.20 of our Articles:

(a) each such shareholder or proxy holder shall be deemed to be present at the meeting; and

(b) the meeting shall be deemed to be help at the location specified in the notice of the meeting.

Pursuant to our Articles, the quorum for the transaction of business at a meeting of our shareholders is one or more persons, present in person or by proxy.

C. Material Contracts

The following summary of our material agreements, all of which have been previously filed with the SEC, does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of those agreements. There are no material contracts, other than those contracts entered into in the ordinary course of business, currently in place or to which we or any member of our group is a party, from the two years immediately preceding the publication of this Annual Report, except as follows:

SOLO Manufacturing Agreement

On October 2, 2017, we announced a Manufacturing Agreement with Zongshen to produce 75,000 SOLO all-electric vehicles with an initial term of four years with automatic one-year renewal periods. On June 23, 2021, the current term was extended for a further three years. The production commenced on August 26, 2020, deliveries to customers commenced on October 4, 2021. Under the Manufacturing Agreement we agreed to reimburse Zongshen for: (i) the cost of the prototype tooling and molds estimated to be $1.4 million, which was due on or before March 18, 2018 and which had been postponed to complete until the second quarter of 2019 due to Zongshen not then completing the prototype of the tooling and molds; and (ii) the mass production tooling and molds estimated to be $4.3 million, which shall be payable 50% when Zongshen commences manufacturing the tooling and molds, 40% when Zongshen completes manufacturing the tooling and molds and 10% upon delivery to the Company of the first production vehicle. At December 31, 2020, the Company had completed the prototype tooling and molds with an actual cost of $1.7 million, as inspected and assessed by the Company, most of the prototype tooling and molds will be used for the mass production and the Company has completed the mass production tooling and molds with an actual cost of $6.4 million. The Company had paid 100% of prototype tooling and molds and 95% of the mass production tooling and molds.

Share Pledge Agreement

In connection with the Manufacturing Agreement with Zongshen, on October 16, 2017, Jerry Kroll, our then CEO, entered into a Share Pledge Agreement to guarantee the payment by us for the cost of the prototype tooling and molds estimated to be $1.4 million to Zongshen through the pledge of 400,000 of our common shares at a deemed price of USD$4.00 per share. We had agreed to reimburse Mr. Kroll on a one-for-one basis for any pledged shares realized by Zongshen under the Share Pledge Agreement. The Share Pledge Agreement has been terminated in 2021.

D. Exchange Controls

We are incorporated pursuant to the laws of the Province of British Columbia, Canada. There is no law or governmental decree or regulation in Canada that restricts the export or import of capital, or affects the remittance of dividends, interest or other payments to a non-resident holder of common shares, other than withholding tax requirements. Any such remittances to United States residents are generally subject to withholding tax, however no such remittances are likely in the foreseeable future. See “Certain Canadian Federal Income Tax Information For United States Residents” below.

There is no limitation imposed by Canadian law or by the charter or other constituent documents of our Company on the right of a non-resident to hold or vote common shares of our Company. However, the Investment Canada Act (Canada) (the “Investment Act”) has rules regarding certain acquisitions of shares by non-Canadians, along with other requirements under that legislation.

The following discussion summarizes the principal features of the Investment Act for a “non-Canadian” (as defined under the Investment Act) who proposes to acquire common shares of our Company. The discussion is general only; it is not a substitute for independent legal advice from an investor’s own advisor; and it does not anticipate statutory or regulatory amendments.

The Investment Act is a federal statute of broad application regulating the establishment and acquisition of Canadian businesses by non-Canadians, including individuals, governments or agencies thereof, corporations, partnerships, trusts or joint ventures (each an “entity”). Investments by non-Canadians to acquire control over existing Canadian businesses or to establish new ones are either reviewable or notifiable under the Investment Act. If an investment by a non-Canadian to acquire control over an existing Canadian business is reviewable under the Investment Act, the Investment Act generally prohibits implementation of the investment unless, after review, the Minister of Innovation, Science and Industry (the “Minister”) is satisfied that the investment is likely to be of net benefit to Canada.

A non-Canadian would acquire control of our Company for the purposes of the Investment Act through the acquisition of common shares if the non-Canadian acquired a majority of the voting interests in our Company.

Further, the acquisition of less than a majority but one-third or more of the voting interests in our Company by a non-Canadian would be presumed to be an acquisition of control of our Company unless it could be established that, on the acquisition, our Company was not controlled in fact by the acquirer through the ownership of such voting interests.

For a direct acquisition that would result in an acquisition of control of our Company, subject to the exception for “WTO-investors” that are controlled by persons who are nationals or permanent residents of World Trade Organization (“WTO”) member nations, a proposed investment generally would be reviewable where the value of the acquired assets is $5 million or more.

For a proposed indirect acquisition by an investor other than a so-called "WTO investor" that would result in an acquisition of control of our Company through the acquisition of a non-Canadian parent entity, the investment generally would be reviewable where the value of the assets of the entity carrying on the Canadian business, and of all other entities in Canada, the control of which is acquired, directly or indirectly, is $50 million or more.

In the case of a direct acquisition by a WTO investor, the threshold is significantly higher. An investment in common shares of our Company by a WTO investor that is not a state-owned enterprise would be reviewable only if it was an investment to acquire control of the Company and the enterprise value of the assets of the Company was equal to or greater than a specified amount, which is published by the Minister after its determination for any particular year. For 2022, this amount is $1.141 billion (unless the investor is controlled by persons who are nationals or permanent residents of countries that are party to one of a list of certain free trade agreements, in which case the amount is $1.711 billion for 2022); each January 1, both thresholds are adjusted by a GDP (Gross Domestic Product) based index.

The higher WTO threshold for direct investments and the exemption for indirect investments do not apply where the relevant Canadian business is carrying on a "cultural business". The acquisition of a Canadian business that is a "cultural business" is subject to lower review thresholds under the Investment Act because of the perceived sensitivity of the cultural sector.

In 2009, amendments were enacted to the Investment Act concerning investments that may be considered injurious to national security. If the Minister has reasonable grounds to believe that an investment by a non-Canadian "could be injurious to national security," the Minister may send the non-Canadian a notice indicating that an order for review of the investment may be made. The review of an investment on the grounds of national security may occur whether or not an investment is otherwise subject to review on the basis of net benefit to Canada or otherwise subject to notification under the Investment Act.

Certain transactions, except those to which the national security provisions of the Investment Act may apply, relating to common shares of our Company are exempt from the Investment Act, including:

(a) acquisition of voting shares or other voting interests in the Company by a person in the ordinary course of that person's business as a trader or dealer in securities,

(b) acquisition of control of our Company in connection with the realization of security granted for a loan or other financial assistance and not for a purpose related to the provisions on the Investment Act, if the acquisition is subject to approval under the *Bank Act*, the *Cooperative Credit Associations Act*, the *Insurance Companies Act* or the *Trust and Loan Companies Act*, and

(c) acquisition of control of our Company by reason of an amalgamation, merger, consolidation or corporate reorganization following which the ultimate direct or indirect control in fact of our Company, through the ownership of voting interests, remained unchanged.

E. Taxation

Certain Canadian Federal Income Tax Considerations for United States Residents

The following is a summary of certain Canadian federal income tax considerations generally applicable to the holding and disposition of our common shares acquired by a holder who, at all relevant times, (a) for the purposes of the Income Tax Act (Canada) (the "Tax Act") (i) is not resident, or deemed to be resident, in Canada, (ii) deals at arm's length with us and the Agents, and is not affiliated with us or the Agents, (iii) holds our common shares as capital property, (iv) does not use or hold the common shares in the course of carrying on a business in Canada, or otherwise in connection with a business carried on or deemed to be carried on in Canada, and (v) is not a "registered non-resident insurer", an "authorized foreign bank" (each as defined in the Tax Act), or other holder of special status or in special circumstances, and (b) for the purposes of the Canada-U.S. Tax Convention (the "Tax Treaty"), is a resident of the United States, has never been a resident of Canada, does not have and has not had, at any time, a permanent establishment or fixed base in Canada, and who qualifies in all respects for the full benefits of the Tax Treaty. Holders who meet all of the criteria in clauses (a) and (b) above are referred to herein as "U.S. Holders", and this summary only addresses such U.S. Holders.

This summary does not deal with special situations, such as the particular circumstances of traders or dealers, tax exempt entities, partnerships, insurers or financial institutions, or other holders of special status or in special circumstances. Such holders, and all other holders who do not meet the criteria in clauses (a) and (b) above, should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, the regulations thereunder in force at the date hereof ("Regulations"), the current provisions of the Tax Treaty, and our understanding of the administrative and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Proposed Amendments") and assumes that such Proposed Amendments will be enacted in the form proposed. However, such Proposed Amendments might not be enacted in the form proposed, or at all, and no assurance in this regard can be given. This summary does not otherwise take into account or anticipate any changes in law or administrative or assessing practices, whether by legislative, governmental or judicial decision or action, nor does it take into account tax laws of any province or territory of Canada or of any other jurisdiction outside Canada, any or all of which may differ significantly from those discussed in this summary.

For the purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of our common shares must be expressed in Canadian dollars. Amounts denominated in United States currency generally must be converted into Canadian dollars using the rate of exchange that is acceptable to the Canada Revenue Agency.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular U.S. Holder, and no representation with respect to the Canadian federal income tax consequences to any particular U.S. Holder or prospective U.S. Holder is made. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, all prospective purchasers (including U.S. Holders as defined above) should consult with their own tax advisors for advice with respect to their own particular circumstances.

Withholding Tax on Dividends

Amounts paid or credited or deemed to be paid or credited as, on account or in lieu of payment of, or in satisfaction of, dividends on our common shares to a U.S. Holder will be subject to Canadian withholding tax. Under the Tax Treaty, the rate of Canadian withholding tax on dividends paid or credited by us to a U.S. Holder that beneficially owns such dividends and substantiates eligibility for the benefits of the Tax Treaty is generally 15% (unless the beneficial owner is a company that owns at least 10% of our voting stock at that time, in which case the rate of Canadian withholding tax is generally reduced to 5%).

Disposition of Common Shares

A U.S. Holder will not be subject to tax under the Tax Act on a capital gain realized on a disposition or deemed disposition of our common shares, unless the common shares are "taxable Canadian property" to the U.S. Holder for purposes of the Tax Act and the U.S. Holder is not entitled to relief under the Tax Treaty.

Provided the common shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes Nasdaq) at the time of disposition, the common shares generally will not constitute "taxable Canadian property" of a U.S. Holder at that time unless, at any time during the 60 month period immediately preceding the disposition, the following two conditions are met: (i) the U.S. Holder, persons with whom the U.S. Holder did not deal at arm's length, partnerships in which the U.S. Holder or such non-arm's length person holds a membership interest (either directly or indirectly through one or more partnerships), or the U.S. Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of our company; and (ii) more than 50% of the fair market value of the shares of the company was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, Canadian resource properties (as defined in the Tax Act), timber resource properties (as defined in the Tax Act) or options in respect of, or interests in, or for civil law rights in, property described in any of the foregoing (whether or not the property exists). Notwithstanding the foregoing, in certain other circumstances set out in the Tax Act, common shares could also be deemed to be "taxable Canadian property".

U.S. Holders who may hold common shares as "taxable Canadian property" should consult their own tax advisors with respect to the application of Canadian capital gains taxation, any potential relief under the Tax Treaty, and compliance procedures under the Tax Act, none of which is described in this summary.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

The documents concerning us which are referred to in this Annual Report may be inspected at our offices located at 8057 North Fraser Way, Burnaby, British Columbia, Canada, V5J 5M8.

In addition, we have filed with the SEC a registration statement on Form F-1 under the Securities Act and the documents referred to in this Annual Report have been filed as exhibits to such Form F-1 with the SEC and may be inspected and copied at the public reference facility maintained by the SEC at 100F. Street NW, Washington, D.C. 20549. In addition, the SEC maintains a website at www.sec.gov that contains copies of documents that we have filed with the SEC using its EDGAR system.

I. Subsidiary Information

We have five subsidiaries: InterMeccanica, a British Columbia, Canada, corporation; EMV Automotive USA Inc., a Nevada corporation; SOLO EV LLC, a Michigan limited liability company; ElectraMeccanica USA LLC, an Arizona limited liability company; and EMV Automotive Technology (Chongqing) Ltd., a PRC corporation.

We own 100% of the voting and dispositive control over all subsidiaries.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Our primary exposure to credit risk is on our cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of our cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Our secondary exposure to risk is on its other receivables. This risk is minimal as receivables consist primarily of refundable government value added taxes and interest receivable from the major financial institution with high credit rating.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations as they fall due. We have a planning and budgeting process in place to help determine the funds required to support our normal operating requirements on an ongoing basis. We ensure that there are sufficient funds to meet our short-term business requirements, taking into account our anticipated cash flows from operations and our holdings of cash and cash equivalents.

Historically, our source of funding has been the issuance of equity securities for cash, primarily through private placements and public offerings. Our access to financing is always uncertain. There can be no assurance of continued access to significant equity funding

The following is an analysis of the contractual maturities of our non-derivative financial liabilities as at December 31, 2021, 2020 and 2019. We have excluded warrant derivative liabilities from the table because they are settled by shares.

At December 31, 2021	Within one year	Between one and five years	More than five years
Trade payables	$ 1,249,861	$ —	$ —
Accrued liabilities	4,817,820	—	
Due to related parties	743,100	—	—
Lease liabilities	392,279	867,757	627,235
DSU liabilities	—	53,362	
	$ 7,203,060	$ 921,119	$ 627,235

At December 31, 2020	Within one year	Between one and five years	More than five years
Trade payables	$ 1,001,773	$ —	$ —
Accrued liabilities	2,179,134	—	
Due to related parties	280,432	—	—
Lease liabilities	576,232	373,889	125,652
	$ 4,037,571	$ 373,889	$ 125,652

At December 31, 2019	Within one year	Between one and five years	More than five years
Trade payables	$ 535,048	$ —	$ —
Accrued liabilities	894,350	—	
Due to related parties	212,562	—	—
Shareholder loans	1,602	—	—
Lease liabilities	466,679	468,465	194,105
	$ 2,110,241	$ 468,465	$ 194,105

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. We are exposed to currency risk as we incur some expenditures that are denominated in CAD while our functional currency is USD. We do not hedge its exposure to fluctuations in foreign exchange rates.

The following is an analysis of financial assets and liabilities that are denominated in CAD dollars:

	December 31, 2021	December 31, 2020	December 31, 2019
Cash and cash equivalents	$ 2,867,716	$ 1,864,404	$ 8,143,357
Restricted cash	81,176	80,550	63,250
Receivables	242,953	48,992	148,901
Lease liabilities	(1,429,629)	(433,157)	(557,713)
Trade payables and accrued liabilities	(1,321,940)	(778,164)	(81,700)
	$ 440,276	$ 782,625	$ 7,716,095

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are exposed to interest rate risk on our cash equivalents as these instruments have original maturities of three months or less and are therefore exposed to interest rate fluctuations on renewal. A 1% change in market interest rates would have an impact on the Company's net loss of $65,000 for the year ended December 31, 2019. A 0.1% change in market interest rates would have an impact on the Company's net loss of $71,000 for the year ended December 31, 2020. A 0.1% change in market interest rates would have an impact on the Company's net loss of $209,500 for the year ended December 31, 2021.

Classification of Financial Instruments

Financial assets included in the statements of financial position are as follows:

	December 31, 2021	December 31, 2020	December 31, 2019
Cash and receivables:			
Cash and cash equivalents	$ 221,928,008	$ 129,450,676	$ 8,560,624
Restricted cash	291,676	143,800	142,201
Receivables	129,068	159,664	111,400
	$ 222,348,752	$ 129,754,140	$ 8,814,225

Financial liabilities included in the statements of financial position are as follows:

	December 31, 2021	December 31, 2020	December 31, 2019
Non-derivative financial liabilities:			
Trade payable and accrued liabilities	$ 6,810,781	$ 3,461,339	$ 1,641,960
Shareholder loan	—	—	$ 1,602
Lease liabilities	1,887,271	1,075,773	1,129,249
Derivative liability	244,565	17,899,855	5,456,265
	$ 8,942,617	$ 22,436,967	$ 8,229,076

Fair Value

The fair value of the Company's financial assets and liabilities, other than the derivative liability which is measured at fair value, approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Financial liabilities measured at fair value at December 31, 2021 consisted of the derivative liability, which includes non-transferrable warrants and DSUs. DSUs are classified as level 1, and the fair value of non-transferrable warrants are classified as level 2 in the fair value hierarchy.

The fair value of the derivative liability relating to the DSUs was calculated using the quoted market price on the NASDAQ exchange.

The fair value of the derivative liability relating to the non-transferrable warrants was calculated using the Black-Scholes Option Pricing Model using historical volatility of comparable companies as an estimate of future volatility

The following is an analysis of derivative liabilities as at December 31, 2021, 2020 and 2019:

	December 31, 2021	December 31, 2020	December 31, 2019
Level 1	$ 53,362	$ 14,308,914	$ 1,217,221
Level 2	191,203	3,590,941	4,239,044
Level 3		Nil	Nil

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

There have not been any defaults with respect to dividends, arrearages or delinquencies since incorporation on February 16, 2015.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

There have been no material modifications to the rights of our security holders since incorporation on February 16, 2015.

Use of Proceeds

From January 1 to November 15, 2021, we completed an offering of 21,179,495 common shares. These common shares were offered and sold by any method permitted by law deemed to be an "at the market" offering as defined in Rule 415 promulgated under the Securities Act (the "ATM Offering"). We received approximately $146 million in net proceeds from the ATM Offering. We have not yet used the net proceeds from this ATM Offering. We anticipate that the net proceeds from this ATM Offering will be used for sales and marketing expenditures, capital expenditures, further product development, operational expenditures and for general corporate and working capital purposes.

ITEM 15. CONTROLS AND PROCEDURES

Disclosure controls and procedures are defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act to mean controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the Company in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and includes, without limitation, controls and procedures designed to ensure that such information is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

As required by Rule 13a-15 or 15d-15 under the Exchange Act, we have carried out an evaluation of the effectiveness of our Company's disclosure controls and procedures as of the end of the period covered by this Annual Report, that being as at December 31, 2020. This evaluation was carried out by our Chief Executive Officer and Chief Financial Officer. Based upon that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of December 31, 2021.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Exchange Act Rules 13a-15(f) and 15d-15(f) define this as a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that may have a material effect on the financial statements.

Under the supervision and with the participation of our CEO and CFO, our management assessed the effectiveness of our internal control over financial reporting as at December 31, 2021. In making this assessment, our management used the criteria, established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based upon this assessment, our management concluded that our internal control over financial reporting was effective as at December 31, 2021.

Attestation Report of the Registered Public Accounting Firm

This Annual Report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report is not subject to attestation by the Company's registered public accounting firm pursuant to rules of the SEC that permit the Company to provide only management's report in this Annual Report.

Changes In Internal Control Over Financial Reporting

Except as noted above, during the period ended December 31, 2021, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

On October 1, 2021, we completed the implementation of a new ERP system designed for greater system enablement and automation of the accounting and financial reporting processes. Although this implementation digitized certain accounting activities and allowed for enhanced capabilities within the accounting function, it did not significantly affect the overall controls and procedures followed by us in establishing internal controls over financial reporting

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

As disclosed above, as of the date hereof, our Audit Committee is comprised of Luisa Ingargiola, Steven Sanders, Joanne Yan and Dave Shemmans , each of whom is independent under the listing standards regarding "independence" within the meaning of the Listing Rules of Nasdaq.

Our Board of Directors has determined that Louisa Ingargiola qualifies as an audit committee financial expert pursuant to Items 16A(b) and (c) of Form 20-F. In addition, we believe that each member of the Audit Committee satisfies the independence requirements of Rule 5605(a)(2) of the Listing Rules of Nasdaq, meets the independence standards under Rule 10A-3 under the Exchange Act and is financially literate under applicable Canadian laws.

ITEM 16B. CODE OF ETHICS

We have adopted a Code of Business Conduct and Ethics (the "Code of Ethics") that applies to all of our employee and officers, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. The Code of Ethics meets the requirements for a "code of ethics" within the meaning of that term in Item 16B of Form 20-F. A copy of our Code of Ethics will be provided to any person without charge, upon request. All requests for a copy of our Code of Ethics should be directed in writing to the attention of Bal Bhullar, CFO, at 8057 North Fraser Way, Burnaby, British Columbia, Canada, V5J 5M8, or by email at bal@electrameccanica.com.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our independent registered public accounting firm is KPMG LLP, of Vancouver, British Columbia, Canada; Auditor Firm ID: 85.

The information required by this Item 16C is incorporated herein by reference from the "Audit Matters" section of the 20-F Proxy Statement.

The following table sets forth information regarding the amount billed and accrued to us by KPMG for the fiscal year ended December 31, 2021 and 2020:

	Year Ended December 31	
	2021	2020
Audit Fees:	$ 312,703	$ 159,265
Audit Related Fees:	$ —	$ —
Tax Fees:	$ 50,433	$ 61,163
Total:	$ 363,136	$ 220,428

Audit Fees

This category includes the aggregate fees billed by our independent auditor for the audit of our annual financial statements, reviews of interim financial statements that are provided in connection with statutory and regulatory filings or engagements.

Audit Related Fees

This category includes the aggregate fees billed in each of the last two fiscal years for assurance and related services by our independent auditor that are reasonably related to the performance of the audits or reviews of the financial statements and are not reported above under "Audit Fees", and generally consist of fees for other engagements under professional auditing standards, accounting and reporting consultations.

Tax Fees

This category includes the aggregate fees billed in each of the last two fiscal years for professional services rendered by our independent auditor for tax compliance, tax planning and tax advice.

Policy on Pre-Approval by Audit Committee of Services Performed by Independent Auditors

The policy of our Audit Committee is to pre-approve all audit and permissible non-audit services to be performed by our independent auditors during the fiscal year.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Not applicable.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

The Company is a foreign private issuer and our common shares are listed on Nasdaq. Nasdaq Marketplace Rule 5615(a)(3) permits a foreign private issuer to follow its home country practices in lieu of most of the requirements of the 5600 Series of the Nasdaq Marketplace Rules. In order to claim such an exemption, the Company must disclose the significant differences between its corporate governance practices and those required to be followed by U.S. domestic issuers under Nasdaq's corporate governance requirements. Set forth below is a brief summary of such differences.

Shareholder Approval Requirements

Nasdaq Marketplace Rule 5635 requires each issuer to obtain shareholder approval prior to certain dilutive events, including a transaction other than a public offering involving the sale of 20% or more of the issuer's common shares outstanding prior to the transaction for less than the greater of book or market value of the stock. The Company does not follow this Nasdaq Marketplace Rule. Instead, and in accordance with the Nasdaq exemption, the Company complies with British Columbia corporate and securities laws, which do not require shareholder approval for dilutive events unless the Company were to dispose of all or substantially all of its undertaking.

In addition, Nasdaq Marketplace Rule 5635 requires shareholder approval of most equity compensation plans and material revisions to such plans, as well as with respect to the sale of our securities at a discount to their market value to an officer, director, employee or consultant. We do not follow this Nasdaq Marketplace Rule. Instead, and in accordance with the Nasdaq exemption, we comply with British Columbia corporate and securities laws, which do not require shareholder approval of equity compensation plans or most discount to market offerings of securities unless otherwise indicated in the Articles of the Company.

Quorum Requirement

NASDAQ Marketplace Rule 5620(c) requires that each company that is not a limited partnership shall provide for a quorum as specified in its by-laws for any meeting of holders of common stock; provided, however, that in no case shall such quorum be less than 33 1/3% of the outstanding shares of the company's common voting stock. The Company does not presently follow this NASDAQ Marketplace Rule. Instead, and in accordance with the NASDAQ exemption, the Company complies with British Columbia corporate and securities laws and its Articles which do not require a quorum of no less than 33 1/3% of the outstanding shares of the Company's common voting stock and provides that the quorum for the transaction of business at a meeting of shareholders is the quorum established by the Company's Articles, which is one or more persons, present in person or by proxy.

Executive Sessions

NASDAQ Marketplace Rule 5605(b)(2) requires that the independent board members of a company have Executive Sessions which are regularly scheduled and at which only independent directors are present. Although we have previously followed this NASDAQ Marketplace Rule we may not do so in the future or on a consistent or regularly scheduled basis. Under applicable Canadian rules, customs and practice, the Company's independent directors are not required to hold executive sessions. However, the Company is subject to certain disclosure requirements prescribed in Canadian Form 58-101F1 - *Corporate Governance Disclosure.* In particular, the Company must disclose whether the independent directors hold executive sessions and, if such executive sessions are held, how many of these meetings have been held since the beginning of the Company's most recently completed financial year. If the Company does not hold executive sessions, the Company must describe what the Board does to facilitate open and candid discussion among its independent directors.

Proxy Delivery Requirements

Nasdaq Marketplace Rule 5620(b) requires that a listed company that is not a limited partnership shall solicit proxies and provide proxy statements for all meetings of shareholders, and also provide copies of such proxy solicitation materials to Nasdaq. The Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act, and the equity securities of the Company are accordingly exempt from the proxy rules set forth in Sections 14(a), 14(b), 14(c) and 14(f) of the Exchange Act. The Company solicits proxies in accordance with applicable rules and regulations in Canada.

Distribution of Annual and Interim Reports

Nasdaq Marketplace Rule 5250(d)(1) requires that a listed company (including a limited partnership) make available to shareholders an annual report containing audited financial statements of the Company and its subsidiaries (which, for example may be on Form 10-K, 20-F, 40-F or N-CSR) within a reasonable period of time following the filing of the annual report with the SEC. In addition, under Nasdaq Marketplace Rule 5250(d)(4)(A), each company that is not a limited partnership and is not subject to Rule 13a-13 under the Exchange Act and that is required to file with the SEC, or other regulatory authority, interim reports relating primarily to operations and financial position, shall make available to shareholders reports which reflect the information contained in those interim reports. Such reports shall be made available to shareholders either before or as soon as practicable following filing with the appropriate regulatory authority. If the form of the interim report provided to shareholders differs from that filed with the regulatory authority, the company shall file one copy of the report to shareholders with Nasdaq in addition to the report to the regulatory authority that is filed with Nasdaq pursuant to Rule 5250(c)(1).

The Company currently complies with Nasdaq Marketplace Rules 5250(d)(1) and 5250(d)(4)(A), however, the Company may not do so or on a consistent basis. Instead, the Company may determine to comply with British Columbia corporate and securities laws which do not require the distribution of annual or interim reports to shareholders but do require the Company to place before the annual general meeting the annual financial statements that the Company is required to with the applicable securities commissions in Canada under the *Securities Act* (British Columbia) in relation to the most recently completed financial year, file annual and interim financial statements on SEDAR at www.sedar.com, and send annually a request form to the registered holders and beneficial owners of its securities that can be used to request a paper copy of the Company's annual financial statements and management discussion and analysis for the annual financial statements, and a copy of the Company's interim financial reports and management discussion and analysis for the interim financial reports free of charge.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTION

Not applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS

Not applicable.

ITEM 18. FINANCIAL STATEMENTS

Our financial statements were prepared in accordance with IFRS, as issued by the IASB, and are presented in U.S. dollars.

Financial statements are filed as part of this Annual Report:

ElectraMeccanica Vehicles Corp.
Consolidated Financial Statements
Year Ended December 31, 2021 and 2020

Expressed in United States Dollars

KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Electrameccanica Vehicles Corp.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Electrameccanica Vehicles Corp. and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of loss and comprehensive loss, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and its cash flows for each of the years in the three-year period ended December 31, 2021, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

Chartered Professional Accountants

We have served as the Company's auditor since 2018.

Vancouver, Canada
March 22, 2022

ElectraMeccanica Vehicles Corp.
Consolidated Statements of Financial Position
(Expressed in United States dollars)

	Note	December 31, 2021	December 31, 2020
ASSETS			
Current assets			
Cash and cash equivalents	4	$ 221,928,008	$ 129,450,676
Receivables		372,021	213,346
Prepaid expenses	5	14,428,117	5,039,150
Inventory	6	3,580,450	609,094
		240,308,596	135,312,266
Non-current assets			
Restricted cash		291,676	143,800
Long-term deposit	7	1,161,000	—
Plant and equipment	8	10,123,887	9,290,308
Net investment in sublease		—	38,541
Goodwill and other intangible assets		965,539	969,467
TOTAL ASSETS		**$ 252,850,698**	**$ 145,754,382**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	9	6,810,781	3,461,339
Customer deposits		489,040	329,221
Construction contract liability		161,879	189,651
Current portion of lease liabilities	10	392,279	576,232
		7,853,979	4,556,443
Non-current liabilities			
Derivative liabilities[1]	12	244,565	17,899,855
Lease liabilities	10	1,494,992	499,541
Deferred revenue		119,253	119,253
TOTAL LIABILITIES		9,712,789	23,075,092
EQUITY			
Share capital	13	372,278,512	212,058,836
Deficit		(151,653,994)	(110,327,159)
Reserves		22,513,391	20,947,613
TOTAL EQUITY		243,137,909	122,679,290
TOTAL LIABILITIES AND EQUITY		**$ 252,850,698**	**$ 145,754,382**

[1] Footnote: The warrant derivative liabilities included in derivative liabilites are valued at fair value in accordance with International Financial Reporting Standards ("IFRS"). There are no circumstances in which the Company would be required to pay cash upon exercise or expiry of the warrants. See Note 12.

Nature and continuance of operations (Note 1)
Lease commitments (Note 22)

On behalf of the Board of Directors

/s/ Kevin Pavlov	*/s/ Bal Bhullar*
Director	Director

The accompanying notes are an integral part of these consolidated financial statements

ElectraMeccanica Vehicles Corp.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in United States dollars)

	Note	Years ended December 31, 2021	December 31, 2020	December 31, 2019 Restated (Note 3)
Revenue	**18**	$ 2,100,770	$ 568,521	$ 585,584
Cost of revenue		4,334,681	699,455	487,543
Gross profit / (loss)		(2,233,911)	(130,934)	98,041
Operating expenses				
General and administrative expenses	14	31,057,633	15,778,172	11,620,875
Research and development expenses	15	17,090,282	8,666,247	7,434,084
Sales and marketing expenses	16	10,413,748	2,635,134	1,652,348
		58,561,663	27,079,553	20,707,307
Operating loss		(60,795,574)	(27,210,487)	(20,609,266)
Other items				
Interest income		(270,419)	(169,707)	(75,753)
Changes in fair value of derivative liabilities	12	(19,033,560)	31,923,727	2,228,256
Lease modification loss		—	62,935	—
Other Income	17	(175,368)	(395,372)	(67,410)
Foreign exchange (gain)/loss		9,758	4,447,387	597,464
Loss before taxes		(41,325,985)	(63,079,457)	(23,291,823)
Current income tax (recovery)/ expense	11	850	(404)	1,600
Deferred Income tax (recovery)/expense	11	—	(32,148)	(80,725)
Net loss		**(41,326,835)**	**(63,046,905)**	**(23,212,698)**
Other comprehensive income/(loss)		587	4,213,906	898,473
Comprehensive Loss		**$ (41,326,248)**	**$ (58,832,999)**	**$ (22,314,225)**
Loss per share – basic and fully diluted		**$ (0.37)**	**$ (1.08)**	**$ (0.64)**
Weighted average number of shares outstanding – basic and fully diluted		**111,720,726**	**58,352,766**	**35,998,152**

The accompanying notes are an integral part of these consolidated financial statements

ElectraMeccanica Vehicles Corp.
Consolidated Statements of Changes in Equity
(Expressed in United States dollars)

	Note	Share capital		Share-based payment reserve	Foreign Currency Translation Reserve	Deficit	Total
		Number of shares	Amount net of share issue cost				
Balance at December 31, 2018		32,332,343	$ 35,677,712	$ 5,886,261	$ (611,166)	$ (24,067,556)	$ 16,885,251
Shares issued for cash		3,333,334	10,965,269	—	—	—	10,965,269
Shares issued pursuant to exercise of warrants		1,116,323	3,634,734	—	—	—	3,634,734
Shares issued pursuant to exercise of options		137,304	83,382	(27,467)	—	—	55,915
Shares issued for services		140,070	292,661	—	—	—	292,661
Shares cancelled		(10,000)	(37,707)	—	—	—	(37,707)
Stock-based compensation		—	—	5,147,573	—	—	5,147,573
Net loss for the year		—	—	—	—	(23,212,698)	(23,212,698)
Foreign currency translation reserve		—	—	—	898,473	—	898,473
Balance at December 31, 2019		37,049,374	50,616,051	11,006,367	287,307	(47,280,254)	14,629,471
Shares issued for cash		46,498,936	132,941,001	—	—	—	132,941,001
Shares issuance costs		—	(5,046,283)	—	—	—	(5,046,283)
Shares issued pursuant to exercise of warrants		5,242,389	32,597,096	(272,600)	—	—	32,324,496
Shares issued pursuant to exercise of options		518,864	950,971	(548,352)			402,619
Stock-based compensation		—	—	6,260,985	—	—	6,260,985
Net loss for the year		—	—	—	—	(63,046,905)	(63,046,905)
Foreign currency translation reserve		—	—	—	4,213,906	—	4,213,906
Balance at December 31, 2020		89,309,563	212,058,836	16,446,400	4,501,213	(110,327,159)	122,679,290
Effect of change in functional currency	3	—	(14,539,226)	—	—	—	(14,539,226)
Balance at January 1, 2021		89,309,563	197,519,610	16,446,400	4,501,213	(110,327,159)	108,140,064
Shares issued for cash		21,179,495	145,768,108	—	—	—	145,768,108
Shares issuance costs		—	(155,102)	—	—	—	(155,102)
Shares issued pursuant to exercise of warrants		4,269,414	24,759,643	(1,164)	—	—	24,758,479
Shares issued pursuant to exercise of options		2,456,240	3,969,568	(2,824,030)	—	—	1,145,538
Shares issued pursuant to exercise of RSU		118,497	397,060	(582,334)	—	—	(185,274)
Shares issued pursuant to exercise of DSU		5,755	19,625	—	—	—	19,625
Transfer of DSU to liabilities		—	—	(152,165)	—	—	(152,165)
Stock-based compensation	13	—	—	5,124,884	—	—	5,124,884
Net loss for the year		—	—	—	—	(41,326,835)	(41,326,835)
Foreign currency translation reserve		—	—	—	587	—	587
Balance at December 31, 2021		117,338,964	$ 372,278,512	$ 18,011,591	$ 4,501,800	$ (151,653,994)	$ 243,137,909

The accompanying notes are an integral part of these consolidated financial statements

ElectraMeccanica Vehicles Corp.
Consolidated Statements of Cash Flows
(Expressed in United States dollars)

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Operating activities			
Net loss for the year	$ (41,326,835)	$ (63,046,905)	$ (23,212,698)
Adjustments for:			
Amortization	4,251,274	1,603,654	804,206
Stock-based compensation expense	5,178,462	6,260,985	5,147,573
Share-based payment expense	—	—	159,833
Interest income	(270,419)	(169,707)	(75,753)
Inventory provision	1,679,736	—	—
Lease modification loss	—	62,935	—
Changes in fair value of derivative liabilities	(19,033,560)	31,923,727	2,228,256
Deferred income tax expense (recovery)	—	(32,148)	(80,725)
Changes in non-cash working capital items:			
Receivables	(320,991)	183,863	660,621
Prepaid expenses and deposit	(10,533,621)	292,146	(3,228,192)
Inventory	(4,714,161)	6,875	(245,301)
Trade payables and accrued liabilities	4,539,905	392,539	755,098
Customer deposits and construction contract liability	132,047	35,406	157,259
Net cash flows used in operating activities	(60,418,163)	(22,486,630)	(16,929,823)
Investing activities			
Investments in restricted cash	(147,876)	964	(55,775)
Expenditures on plant and equipment	(4,638,821)	(1,400,032)	(2,747,495)
Acquistion of intangible assets	—	—	(3,833)
Net cash flows used in investing activities	(4,786,697)	(1,399,068)	(2,807,103)
Financing activities			
Interest income received	583,354	178,925	92,550
Interest income received from net investment in sublease	1,459	11,420	—
Interest paid	—	(300)	(364)
Interest paid on lease payments	(152,078)	(79,655)	(103,946)
Repayment of shareholder loans	—	(1,521)	(3,131)
Repayment of leases	(774,346)	(486,136)	(469,113)
Payment received for net investment in sublease	38,541	73,586	—
Proceeds on issuance of common shares – net of issue costs	145,613,006	126,392,128	11,058,573
Payment for RSU settlement	(185,274)	—	—
Payment for DSU settlement	(19,625)	—	—
Proceeds from issuance of common shares for options exercised	1,145,538	405,305	55,791
Proceeds from issuance of common shares for warrants exercised	11,431,030	12,433,257	3,155,574
Net cash flows from financing activities	157,681,605	138,927,009	13,785,934
Increase/(decrease) in cash and cash equivalents	92,476,745	115,041,311	(5,950,992)
Effect of exchange rate changes on cash	587	5,848,741	559,665
Cash and cash equivalents, beginning	129,450,676	8,560,624	13,951,951
Cash and cash equivalents, ending	**$ 221,928,008**	**$ 129,450,676**	**$ 8,560,624**

The accompanying notes are an integral part of these consolidated financial statements

ElectraMeccanica Vehicles Corp.
Notes to Consolidated Financial Statements
(Expressed in United States dollars)
For the years ended December 31, 2021, 2020, and 2019

1. Nature and continuance of operations

ElectraMeccanica Vehicles Corp (the "Company") was incorporated on February 16, 2015, under the laws of the Province of British Columbia, Canada, and its principal activity is the development and manufacturing of electric vehicles ("EV"s).

The head office and principal address of the Company are located at 8057 North Fraser Way, Burnaby, British Columbia, Canada, V5J 5M8.

These consolidated financial statements have been prepared on the assumption that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company's principal activity is the design, development and manufacturing of electric vehicles. As at December 31, 2021, although the Company has commenced commercial production of the purpose-built single seat SOLO EV, it is not able to finance day-to-day activities through operations. The Company's continuation is dependent upon the successful results from its electric vehicle manufacturing activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations.

The Company has commenced commercial deliveries of its first SOLO EVs in October 2021. As at December 31, 2021, there have been $1,174,310 revenues recognized from the sale of these electric vehicles.

It is anticipated that additional funding will be required in the future. Management primarily intends to finance its operations over the next 12 months through sales of the SOLO, private placements and/or public offerings of equity capital or debt.

2. Significant accounting policies and basis of preparation

The consolidated financial statements were authorized for issue on March 22, 2022 by the directors of the Company.

Statement of compliance with International Financial Reporting Standards

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and including interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") as applicable to the preparation of annual financial statements.

Basis of preparation

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs except for derivative liabilities which are measured at fair value. As at December 31, 2021, the Company's functional and presentation currency is United States dollars ("USD"). The Company's functional currency for the comparative periods was Canadian dollars ("CAD"). The change in presentation currency and functional currency is discussed in Note 3.

Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, EMV Automotive USA Inc., from the date of its incorporation on January 22, 2018, Intermeccanica International Inc. ("InterMeccanica"), from the date of its acquisition on October 18, 2017, EMV Automotive Technology (Chongqing) Inc., from the date of its incorporation on October 15, 2019, SOLO EV, LLC, from the date of its incorporation on November 22, 2019, and ElectraMeccanica USA, LLC, from the date of its incorporation on March 19, 2021. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the estimated recoverable amount of goodwill, intangible assets and other long-lived assets, the useful lives of plant and equipment, fair value measurements for financial instruments and share-based payments, and the recoverability and measurement of deferred tax assets.

The COVID-19 outbreak brings significant uncertainty as to the potential impact on our operations, supply chains for parts and sales channels for our products, and on the global economy as a whole. It is currently not possible to predict how long the pandemic will last or the time that it will take for economic activity to return to prior levels. Therefore, the Company has not changed any estimates and assumptions in the preparation of the financial statements.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant areas that require judgment from the Company in completing its consolidated financial statements include:

- the assessment of the Company's ability to continue operations and whether there are events or conditions that may give rise to significant uncertainty;
- the classification of financial instruments; and
- the vesting probability of stock options with market conditions.

Foreign currency translation

The Company's functional currency is USD. The functional currency of Intermeccanica is CAD, the functional currency of EMV Automotive USA Inc.and ElectraMeccanica USA, LLC is USD, and the functional currency of EMV Automotive Technology (Chongqing) Inc. is the Chinese RMB. The Company reassessed the functional currency during its first quarter of 2021 and determined that the factors now supported USD as the functional currency for the Company. The Company has applied the change in functional currency from CAD to USD effective January 1, 2021. The change in functional currency is discussed in Note 3.

Transactions in foreign currency

Each entity within the consolidated group records transactions using its functional currency, being the currency of the primary economic environment in which it operates. Foreign currency transactions are translated into the respective functional currency of each entity using the foreign currency rates prevailing at the date of the transaction. Period-end balances of monetary assets and liabilities in foreign currency are translated to the respective functional currencies using period-end foreign currency rates. Foreign currency gains and losses arising from the settlement of foreign currency transactions are recognized in profit or loss.

Foreign operations translation

On consolidation, the assets and liabilities of foreign operations that have a functional currency other than USD are translated into USD at the exchange rates in effect at the end of the reporting period. Revenues and expenses are translated at the average monthly exchange rates prevailing during the period.The resulting translation gains and losses are included as other comprehensive loss. The cumulative deferred translation gains or losses on the foreign operations are reclassified to net income, only on disposal of the foreign operations.

Segment reporting

The Company's operations currently consist of two operating segments, which are its reportable segments.

Financial Instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"); or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of financial assets is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income (loss) (" FVTOCI"). Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification of the Company's financial assets and liabilities

Financial assets/liabilities	
Cash and cash equivalents	Amortized cost
Restricted cash	Amortized cost
Receivables	Amortized cost
Trade payables and accrued liabilities	Amortized cost
Derivative liabilities	FVTPL
Lease liabilities	Amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the financial risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the 12 month expected credit losses. The Company will recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss.

Revenue from contracts with customers

Sales of electric vehicles

Revenues from selling SOLO EVs is recognized when the Company has transferred control to the customer which generally occurs upon delivery and transfer of ownership. Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The total consideration in the contract is allocated to all products and services based on their stand-alone selling prices. The stand-alone selling prices are determined with reference to the selling prices of similar products or services and other reasonably available information.

Customers usually pay consideration prior to the transfer of control over the products to customers.

In addition, product sales contracts with customers include warranty clauses to guarantee that the products comply with agreed-upon specifications. The Company recognizes costs for general estimated warranties costs on SOLO EVs at the time products are sold to customers. These provisions are estimated based on historical warranty claim experience with consideration given to the expected level of future warranty costs as well as current information on repair costs. Provision for product warranties are utilized for expenditures based on the demand from customers. As of December 31, 2021, $nil warranty provision is recognized based on management's estimate.

Part sales

Sales of parts are recognized when the Company has transferred control to the customer which generally occurs upon shipment.

Services, repairs and support services

Services, repairs and support services are recognized in the accounting period when the services are rendered.

Sales of custom build vehicles

The Company manufactures and sells custom built vehicles typically on fixed fee arrangements with its customers. Revenue is recognized when the Company has transferred control to the customer which generally occurs upon shipment.

Government grants

A government grant is recognized if there is reasonable assurance that it will be received and that the Company will comply with the conditions associated with the grant. If the conditions are met, the Company recognizes the grant in profit or loss on a systematic basis in line with its recognition of the expenses that the grant is intended to compensate. For grants related to income, a company can elect to either offset the grant against the related expenditure or include it in other income. Government assistance received by the Company during the period has been accounted for as government grants related to income and have been included in other income.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with original maturities of less than 180 days and are presented at cost, which approximates market value.

Customer deposits

Customer deposits consist primarily of advance payments from customers who order the SOLO EVs. The deposit is recognized as revenue when the Company transfers control to the customer which generally occurs upon delivery and transfer of ownership.

Construction contract liabilities

Construction contract liabilities consist primarily of advance payments from customers who order custom-built vehicles. The deposit is recognized as revenue when the Company has transferred control to the customer which generally occurs upon shipment.

Deferred revenue

Deferred revenue consists primarily of advance payments that may be made to the Company by its manufacturing partner in China, Chongqing Zongshen Automobile Co., Ltd. ("Zongshen"), for royalties to be derived from the sales of SOLO EVs by Zongshen in China when any such sales are made in accordance with the terms of our manufacturing agreement (the "Manufacturing Agreement"). The deferred revenue from any such royalties will be recognized in profit or loss on a periodic basis as and when the Zongshen builds and sells the permitted number of SOLO EVs in China under the Manufacturing Agreement.

Inventory

Inventory consists of vehicles and parts held for resale or for use in fixed fee contracts and is valued at the lower of cost and net realizable value. The cost of inventories includes purchase costs and conversion costs, and is determined principally by using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Trademarks and patents

The Company expenses legal fees and filing costs associated with the development of its trademarks and patents.

Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced asset is derecognized. All other repairs and maintenance are charged to the consolidated statements of loss and comprehensive loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the consolidated statements of loss and comprehensive loss.

Amortization is calculated on a straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. The amortization rates applicable to each category of plant and equipment are as follows:

Class of plant and equipment	Amortization rate
Furniture and equipment	20%
Computer hardware	33%
Computer software	50%
Vehicles	33%
Production molds	33%
Leasehold improvements	over term of lease
Right of use assets	over term of lease

Share-based payments

Share-based compensation expenses are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payment expenses to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amounts are recorded to the share-based payment reserve. For awards with no market-based performance measurement, the fair value of options is determined using a Black–Scholes pricing model. For awards subject to the performance against a market-based performance measure, management have used the Monte Carlo simulation model to calculate the grant date fair value. The number of options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. The share-based payment reserve records items that are recognized as stock-based compensation expense and other share-based payments until such time that the underlying securities are exercised, at which time the corresponding amount will be transferred to share capital. If the securities expire unexercised, the amount remains in the share-based payment reserve account.

Restricted Stock Units

Restricted Stock Units ("RSU"s) are stock-based awards that may be granted by the Company to certain eligible participants pursuant to its current 2020 Stock Incentive Plan (the "Plan") which was ratified by Company shareholders on July 9, 2020. RSUs are accounted for as equity-settled share based payment transactions as the obligations under an RSU will be settled through the issuance of common shares. The Company measures the cost of equity-settled share-based transactions by reference to the fair value of the equity instruments at the date at which they are granted and is recorded in the statements of loss and comprehensive loss over the vesting period.

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Fully diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of fully diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Research and development expenses

Research costs are expensed when incurred and are stated net of government grants. Development costs including direct material, direct labour and contract service costs are capitalized as intangible assets when: the Company can demonstrate that the technical feasibility of the project has been established; the Company intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Company can reliably measure the expenditure attributable to the intangible asset during its development. After initial recognition, internally generated intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. These capitalized costs are amortized on a straight-line basis over the estimated useful life. To date, the Company did not have any development costs that met the capitalization criteria.

Derivative Liabilities - Warrants

The Company accounts for its warrants as either equity or liabilities based upon the characteristics and provisions of each instrument. Warrants classified as equity are recorded at fair value as of the date of issuance on the Company's consolidated statements of financial position and no further adjustments to their valuation are made. Warrants classified as derivative liabilities that require separate accounting as liabilities are recorded on the Company's consolidated statements of financial position at their fair value on the date of issuance and will be revalued on each subsequent statement of financial position date until such instruments are exercised or expire, with any changes in the fair value between reporting periods recorded as other income or expense. Management estimates the fair value of these liabilities using option pricing models and assumptions that are based on the individual characteristics of the warrants or instruments on the valuation date, as well as assumptions for future financings, expected volatility, expected life, yield and risk-free interest rate. On January 1, 2021, the Company change its functional currency from CAD to USD. As a result, warrants denominated in CAD were recognized as derivative liabilities and warrants denominated in USD were recognized as equity. Refer to Note 3.

Derivative Liabilities - Deferred Stock Units

Deferred Stock Units ("DSU"s) are stock-based awards that may be granted by the Company to certain eligible participants pursuant to its Plan. During the year ended December 31, 2021, the Company changed the settlement intention by allowing the holders of the DSUs to settle the DSUs in cash or common shares. As a result, the entire DSU balance of $152,165 was reclassified from equity to DSU liability. At inception, the Company measures the cost of equity-settled share-based transactions by reference to the fair value of the equity instruments at the date at which they are granted and is recorded in the statements of loss and comprehensive loss in the period they are granted (immediate vesting). At each reporting date, between the grant and settlement dates of DSUs, the fair value of the liability is re-measured with any changes in fair value recognized in net income (loss) for the period.

Leases

The Company assesses at inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an indentifed asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Leases are recognized as a right-of-use asset and corresponding lease liability at the lease commencement date. The lease liability is measured at the present value of the future fixed payments and variable lease payments that depend on an index or rate over the lease term, less any lease incentives receivable, discounted using the lessee's incremental borrowing rate, unless the implicit interest rate in the lease can be easily determined. Variable lease payments that do not depend on an index or a rate are recognized as epxneses in the period in which the event or condition that triggers the payment occurs.

Lease liabilities are subsequently measured at amortized cost using the effective interest rate method. Lease terms applied are the contractual non-cancellable periods of the lease, plus periods covered by renewal or termination options, if the Company is reasonably certain to exercise those options. Lease liabilities are remeasured (with a corresponding adjustment to the right-of-use asset) when there is a change in the lease term, a change in the future lease payments resulting from a change in an index or rate used to determine those payments or when the lease contract is modified and the lease modification is not accounted for as a separate lease.

The right-of-use assets include the initial measurement of the corresponding lease liabilities, lease payments at or before the commencement date and any initial direct costs, less any lease incentives received before the commencement date. The right-of-use assets are subsequently measured at cost and are depreciated on a straight-line basis from the date the underlying asset is available for use over the lease term.

The Company recognizes the lease payments associated with these leases as an expense on a straight line basis over the lease term.

The Company applies the shorter lease recognition exemption to its short-term leases of Kiosk locations (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

As a lessor

When the Company acts as an intermediate lessor, it determines at lease inception whether each lease is a finance lease or an operating lease and accounts for its interest in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, and not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sublease as an operating lease.

Impairment of assets

The carrying amount of the Company's long-lived assets with finite useful lives (which include plant and equipment and intangible assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) assets exceeds its recoverable amount. The Company has identified two CGUs including electric vehicles, which develop and manufacture electric vehicles for mass markets, and custom-built vehicles which develop and manufacture high-end custom-built vehicles. Impairment losses are recognized in the consolidated statements of loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment at both CGU assets level and total assets level, or more frequently if indicators of impairment exist.

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Tax Credits

The Company earns scientific research and experimental development activity ("SR&ED") tax credits with respect to its research and development expenses. The benefit of these SR&ED tax credits is recorded as a reduction of research and development expenses when their recoverability is reasonably expected. The SR&ED tax credits earned while the Company was Canadian Controller Private Corporation (as defined by Canadian income tax legislation) are refundable to the Company and are recorded as a receivable, while the tax credits earned now that the Company is a public company (as defined under Canadian tax laws) can be used to reduce future Canadian income taxes payable.

Deferred income tax

Deferred income tax is recognized, using the liability method, on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset if a deferred income taxes relate to the same taxable entity and the same taxation authority.

Standards issued but not yet effective

Definition of Accounting Estimates – Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how one is entitled to use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlies application is permitted as long as the fact is disclosed. The amendments are not expected to have a material impact on the Company.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosure that is more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after January 1, 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary. The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

3. Change in presentation currency and functional currency

Presentation Currency

Effective December 31, 2020, the Company changed its presentation currency from CAD to USD to be more relevant to users.

Prior to December 31, 2020, the Company reported its annual consolidated financial statements in CAD. In making this change in presentation currency, the Company follows the recommendations set out in IAS 21, the Effects of Change in Foreign Exchange Rates. In accordance with IAS 21, comparable financial statements for the year ended December 31, 2019 were restated retrospectively in the new presentation currency of USD using the current rate method as comparatives in the Company's December 31, 2020 annual report filing.

The consolidated statement of financial position as of December 31, 2020 of the Company has been prepared in CAD and translated into the new presentation currency of USD using the current rate method.

The procedures under the current rate method are outlined as below:

- Income Statement and Statement of Cash Flows have been translated into USD using average foreign currency rates prevailing for the relevant reporting periods of years ended December 31, 2020;
- assets and liabilities in the Statement of Financial Position have been translated into USD at the closing foreign currency rates on the relevant reporting dates as of December 31, 2020 and 2019;
- the equity section of the Statement of Financial Position, including foreign currency translation reserve, retained earnings, share capital and the other reserves, have been translated into USD using historical rates; and
- earnings per share has also been restated to USD to reflect the change in presentation currency.

All resulting exchange differences arising from the translation are included as a separate component of other comprehensive income.

Functional Currency

The Company considered the current and prospective economic substance of the underlying transactions and circumstances of the Company and concluded that, as of January 1, 2021, the functional currency should be USD rather than CAD.

The effect of the change in functional currency to USD was applied prospectively in the financial statements effective January 1, 2021. The financial position of the Company as at January 1, 2021 has been translated from CAD to USD at an exchange rate of 1.273.

All transactions for the Company are recorded in USD from January 1, 2021 and onwards. Transactions denominated in currencies other than USD are considered foreign currency transactions. Foreign currency transactions are translated into USD using the foreign currency rates prevailing at the date of the transaction. Period-end balances of monetary assets and liabilities in foreign currency are translated to USD using period-end foreign currency rates. Foreign currency gains and losses arising from the settlement of foreign currency transactions are recognized in profit or loss.

The Company reassessed its derivative liabilities upon the change in functional currency, which resulted in an increase of $14,539,226 in derivative liabilities with a corresponding decrease in share capital as at January 1, 2021.

Warrants issued other than as compensation for goods and services with exercise prices denominated in a currency other than the functional currency of the Company are recognized as derivative liabilities and measured at fair value at each reporting period.

As at December 31, 2020, the functional currency of the Company was CAD and, therefore, warrants with exercise prices denominated in USD were recognized as derivative liabilities and measured at fair value by the Black-Scholes Option Pricing Model with a valuation date of December 31, 2020. The derivative liabilities of the Company was $17,899,855 as at December 31, 2020.

As at January 1, 2021, the functional currency of the Company is USD. Accordingly, warrants with exercise prices denominated in CAD are recognized as derivative liabilities and measured at fair value by the Black-Scholes Option Pricing Model with a valuation date of January 1, 2021. The fair value of the derivative liabilities of the Company was $32,439,081 as at January 1, 2021.

(Expressed in United States dollars)

4. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances with original term to maturity of 180 days or less:

	December 31, 2021	December 31, 2020
Cash	$ 221,928,008	$ 58,450,680
Cash equivalents	—	70,999,996
	$ 221,928,008	$ 129,450,676

5. Prepaid expenses

	December 31, 2021	December 31, 2020
Solo deposit	$ 4,734,914	$ 1,295,044
Battery cell deposit	6,121,372	2,598,504
Battery deposit	100,207	50,285
Prepaid insurance	2,027,001	419,126
Prepaid rent and security deposit	444,976	102,620
Other prepaid expenses	999,647	573,571
	$ 14,428,117	$ 5,039,150

6. Inventory

	December 31, 2021	December 31, 2020
Parts and battery	$ 906,505	$ 995,368
Work in progress	128,424	75,811
Vehicles	4,232,736	48,324
Inventory provision	(1,687,215)	(510,409)
	$ 3,580,450	$ 609,094

For the year ended December 31, 2021, the amount of $1,687,215 of inventory write-down has been recognized as an expense (2020 - $510,409, 2019 - $Nil). This is recognized in cost of revenue.

During the year ended December 31, 2021, $nil (2020 and 2019 - $nil) amortization expense was included in the cost of Inventory as a consequence of the actual low production compared with the normal capacity of the production of the applicable plant and equipment (see note 8).

7. Long-term deposit

During the year ended December 31, 2021, the Company entered into a long-term lease agreement for its Mesa assembly facility which expires on August 31, 2032. A security deposit of $1,161,000 (December 31, 2020 - $nil) was made under the lease agreement.

(Expressed in United States dollars)

8. Plant and equipment

	Furniture and equipment	Computer hardware and software	Vehicles	Leasehold Improvements	Right-of-use assets	Production tooling and molds	Total
Cost:							
December 31, 2019	$ 438,358	$ 209,170	$ 299,386	$ 396,303	$ 1,590,456	$ 6,064,826	$ 8,998,499
Additions	32,937	208,294	1,090,673	64,495	465,312	1,738,462	3,600,173
Disposals/write off	—	—	(10,907)	(28,366)	—	(299,606)	(338,879)
Lease termination and derecognition[1,2]	—	—	—	—	(425,932)	—	(425,932)
Foreign exchange translation difference	6,528	3,734	5,445	2,944	30,262	110,287	159,200
December 31, 2020	477,823	421,198	1,384,597	435,376	1,660,098	7,613,969	11,993,061
Additions	448,918	584,307	1,816,568	1,124,818	1,575,434	387,260	5,937,305
Transfer to R&D[3]	—	(1,971)	(894,316)	—	—	—	(896,287)
Foreign exchange translation difference	689	41	—	482	2,520	—	3,732
December 31, 2021	927,430	1,003,575	2,306,849	1,560,676	3,238,052	8,001,229	17,037,811
Amortization:							
December 31, 2019	238,223	100,324	256,588	182,599	512,902	—	1,290,636
Additions	67,030	96,191	41,005	112,591	414,102	903,756	1,634,675
Disposals	—	—	(7,588)	(23,119)	—	(9,847)	(40,554)
Lease termination and derecognition[1,2]	—	—	—	—	(204,590)	—	(204,590)
Foreign exchange translation difference	4,068	1,816	4,667	1,685	10,350	—	22,586
December 31, 2020	309,321	198,331	294,672	273,756	732,764	893,909	2,702,753
Additions	97,760	249,754	340,621	116,105	767,293	2,675,815	4,247,348
Transfer to R&D[3]	—	(219)	(38,022)	—	—	—	(38,241)
Foreign exchange translation difference	985	38	—	455	586	—	2,064
December 31, 2021	$ 408,066	$ 447,904	$ 597,271	$ 390,316	$ 1,500,643	$ 3,569,724	$ 6,913,924
Net book value:							
December 31, 2020	$ 168,502	$ 222,867	$ 1,089,925	$ 161,620	$ 927,334	$ 6,720,060	$ 9,290,308
December 31, 2021	$ 519,364	$ 555,671	$ 1,709,578	$ 1,170,360	$ 1,737,409	$ 4,431,505	$ 10,123,887

[1] The Company entered into a sublease agreement for its office space in Los Angeles, USA, with effect from February 1, 2020. As a result of the sublease, the Company derecognized the right-of-use asset relating to the head lease with a cost of $298,708 and accumulated amortization of $120,131.
[2] The Company terminated one of its warehouse leases on January 31, 2020. As a result of the termination, the Company derecognized the right-of-use asset of the warehouse with a cost of $127,224 and accumulated amortization of $84,459.
[3] Vehicles with cost of $894,316 and accumulated depreciation of $38,022 were transferred to R&D usage.

During the year ended December 31, 2021, amortization expense was included in the general and administrative expenses as a consequence of the actual low production compared with the normal capacity of the production.

(Expressed in United States dollars)

9. Trade payables and accrued liabilities

	December 31, 2021	December 31, 2020
Trade payables	$ 1,249,861	$ 1,001,773
Due to related parties (Note 19)	743,100	280,432
Accrued liabilities	4,817,820	2,179,134
	$ 6,810,781	$ 3,461,339

10. Lease liabilities

The Company leases buildings for its engineering center and office and warehouse spaces and kiosk locations to promote vehicle sales. These leases generally span a period of one to ten years.

During the year ended December 31, 2021, the Company entered new lease agreements for various kiosk locations to promote vehicle sales. The leases are for period of between four to 30 months.

During the year ended December 31, 2021, the Company entered into a long-term lease agreement for its engineering center and head office in Canada which expires on February 28, 2026, with the Company holding an option to renew for a further five years.

During the year ended December 31, 2021, the Company entered into a long -term lease agreement for its Mesa assembly facility which expires on August 31, 2032. The lease had not started as of December 31, 2021.

The Company terminated one of its warehouse leases on January 31, 2020 without penalty for termination and derecognized the lease liability and net right-of-use asset of $33,442 and $42,765, respectively, on the effective date of termination.

The Company incurred $1,230,716 of lease expenses for year ended December 31, 2021 (2020 - $247,262), for short-term leases and low-value leases which are not included in the measurement of lease liabilities.

The following tables reconcile the change in the lease liabilities and disclose a maturity analysis of the lease liabilities for years ended December 31, 2021 and 2020:

Balance as at December 31, 2019	$ 1,129,249
Lease addition	465,312
Lease termination	(33,442)
Accretion of lease liability	79,205
Repayment of principal and interest	(564,551)
Balance as at December 31, 2020	$ 1,075,773
Lease addition	1,575,434
Accretion of lease liability	144,975
Repayment of principal and interest	(908,911)
Balance as at December 31, 2021	$ 1,887,271

(Expressed in United States dollars)

At December 31, 2021	Future minimum lease payments	Interest	Present value of minimum lease payments
Less than one year	$ 518,355	$ 126,076	$ 392,279
Between one and five years	1,156,764	289,007	867,757
More than five years	718,555	91,320	627,235
	$ 2,393,674	$ 506,403	1,887,271
Current portion of lease liabilities			392,279
Non-current portion of lease liabilities			$ 1,494,992

11. Income tax recovery and deferred tax assets and liabilities

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	31-Dec-21	31-Dec-20	31-Dec-19
Loss before tax	$ (41,325,985)	$ (63,079,457)	$ (23,291,823)
Statutory tax rate	27 %	27 %	27 %
Expected income tax recovery at the statutory tax rate	(11,158,016)	(17,031,453)	(6,288,792)
Lower rate on foreign subsidiaries	(11,566)	48,161	13,932
Change in estimates	15,204	(115,603)	141,562
Non-deductible items	(4,611,226)	10,299,823	1,920,654
Share issue costs and other	(1,138,691)	(1,372,262)	(281,953)
Temporary differences not recognized	16,905,375	8,138,782	4,415,472
Income tax recovery	$ 850	$ (32,552)	$ (79,125)

The Company has the following deductible (taxable) temporary differences:

	31-Dec-21	31-Dec-20	31-Dec-19
Non-capital loss carry-forwards	$ 119,117,516	$ 63,213,473	$ 35,846,498
Property, plant and equipment	5,792,346	1,845,332	339,632
Share issue costs	7,970,369	6,774,934	3,757,068
SR&ED expenditures	2,941,082	2,941,082	2,430,941
ROU Assets	(1,735,767)	(927,331)	(1,077,556)
Lease libiltiy	1,885,419	1,075,773	1,129,249
Net Investment Assets	—	(38,541)	—
Stock based compensation	1,579,205	—	—
Other	(373,155)	(374,454)	(270,395)
	137,177,015	74,510,268	42,155,437
Deferred tax assets not recognized	(137,177,015)	(74,510,268)	(42,277,892)
Deferred tax liability	—	—	(122,455)
Deferred tax liability (tax effected at 27%)	$ —	$ —	$ (33,063)

12. Derivative liabilities

a) Warrants

The exercise price of certain warrants is denominated in CAD, however the functional currency of the Company is USD (see Note 3). Consequently, the value of the proceeds on exercise is not fixed and will vary based on foreign exchange rate movements. The warrants when issued other than as compensation for goods and services are therefore a derivative for accounting purposes and are required to be recognized as derivative liabilities and measured at fair value at each reporting period. Any changes in fair value from period to period are recorded as non-cash gain or loss in the consolidated statements of loss and comprehensive loss. Upon exercise, the holders will pay the Company the respective exercise price for each warrant exercised in exchange for one common share of the Company and the fair value at the date of exercise and the associated non-cash liability will be reclassified to share capital. The non-cash liability associated with any warrants that expire unexercised will be recorded as a gain in the consolidated statements of loss and comprehensive loss. There are no circumstances in which the Company would be required to pay any cash upon exercise or expiry of the warrants (see Note 13 for further information on warrants issued and outstanding).

A reconciliation of the changes in fair values of the warrants derivative liabilities for years ended December 31, 2021 and December 31, 2020 is below:

	December 31, 2021	December 31, 2020
Balance, beginning	$ 17,899,855	$ 5,456,265
Decrease of derivative liabilities for warrants priced in USD per change in functional currency (Note 3)	(17,899,855)	—
Recognize of derivative liabilities for warrants priced in CAD per change in functional currency (Note 3)	32,439,081	—
Warrants exercised	(13,327,450)	(20,491,542)
Changes in fair value of derivative liabilities	(18,920,428)	32,935,132
Balance, ending	$ 191,203	$ 17,899,855

The fair value of the non-transferrable warrants was calculated using the Black-Scholes Option Pricing Model.

b) Deferred Stock Units

DSUs are stock-based awards that may be granted by the Company to certain eligible participants pursuant to its 2020 Stock Incentive Plan. During the year ended December 31, 2021, the Company changed the settlement intention by allowing the holders of the DSUs to settle the DSUs in cash or common shares. As a result, the entire DSU balance of $152,165 was reclassified from equity to DSU liability.

During the year ended December 31, 2021, the Company issued 51,468 DSUs which will vest over one year.

At each reporting date, between the grant and settlement dates of DSUs, the fair value of the liability is re-measured with any changes in fair value recognized in net income (loss) for the period. The entire DSU balance is presented in long-term liabilities.

(Expressed in United States dollars)

The changes in DSUs during the year ended December 31, 2021 are as follows:

	Number of DSU	Amount
Balance, December 31, 2020	—	$ —
Reclassification to liability	44,623	152,165
DSUs exercised	(11,510)	(39,250)
Issuance	51,468	—
Stock-based compensation expense	—	53,579
Changes in fair value of derivative liabilities	—	(113,132)
Balance, December 31, 2021	84,581	$ 53,362

13. Share capital

Authorized share capital

Unlimited number of common shares without par value.

At December 31, 2021, the Company had 117,338,964 issued and outstanding common shares (December 31, 2020 – 89,309,563).

On December 21, 2020, the Company contracted with Stifel, Nicolaus & Company, Incorporated and Roth Capital Partners, LLC (each, an "Agent", and collectively, the "Agents") to sell common shares of the Company having an aggregate offering price of up to $100,000,000 through the Agents (the "Sales Agreement"). On February 8, 2021, the Company contracted with the Agents to sell additional common shares having an aggregate offering price of up to $100,000,000 through the Agents (the "December Sales Agreement"). On September 30, 2021, the Company contracted with the Agents to sell additional common shares having an aggregate offering price of up to $200,000,000 through the Agents (the "September Sales Agreement").

In accordance with the terms of each of the Sales Agreement, the December Sales Agreement and the September Sales Agreement, the Company may offer and sell common shares from time to time through the Agent selected by the Company (the "Designated Agent"), acting as sales agent or, with consent of the Company, as principal. The common shares may be offered and sold by any method permitted by law deemed to be an "at the market" offering (the "ATM Offering") as defined in Rule 415 promulgated under the Securities Act, including sales made directly on or through the Nasdaq Capital Market on any other existing trading market for the common shares, and, if expressly authorized by the Company, in negotiated transactions.

From January 4 to January 8, 2021, the Company issued 6,741,420 common shares for the ATM Offering under the December Sales Agreement for gross proceeds of $46,558,988. Share issue costs related to the ATM Offering were $1,258,122.

From February 9 to March 12, 2021, the Company issued 13,624,075 common shares for the ATM Offering under the February Sales Agreement for gross proceeds of $99,999,996. Share issue costs related to the ATM Offering were $2,702,209.

From November 2 to November 15, 2021, the Company issued 814,000 shares for the ATM Offering under the September Sales Agreement for gross proceeds of $3,274,545. Share issue costs related to the ATM Offering were $88,429.

During the year ended December 31, 2021, the Company issued 4,269,414 shares for warrants exercised by investors for proceeds of $24,759,643 (2020 – 5,242,389 shares for proceeds of $32,597,096).

During the year ended December 31, 2021, the Company issued 2,456,240 common shares for options exercised by investors for proceeds of $3,969,568 (2020 – 518,864 shares for proceeds of $950,971).

During the year ended December 31, 2021, the Company issued 118,497 common shares for RSUs exercised by officers and increased share capital by $397,060.

(Expressed in United States dollars)

During the year ended December 31, 2021, the Company issued 5,755 common shares for DSUs exercised by a director and increased share capital by $19,625

Basic and fully diluted loss per share

The calculation of basic and fully diluted loss per share for year ended December 31, 2021 was based on the net loss attributable to common shareholders of $41,326,835 (2020 - $63,046,905; 2019 - $23,212,698) and the weighted average number of common shares outstanding of 111,720,726 (2020-58,352,766; 2019 – 35,998,152). Fully diluted loss per share did not include the effect of 11,974,300 stock options (2020 – 13,008,364; 2019 – 12,908,315), 7,402,021 warrants (2020 – 15,070,883; 2019 – 20,603,396), 84,581 DSUs (2020 – 44,623; 2019 – nil) and 649,473 RSUs (2020 – 507,849; 2019 – nil) as the effect would be anti-dilutive.

Stock options

The Company adopted its 2020 Stock Incentive Plan on July 9, 2020, which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company certain stock-based compensation awards, including non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 30,000,000. Such stock options may be exercisable for a period of up to 10 years from the date of grant. Stock options may be exercised no later than 90 days following cessation of the optionee's position with the Company unless any exercise extension has been approved in advance by the Plan Administrator.

Stock options granted may vest based on terms and conditions set out in the stock option agreements themselves. On exercise, each stock option allows the holder to purchase common shares of the Company or to exchange common shares of the Company without cash payment and for the number of common shares calculated by a formula as set forth in the stock option agreement.

The changes in stock options during the years ended December 31, 2021 and 2020 are as follows:

	December 31, 2021		December 31, 2020	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	13,008,364	$ 2.14	12,908,315	$ 2.03
Options granted	3,217,378	3.94	1,790,000	3.47
Options exercised	(3,785,174)	1.58	(632,822)	1.83
Options forfeited/expired/cancelled	(466,268)	2.85	(1,057,129)	3.2
Options outstanding, ending	11,974,300	$ 2.73	13,008,364	$ 2.14

(Expressed in United States dollars)

Details of stock options outstanding as at December 31, 2021 were as follows:

Exercise price	Weighted average contractual life	Number of options outstanding	Number of options exercisable
$0.30 CAD	0.45	1,327,273	1,327,273
$0.80 CAD	0.95	334,091	334,091
$2.00 CAD	2.37	80,214	80,214
$1.91	4.93	2,405,000	2,068,890
$2.45	4.59	1,250,000	1,250,000
$2.53	4.61	75,000	75,000
$2.62	1.73	700,000	700,000
$3.01	8.42	1,500,000	—
$3.40	4.22	1,035,000	1,035,000
$3.41	5.56	1,115,000	683,548
$3.55	6.54	90,604	14,700
$3.56	6.87	400,989	109,949
$3.77	6.74	240,000	148,967
$4.15	9.15	800,000	436,458
$5.00	1.92	193,629	193,629
$7.23	6.03	210,000	100,636
$7.75	6.13	110,000	50,420
$9.60	3.02	107,500	107,500
		11,974,300	8,716,275

The weighted average grant date fair value of stock options granted during the year ended December 31, 2021 was $1.99 (2020- $1.58). The fair value was calculated using the Black-Scholes option pricing model using the following weighted average assumptions:

	Year ended December 31, 2021	Year ended December 31, 2020
Expected life of options	4-5 years	3-5 years
Annualized volatility	61%-62.29 %	62.29 %
Risk-free interest rate	0.34% - 1.4 %	0.29% - 0.42 %
Dividend rate	— %	— %

During the year ended December 31, 2021, the Company recognized stock-based compensation expense of $4,389,344 (2020 - $5,559,181; 2019 - $5,147,573) for stock options granted.

Warrants

On exercise, each warrant allows the holder to purchase one common share of the Company for cash or to exchange one common share of the Company on a cashless basis in accordance with the formula set in the warrant agreement.

(Expressed in United States dollars)

The changes in warrants during the years ended December 31, 2021 and 2020 are as follows:

	December 31, 2021		December 31, 2020	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning	15,070,883	$ 4.01	20,603,396	$ 3.57
Warrants exercised	(4,270,005)	3.34	(5,387,200)	2.49
Warrants expired	(3,398,857)	4.66	(145,313)	1.49
Warrants outstanding, ending	7,402,021	$ 5.23	15,070,883	$ 4.01

At December 31, 2021, all warrants outstanding were exercisable. Details of warrants outstanding as at December 31, 2021 were as follows:

Exercise Price	Weighted average contractual life	Number of warrants outstanding
Non-Transferable Warrants		
$4.00 CAD - $16.00 CAD	0.83 years	1,803,765
$2.00 USD - $24.00 USD	2.13 years	1,096,988
Transferable Warrants		
$4.25 USD	1.60 years	4,501,268
Warrants outstanding, ending	1.49 years	7,402,021

DSUs

DSUs are stock-based awards that may be granted by the Company to certain eligible participants pursuant to its 2020 Stock Incentive Plan. Each DSU will issue one common share of the Company or settle by equivalent cash to the holders of the DSUs (Note 12).

The changes in DSUs during the year ended December 31, 2021 were as follows:

	December 31, 2021	
	Number of options	Weighted average exercise price
DSUs outstanding, beginning	44,623	$ 3.41
DSUs granted	51,468	3.41
DSUs exercised	(11,510)	3.41
DSUs outstanding, ending	84,581	$ 3.41

Details of DSUs outstanding as at December 31, 2021 are as follows:

Deemed value	Weighted average contractual life	Number of DSUs outstanding	Number of DSUs exercisable
$3.41	9.27	84,581	33,113

RSUs

RSUs are stock-based awards that may be granted by the Company to certain eligible participants pursuant to its current 2020 Stock Incentive Plan which was ratified by Company shareholders on July 9, 2020. RSUs are accounted for as equity-settled share based payment transactions as the obligations under an RSU will be settled through the issuance of common shares. The Company measures the cost of equity-settled share-based transactions by reference to the fair value of the equity instruments at the date at which they are granted and is recorded in the statements of loss and comprehensive loss over the vesting period.

(Expressed in United States dollars)

The changes in RSUs during the year ended December 31, 2021 were as follows:

	December 31, 2021	
	Number of options	Weighted average exercise price
RSUs outstanding, beginning	507,849	$ 3.44
RSUs granted	450,442	3.41
RSUs exercised	(169,283)	3.44
RSUs expired	(139,535)	3.44
RSUs outstanding, ending	649,473	$ 3.42

Details of RSUs outstanding as at December 31, 2021 were as follows:

Deemed value	Weighted average contractual life	Number of RSUs outstanding	Number of RSUs exercisable
$3.42	9.37	649,473	—

During the year ended December 31, 2021, the Company recognized stock-based compensation expense of $735,539 (2020 - $548,538, 2019 - $nil) for RSUs granted during the period.

14. General and administrative expenses

	December 31, 2021	December 31, 2020	December 31, 2019
Amortization	$ 4,251,274	$ 1,603,654	$ 804,206
Consulting fees	2,803,967	648,524	683,555
Insurance	2,348,030	572,932	485,995
Investor relations	677,474	666,988	772,259
Office expenses	2,522,810	758,424	706,791
Professional fee	5,634,016	2,073,022	1,393,004
Rent	1,437,259	616,968	320,927
Salaries	7,575,030	3,488,459	1,738,829
Share-based compensation expense	3,807,773	5,349,201	4,555,476
Share-based payment expense	—	—	159,833
	$ 31,057,633	$ 15,778,172	$ 11,620,875

15. Research and development expenses

	December 31, 2021	December 31, 2020	December 31, 2019
Labor	$ 13,901,236	$ 5,471,136	$ 4,403,038
Materials	2,367,340	2,383,730	3,253,593
Government grants	—	—	(476,985)
Share-based compensation expense	821,706	811,381	254,438
	$ 17,090,282	$ 8,666,247	$ 7,434,084

(Expressed in United States dollars)

16. Sales and marketing expenses

	December 31, 2021	December 31, 2020	December 31, 2019
Consulting	$ 615,661	$ 402,146	$ 331,135
Marketing	4,405,076	900,976	403,002
Salaries and benefits	4,844,028	1,231,609	580,552
Share-based compensation expense	548,983	100,403	337,659
	$ 10,413,748	$ 2,635,134	$ 1,652,348

17. Other Income

	December 31, 2021	December 31, 2020	December 31, 2019
Paycheck Protection Program Loan[1]	$ —	$ 133,750	$ —
Industrial Research Assistance Program Funding	—	176,088	—
Canada Emergency Wage Subsidy	161,604	77,994	—
Miscellaneous income	13,764	7,540	67,410
	$ 175,368	$ 395,372	$ 67,410

[1] On May 21, 2020, the Company entered into a promissory note evidencing an unsecured loan in the amount of $133,750 made to the Company under the Paycheck Protection Program (the "Loan"). The Paycheck Protection Program (or "PPP") was established under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") and is administered by the U.S. Small Business Administration. The Loan to the Company was made through BMO Harris Bank National Association (the "Lender"). The Loan bears interest rate of 1% per year and matures in 24 months from the date of the Loan. Beginning seven months from the date of the Loan, the Company is required to make 18 monthly payments of principal and interest. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any covered payments of mortgage interest, rent and utilities. As at December 31, 2020, the Company has used all proceeds from the PPP Loan to maintain payroll and make lease and utility payments. The Company has filed a PPP loan forgiveness application with U.S. Small Business Administration and the loan was forgiven in the year ended December 31, 2021. Accordingly, the Company has accounted for the PPP Loan as a government grant in accordance with IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance.

During the year ended December 31, 2021, the Company received $nil (2020 - $176,088, 2019 – $nil) from the Industrial Research Assistance Program Funding and $161,604 (2020 - $77,994, 2019 - $nil) in Canada Emergency Wage Subsidy relief related to COVID-19. These governmental assistances received are non-repayable and were accounted for as government grants related to income in accordance with IAS 20.

18. Segmented information

The Company operates in two reportable business segments in Canada.

The two reportable business segments offer different products, require different production processes, and are based on how the financial information is produced internally for the purposes of making operating decisions. The following summary describes the operations of each of the Company's reportable business segments:

- Electric Vehicles – development and manufacture of electric vehicles for mass markets, and
- Custom built vehicles – development and manufacture of high-end custom-built vehicles.

(Expressed in United States dollars)

	Year ended December 31, 2021		Year ended December 31, 2020		Year ended December 31, 2019	
	Electric Vehicles	Custom Built Vehicles	Electric Vehicles	Custom Built Vehicles	Electric Vehicles	Custom Built Vehicles
Revenue	$ 1,174,310	$ 926,460	$ —	$ 568,521	$ —	$ 585,584
Gross profit	(2,334,898)	100,987	—	(130,934)	—	98,041
Operating expenses	(58,294,978)	(266,685)	(26,837,127)	(242,426)	(20,341,597)	(365,710)
Other items	19,136,745	332,844	(36,062,460)	193,490	(2,666,853)	(15,704)
Current income tax recovery	(850)	—	(725)	1,129	(1,600)	—
Deferred income tax recovery	—	—	—	32,148	—	80,725
Net (loss)/income	(41,493,981)	167,146	(62,900,312)	(146,593)	(23,010,050)	(202,648)
FX translation	587	—	4,213,906	—	898,473	—
Comprehensive (loss)/income	$ (41,493,394)	$ 167,146	$ (58,686,406)	$ (146,593)	$ (22,111,577)	$ (202,648)

	December 31, 2021		December 31, 2020	
	Electric Vehicles	Electric Vehicles	Electric Vehicles	Custom Built Vehicles
Inventory	$ 3,243,267	$ 337,183	$ 305,443	$ 303,651
Plant and equipment	9,891,685	232,202	9,014,777	275,531

19. Related party transactions

Related party balances

The balance due to related parties is $743,100 as at December 31, 2021 (December 31, 2020 - $280,432). These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Key management personnel compensation

	December 31, 2021	December 31, 2020	December 31, 2019
Consulting fees	$ —	$ 93,901	$ 440,980
Salary	4,083,685	1,685,957	608,692
Director fees	409,561	307,432	305,717
Stock-based compensation	3,173,512	4,689,996	4,303,871
	$ 7,666,758	$ 6,777,286	$ 5,659,260

20. Financial instruments and financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents held in bank accounts. The majority of cash is deposited in bank accounts held with major financial institutions in Canada. As most of the Company's cash is held by one financial institution there is a concentration of credit risk. This risk is managed by using major financial institutions that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its receivables. This risk is minimal as receivables consist primarily of refundable government goods and services taxes and interest receivable from major financial institutions with high credit rating.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's source of funding has been the issuance of equity securities for cash, primarily through private placements and public offerings. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at December 31, 2021 and 2020. We have excluded warrants derivative liabilities from the table because they are settled by shares (see note 12).

At December 31, 2021	Within one year	Between one and five years	More than five years
Trade payables	$ 1,249,861	$ —	$ —
Accrued liabilities	4,817,820	—	—
Due to related parties	743,100	—	—
Lease liabilities	392,279	867,757	627,235
DSU liabilities	—	53,362	—
	$ 7,203,060	$ 921,119	$ 627,235

At December 31, 2020	Within one year	Between one and five years	More than five years
Trade payables	$ 1,001,773	$ —	$ —
Accrued liabilities	2,179,134	—	—
Due to related parties	280,432	—	—
Lease liabilities	576,232	373,889	125,652
	$ 4,037,571	$ 373,889	$ 125,652

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risk as it incurs some expenditures that are denominated in CAD while its functional currency is USD. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

The following is an analysis of financial assets and liabilities that are denominated in CAD:

	December 31, 2021	December 31, 2020
Cash and cash equivalents	$ 2,867,716	$ 1,864,404
Restricted cash	81,176	80,550
Receivables	242,953	48,992
Lease liabilities	(1,429,629)	(433,157)
Trade payables and accrued liabilities	(1,321,940)	(778,164)
	$ 440,276	$ 782,625

Based on the above net exposures, as at December 31, 2021, a 10% change in the CAD to the USD exchange rate would impact the Company's net loss by $35,877 (2020 - $78,262).

(Expressed in United States dollars)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's cash balances which are earning interest income based on US deposit reference rate. A 0.1% decrease in market interest rates would increase the Company's net loss of $209,510 for the year ended December 31, 2021 (2020 - $71,000).

Classification of financial instruments

Financial assets included in the consolidated statements of financial position are as follows:

	December 31, 2021	December 31, 2020
Amortized cost:		
Cash and cash equivalents	$ 221,928,008	$ 129,450,676
Restricted cash	291,676	143,800
Receivables	129,068	159,664
	$ 222,348,752	$ 129,754,140

Financial liabilities included in the consolidated statements of financial position are as follows:

	December 31, 2021	December 31, 2020
Non-derivative financial liabilities:		
Trade payable and accrued liabilities	$ 6,810,781	$ 3,461,339
Lease liabilities	1,887,271	1,075,773
Derivative financial liabilities:		
Derivative liabilities	244,565	17,899,855
	$ 8,942,617	$ 22,436,967

Fair value

The fair value of the Company's financial assets and liabilities, other than the derivative liabilities which are measured at fair value, approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Financial liabilities measured at fair value at December 31, 2021 consisted of the derivative liabilities, which include non-transferrable warrants and DSUs. The fair value of DSUs is classified as level 1, and the fair value of the non-transferrable warrants are classified as level 2 in the fair value hierarchy.

The fair value of the derivative liabilities relating to the DSUs was measured using the quoted market price on the Nasdaq.

(Expressed in United States dollars)

The fair value of the derivative liabilities relating to the non-transferrable warrants were calculated using the Black-Scholes Option Pricing Model using the historical volatility of comparable companies as an estimate of future volatility. At December 31, 2021, if the volatility used was increased by 10%, the impact would be an increase to the derivative liabilities of $53,376 (2020 - $162,585) with a corresponding increase in loss and comprehensive loss.

21. Capital management

The Company's policy is to maintain a strong capital base to safeguard the Company's business and sustain future development of the business. The capital structure of the Company consists of equity. There were no changes in the Company's approach to capital management during the year ended December 31, 2021. The Company is not subject to any externally imposed capital requirements.

22. Commitments

(a) As at December 31, 2021, the Company has capital commitments to incur an additional $2,686,537 (December 31, 2020 - $nil) for development of its IT infrastructure and purchase equipment for Mesa facility.

(b) The Company is committed to future minimum lease payments for short-term leases and long-term leases. The leases are related to rentals of its manufacturing facility and kiosk locations. The details of lease commitments as at December 31, 2021 are as follows:

Fiscal year	Amount
2022	$ 2,745,517
2023	3,342,173
2024	3,191,539
2025	3,050,321
2026 and after	22,456,524
Total	$ 34,786,074

23. Subsequent events

Subsequent to the year end, the Company issued 1,245,455 common shares at CAD $0.30 per share for gross proceeds of CAD$373,637 (USD297,564) pursuant to the exercise of certain stock options by a director.

Subsequent to the year end, the Company issued 27,077 common shares pursuant to the settlement of 38,682 RSUs upon retirement of an executive.

On January 1, 2022, the Company renewed an existing lease agreement for a kiosk location in Arizona for $12,500 a month for period of 33 months.

On January 28, 2022, the Company entered into a lease agreement for a storage and distribution premise in California for $25,711 a month for period of five years.

Subsequent to the year end, the Company granted 161,306 stock options to employees.

24. Comparative information

Comparative figures have been reclassified to conform to changes in presentation in the current year.

ITEM 19. EXHIBITS

The following exhibits are filed as part of this Annual Report on Form 20-F:

1.1	Notice of Articles[1]
1.2	Articles[1]
2.1	Share Certificate – Common Shares[1]
2.2	Description of Registrant's Securities*
4.1	Manufacturing Agreement between Chongqing Zongshen Automobile Co., Ltd. and the Company, dated September 29, 2017[2]+
4.2	Employment Agreement, dated May 17, 2019, by and between EMV Automotive USA Inc. and Michael Paul Rivera [3]
4.3	Amendment Agreement between the Company and Michael Paul Rivera, dated for reference effective on January 1, 2020[4]
4.4	Executive Employment Services Agreement between the Company and Henry Reisner, dated for reference effective on January 1, 2020 [4]
4.5	Executive Employment Services Agreement between the Company and Bal Bhullar, dated for reference effective on January 1, 2020 [4]
4.6	Continuing Relationship Agreement between the Company and Jerry Kroll, dated for reference effective on August 16, 2019[4]
4.7	Executive Employment Agreement between the Company and Isaac Moss, dated for reference effective on July 1, 2020[7]
4.8	Further Employment Agreement Amendment between the Company and Michael Paul Rivera, dated August 12, 2020[8]
4.9	Executive Employment Services Agreement between the Company, Electrameccanica USA, Inc. and Kevin Pavlov, dated for reference April 5, 2021*
4.10	Executive Employment Services Agreement between the Company, Electrameccanica USA, Inc. and Kim Brink, dated for reference December 24, 2021*
8.1	List of Subsidiaries*
11.1	Code of Business Conduct and Ethics[6]
12.1	Section 302(a) Certification of CEO*
12.2	Section 302(a) Certification of CFO*
13.1	Section 906 Certifications of CEO and CFO*
15.1	Consent of KPMG LLP, Chartered Professional Accountants*
15.2	Audit Committee Charter[6]
15.3	Compensation Committee Charter[6]
15.4	Nominating and Corporate Governance Committee Charter[6]
15.5	Board Mandate[6]
101.INS	XBRL Instance*

101.SCH	XBRL Taxonomy Extension Schema*
101.CAL	XBRL Taxonomy Extension Calculation*
101.DEF	XBRL Taxonomy Extension Definition*
101.LAB	XBRL Taxonomy Extension Labels*
101.PRE	XBRL Taxonomy Extension Presentation*
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

Notes:

* Filed herewith.

\+ Portions of this exhibit have been omitted pursuant to a request for confidential treatment. Confidential information has been omitted from the exhibit in places marked "****"and has been filed separately with the SEC.

(1) Filed as an exhibit to our registration statement on Form F-1 as filed with the SEC on October 12, 2016 and incorporated herein by reference.

(2) Filed as an exhibit to our annual report on Form 20-F as filed with the SEC on April 19, 2018 and incorporated herein by reference.

(3) Filed as an exhibit to our Report of Foreign Private Issuer on Form 6-K as filed with the SEC on August 8, 2019 and incorporated herein by reference.

(4) Filed as an exhibit to our Report of Foreign Private Issuer on Form 6-K as filed with the SEC on February 28, 2020 and incorporated herein by reference.

(5) Filed as an exhibit to our registration statement on Form F-3 as filed with the SEC on February 2, 2019 and incorporated herein by reference.

(6) Filed as an exhibit to our Report of Foreign Private Issuer on Form 6-K as filed with the SEC on April 27, 2020 and incorporated herein by reference.

(7) Filed as an exhibit to our Report of Foreign Private Issuer on Form 6-K as filed with the SEC on July 13, 2020 and incorporated herein by reference.

(8) Filed as an exhibit to our Report of Foreign Private Issuer on Form 6-K as filed with the SEC on August 24, 2020 and incorporated herein by reference.

SIGNATURES

The registrant certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Electrameccanica Vehicles Corp.

Date: March 22, 2022.

By: */s/ Bal Bhullar*
Bal Bhullar
Chief Financial Officer

EXHIBIT 2.2

DESCRIPTION OF REGISTRANT'S SECURITIES

The following securities of our Company are registered under section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"):

- our Company's common shares are listed on the Nasdaq Capital Market ("Nasdaq"), under the symbol "SOLO"; and
- our Company's common share purchase warrants (each, a "Warrant") are listed on Nasdaq, under the symbol "SOLOW".

Jurisdiction of Incorporation

Our Company was incorporated under the Business Corporations Act on February 16, 2015.

Authorized and Issued Share Capital

Our Notice of Articles provide that our authorized capital consists of an unlimited number of common shares, without par value, and an unlimited number of preferred shares, without par value, which have special rights or restrictions.

As of December 31, 2021, we had 117,338,964 common shares and no preferred shares issued and outstanding.

As of March 22, 2022, we had 118,611,496 common shares and no preferred shares issued and outstanding.

Rights, Preferences and Restrictions Attaching to Our Shares

The Business Corporations Act provides the following rights, privileges, restrictions and conditions attaching to our common shares:

(a) to vote at meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote;

(b) subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of our Company, to share equally in the remaining property of our Company on liquidation, dissolution or winding-up of our Company; and

(c) subject to the rights of the preferred shares, the common shares are entitled to receive dividends if, as, and when declared by our Board of Directors.

Our preferred shares may include one or more series and, subject to the Business Corporations Act, the directors may, by resolution, if none of the shares of that particular series are issued, alter the Articles of the Company and authorize the alteration of the Notice of Articles of the Company, as the case may be, to do one or more of the following:

(a) determine the maximum number of shares of that series that the Company is authorized to issue, determine that there is no such maximum number, or alter any such determination;

(b) create an identifying name for the shares of that series, or alter any such identifying name; and

(c) attach special rights or restrictions to the shares of that series, or alter any such special rights or restrictions.

The provisions in our Articles attaching to our common shares and our preferred shares may be altered, amended, repealed, suspended or changed by the affirmative vote of the holders of not less than two-thirds of the outstanding common shares and two-thirds of the preferred shares, as applicable.

With the exception of special resolutions (i.e., resolutions in respect of fundamental changes to our Company, including: the sale of all or substantially all of our assets, a merger or other arrangement or an alteration to our authorized capital that is not allowed by resolution of

the directors) that require the approval of holders of two-thirds of the outstanding common shares entitled to vote at a meeting, either in person or by proxy, resolutions to approve matters brought before a meeting of our shareholders require approval by a simple majority of the votes cast by shareholders entitled to vote at a meeting, either in person or by proxy.

Shareholder Meetings

The Business Corporations Act provides that: (i) a general meetings of shareholders must be held in British Columbia, or may be held at a location outside British Columbia since our Articles do not restrict our Company from approving a location outside of British Columbia for the holding of the general meeting and the location for the meeting is approved by ordinary resolution, or the location for the meeting is approving in writing by the British Columbia Registrar of Companies before the meeting is held; (ii) directors must call an annual meeting of shareholders not later than 15 months after the last preceding annual meeting; (iii) for the purpose of determining shareholders entitled to receive notice of or vote at meetings of shareholders, the directors may fix in advance a date as the record date for that determination, provided that such date shall not precede by more than two months or by less than 21 days the date on which the meeting is to be held; (iv) the holders of not less than 5% of the issued shares entitled to vote at a meeting may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition; (v) only shareholders entitled to vote at the meeting, our directors and our auditor are entitled to be present at a meeting of shareholders; and (vi) upon the application of a director or shareholder entitled to vote at the meeting, the British Columbia Supreme Court may order a meeting to be called, held and conducted in a manner that the Court directs.

Pursuant to Article 8.20 of our Articles, a shareholder or proxy holder who is entitled to participate in a meeting of shareholders may do so in person, or by telephone or other communications medium, if all shareholders and proxy holders participating in the meeting are able to communicate with each other; provided, however, that nothing in Article 8.20 of our Articles shall obligate the Company to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders. If one or more shareholders or proxy holders participate in a meeting of shareholders in a matter contemplated by Article 8.20 of our Articles:

(a) each such shareholder or proxy holder shall be deemed to be present at the meeting; and

(b) the meeting shall be deemed to be help at the location specified in the notice of the meeting.

Pursuant to our Articles, the quorum for the transaction of business at a meeting of our shareholders is one or more persons, present in person or by proxy.

Limitations on Rights of Non-Canadians

Our Company is incorporated pursuant to the laws of the Province of British Columbia, Canada. There is no law or governmental decree or regulation in Canada that restricts the export or import of capital, or affects the remittance of dividends, interest or other payments to a non-resident holder of common shares, other than withholding tax requirements. Any such remittances to United States residents are generally subject to withholding tax, however, no such remittances are likely in the foreseeable future. For additional information, see “Item 10. Additional Information - E. Taxation - Canadian Federal Income Tax Considerations for United States Residents” in our Annual Report on Form 20-F.

There is no limitation imposed by Canadian law or by our Articles or other constituent documents of our Company on the right of a non-resident to hold or vote common shares of our Company. However, the Investment Canada Act (Canada) has rules regarding certain acquisitions of shares by non-residents, along with other requirements under that legislation. For additional information, see “Item 10. Additional Information - B. Memorandum and Articles of Association – Limitations on Rights of Non-Canadians” in our Annual Report on Form 20-F.

Warrants

As of December 31, 2021, we had 7,402,021 Warrants issued and outstanding.

As of March 22, 2022, we had 7,252,021 Warrants issued and outstanding.

Each Warrant entitles the holder to purchase one common share in the capital of the Company (each, a “Warrant Share”) at an exercise price of US$4.25 per Warrant Share (the “Exercise Price”). The Warrants were immediately exercisable upon issuance, and will expire at 5:00 pm (New York time) on August 13, 2023 (the “Expiration Date”).

The Warrants have been issued pursuant to a warrant agent agreement dated as of August 9, 2018 (the "Warrant Agreement") between our Company and VStock Transfer, LLC, as warrant agent (in such capacity, the "Warrant Agent"). Unless terminated earlier by the parties, the Warrant Agreement shall terminate 90 days after the earlier of the Expiration Date and the date on which no Warrants remain outstanding (the "Termination Date"). Any Warrants that remain unexercised on the Termination Date shall be automatically exercised by way of a cashless exercise on that date, as described below.

Our Company has filed with the Securities and Exchange Commission (the "SEC") a Registration Statement, No. 333-222814, on Form F-1 (as amended from time to time, the "Registration Statement"), for the registration under the Securities Act of 1933, as amended (the "Securities Act"), of certain securities, including the Warrants and the underlying Warrant Shares. The Registration Statement was declared effective by the SEC on August 3, 2018.

The Warrants are in registered form and are evidenced by a global Warrant certificate ("Global Certificate") in the form attached as Annex A to the Warrant Agreement. The Global Certificate has been deposited on behalf of our Company with a custodian for The Depository Trust Company ("DTC") and registered in the name of Cede & Co., a nominee of DTC. In the event that the Warrants cease to be eligible for registration in the name of Cede & Co., as DTC's nominee, or in circumstances where it is no longer necessary to have the Warrants so registered, our Company may instruct the Warrant Agent to cause DTC to deliver the Global Certificate to the Warrant Agent for cancellation, and the Company will instruct the Warrant Agent to deliver to each holder of Warrants (each, a "Holder") separate certificates evidencing Warrants, in the form attached as Annex C to the Warrant Agreement.

Our Company has agreed to cause the Warrant Shares purchased upon exercise of Warrants to be transmitted by the Company's transfer agent (the "Transfer Agent") to the Holder by:

(a) crediting the account of the Holder's or its designee's balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if our Company is then a participant in such system, and either (i) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by Holder, or (ii) the Warrant is being exercised by way of cashless exercise; and

(b) otherwise by physical delivery of a certificate registered in our Company's share register in the name of the Holder or its designee.

Such transmittal of Warrant Shares by the Transfer Agent to the Holder is to occur after the delivery to our Company of the Holder's notice of exercise of Warrants (the "Notice of Exercise") on that date (the "Warrant Share Delivery Date") that is the earlier of:

(a) two trading days thereafter; and

(b) the number of trading days comprising the Standard Settlement Period.

Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which the Warrants have been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price (other than in the case of a cashless exercise) is received no later than the Warrant Share Delivery Date.

Under the Warrant Agreement, our Company cannot effect any exercise of a Warrant, and a Holder will not have any right to exercise any portion of a Warrant, if after giving effect to the issuance of Warrant Shares after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's affiliates, and any other persons acting as a group together with the Holder or any of the Holder's affiliates would beneficially own in excess of the Beneficial Ownership Limitation. Except otherwise expressly provided for in the Warrant Agreement, beneficial ownership is to be calculated in accordance with Section 13(d) of the Exchange Act, and the rules and regulations promulgated thereunder. The "Beneficial Ownership Limitation" shall be 4.99% (or, upon election by a Holder prior to the issuance of any Warrants, 9.99%) of the number of common shares outstanding immediately after giving effect to the issuance of the common shares issuable upon exercise of the Warrant. The Holder, upon notice to our Company, may increase or decrease the Beneficial Ownership Limitation, provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of common shares outstanding immediately after giving effect to the issuance of common shares upon exercise of the Warrant held by the Holder. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company.

If, upon exercise of the Warrants, a holder would be entitled to receive a fractional interest in a share, the Company will, at its election, upon exercise, either pay a cash adjustment in respect of such fraction (in an amount equal to such fraction multiplied by the exercise price) or round the number of shares to be received by the holder up to the next whole number.

If our Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the Warrant Share Delivery Date, our Company must pay to the Holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of Warrant Shares subject to such exercise (based on the VWAP of the common shares on the date of the applicable Notice of Exercise), $10 per trading day (increasing to $20 per trading day on the fifth trading day after such liquidated damages begin to accrue) for each trading day after such Warrant Share Delivery Date, until such Warrant Shares are delivered or Holder rescinds such exercise. We have agreed to maintain a transfer agent that is a participant in the FAST program so long as this Warrant remains outstanding and exercisable.

Under the Warrant Agreement:

- "Standard Settlement Period" is defined to mean the standard settlement period, expressed in a number of trading days, on our Company's primary Trading Market with respect to our common shares as in effect on the date of delivery of the Notice of Exercise;

- "Trading Market" is defined to mean any of the following markets or exchanges on which our common share are listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange; and

- "VWAP" is defined to mean, for any date, the price determined by the first of the following clauses that applies: (a) if our common shares are then listed or quoted on a Trading Market, the daily volume weighted average price of the common shares for such date (or the nearest preceding date) on the Trading Market on which the common share are then listed or quoted as reported by Bloomberg L.P. (based on a trading day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the common share for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the common shares are not then listed or quoted for trading on OTCQB or OTCQX and if prices for the common shares are then reported in the "Pink Sheets" published by OTC Markets Group, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per common share so reported, or (d) in all other cases, the fair market value of a common share as determined by an independent appraiser selected in good faith by the holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to our Company, the fees and expenses of which shall be paid by our Company.

Under the Warrant Agreement, we must use reasonable best efforts to maintain the effectiveness of the Registration Statement and the current status of the prospectus included therein, or to file and maintain the effectiveness of another registration statement and another current prospectus covering the Warrants and the Warrant Shares, at any time that the Warrants are exercisable. We must provide to the Warrant Agent and each Holder prompt written notice of any time that we are unable to deliver the Warrant Shares via DTC transfer or otherwise without restrictive legend because:

(a) the SEC has issued a stop order with respect to the Registration Statement,

(b) the SEC otherwise has suspended or withdrawn the effectiveness of the Registration Statement, either temporarily or permanently,

(c) our Company has suspended or withdrawn the effectiveness of the Registration Statement, either temporarily or permanently,

(d) the prospectus contained in the Registration Statement is not available for the issuance of the Warrant Shares to the Holder, or

(e) otherwise;

(each a "Restrictive Legend Event").

If the Warrants cannot be exercised as a result of a Restrictive Legend Event, or if a Restrictive Legend Event occurs after a Holder has exercised Warrants but prior to the delivery of the Warrant Shares, we must, at the election of the Holder, either (i) rescind the previously submitted notice of Warrant exercise, in which case we must return all consideration paid for such Warrant Shares, or (ii) treat the attempted exercise as a cashless exercise, as described below, and refund the cash portion of the exercise price to the Holder. The Holder must make this election within five days of receipt of our notice of the Restrictive Legend Event.

If, following a Restrictive Legend Event, the Holder elects to proceed by way of a cashless exercise of the Warrants, the Holder will be entitled to receive the number of Warrant Shares equal to the quotient obtained by dividing (A-B) (X) by (A), where:

(A) = the last VWAP immediately preceding the date of exercise giving rise to the applicable "cashless exercise", as set forth in the applicable Notice of Exercise;

(B) = the Exercise Price of the Warrant; and

(X) = the number of Warrant Shares that would be issuable upon exercise of the Warrant in accordance with the terms of the Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

The Warrant Agreement also provides that any Warrants that remain unexercised on the Termination Date shall be automatically exercised by way of a cashless exercise on that date.

If the Warrant Shares are issued in such a cashless exercise, then, in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised, and we will not take any position contrary thereto.

The Warrants are also subject to customary adjustment provisions, such as for stock dividends, subdivisions and the like, and certain fundamental transactions such as those in which we directly or indirectly, in one or more related transactions effect any merger or consolidation of our Company with or into another entity, or we effect any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of our assets in one or a series of related transactions.

Exhibit 4.9

EXECUTIVE EMPLOYMENT SERVICES AGREEMENT

Among each of:

ELECTRAMECCANICA VEHICLES CORP.

And:

ELECTRAMECCANICA USA, LLC

And:

KEVIN JEROME PAVLOV

Electrameccanica Vehicles Corp.
102 East First Avenue, Vancouver, British Columbia, Canada, V5T 1A4

EXECUTIVE EMPLOYMENT SERVICES AGREEMENT

THIS EXECUTIVE EMPLOYMENT SERVICES AGREEMENT is made and dated for reference as fully executed effective on this 5th day of April, 2021.

AMONG EACH OF:

ELECTRAMECCANICA VEHICLES CORP., a company incorporated pursuant to the laws of the Province of British Columbia, Canada, and having an address for delivery and notice located at 102 East First Avenue, Vancouver, British Columbia, Canada, V5T 1A4

(the "**Parent Company**");

OF THE FIRST PART

AND:

ELECTRAMECCANICA USA, LLC., a company incorporated pursuant to the laws of the State of Arizona, U.S.A., and having an address for delivery and notice located at 4527 East Gatewood Road, Phoenix. Arizona, U.S.A., 85050

(the "**Operating Subsidiary**");

OF THE SECOND PART

(and the Parent Company and the Operating Subsidiary being hereinafter collectively referred to as the "**Companies**" as the context so requires).

AND:

KEVIN JEROME PAVLOV, businessman, having an address for notice and delivery located at 20123 Mayfield Road, Lavonia, Michigan, U.S.A., 48152

(the "**Executive**");

OF THE THIRD PART

(and each of the Companies and the Executive being hereinafter singularly also referred to as a "**Party**" and collectively referred to as the "**Parties**" as the context so requires).

WHEREAS:

A. The Parent Company is a reporting company incorporated under the laws of the Province of British Columbia, Canada;

B. The Operating Subsidiary is a non-reporting company incorporated under the laws of the State of Arizona, U.S.A., and is a wholly-owned subsidiary of the Parent Company;

C. The Executive has experience in and specializes in providing companies with valuable automotive management services and has expertise in overseeing the daily operations of automotive companies in order to provide them with valuable guidance in the execution of their business plans;

D. The Parent Company is focused on developing a manufacturing technology and business interests related to and associated with the commercialization of its innovate electric vehicles and related business interests and, as a consequence thereof, the Company is hereby desirous of formally retain the Executive as the Chief Operating Officer and an executive of the Company, and the Executive is hereby desirous of continuing in such positions, in order to provide such related Services (as hereinafter defined) to the Company;

E. The Operating Subsidiary is more particularly focused on developing, building out and completing a facility for the commercial development and production of the Parent Company's SOLO electric vehicle in the United States; and at a site located in Building 6 at the Landing – Phase III, in Mesa, Arizona (the "**Facility**"), and, as a consequence thereof, the Operating Subsidiary is hereby desirous of retaining the Executive, as part of the Services hereunder, to oversee the development of the Facility to completion and full operation;

F. In accordance with the terms and conditions of a certain and underlying independent contractor agreement, dated for reference effective as of October 1, 2020 (the "**Underlying Agreement**"), as entered into between the Executive and EMV Automotive USA Inc. ("**EMV Automotive**"), the Company's wholly-owned subsidiary, the parties thereto formalized the appointment of the Executive as a consultant of EMV Automotive together with the provision for certain related consulting services to be provided by the Executive to EMV Automotive in accordance with the terms and conditions of the Underlying Agreement;

G. Since the entering into of the Underlying Agreement, and as a consequence of the Consultant's continuing and valuable role within the Companies, the Parties have discussed the terms and conditions of the Executive's compensation under the Underlying Agreement and, in order to more accurately represent the same given the ever increasing level of services being provided to the Companies by the Executive, the Parties hereby wish to amend the Underlying Agreement in accordance with the terms and conditions of this Executive Employment Services Agreement (the "**Agreement**") to more accurately reflect the Executive's role within the Companies; and

H. The Parties have agreed to enter into this Agreement which replaces, in its entirety, the Underlying Agreement, together with all prior discussions, negotiations, understandings and agreements as between them, and, furthermore, which necessarily clarifies their respective duties and obligations with respect to the within Services to be provided hereunder, all in accordance with the terms and conditions of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants and provisos herein contained, **THE PARTIES AGREE AS FOLLOWS**:

Article 1
DEFINITIONS

Definitions

1.1 For the purposes of this Agreement, the following words and phrases shall have the following meanings:

(a) "**Affiliate**" has the meaning ascribed to it in the BCA;

(b) "**Agreement**" means this agreement, including any schedules hereto, as amended, supplemented or modified in writing from time to time;

(c) "**Arbitration Act**" means the *International Commercial Arbitration Act* (British Columbia), as amended from time to time;

(d) "**BCA**" means the *Business Corporations Act* (British Columbia), as amended from time to time;

(e) "**Benefits**" means those benefits, perquisites, allowances and entitlements as described in Section 4.2 herein and in which the Executive is participating as at the Date of Termination;

(f) "**Board of Directors**" means the Board of Directors of the Parent Company as duly constituted from time to time;

(g) "**Bonus**" has the meaning ascribed to it in Section 4.3 herein;

(h) "**Business**" means the business of developing technology and business interests related to and associated with the commercialization of its innovate electric vehicles or any other products or line of business that are actively carried on by the Companies or in the Companies' active contemplation and about which the Executive has Confidential Information or is actively involved in as at the Date of Termination;

(i) "**Change of Control**", "**Good Reason**", "**Just Cause**", "**Take-over Bid**" and "**Total Disability**" have the meanings ascribed to them in Section 5.1 herein;

(j) "**Chief Executive Officer**" means the Chief Executive Officer of the Parent Company as duly appointed from time to time by the Board of Directors;

(k) "**Companies**" means, collectively, the Parent Company and the Operating Subsidiary, or any successor companies to the Companies, as duly constituted from time to time;

(l) "**Confidential Information**" has the meaning ascribed to it in Section 6.1 herein;

(m) "**Date of Termination**" means the date of cessation of the Executive's employment with the Companies (including by way of resignation) without regard to any notice of termination, pay in lieu of notice of termination or other damages;

(n) "**Effective Date**" has the meaning ascribed to it in Section 2.1 herein;

(o) "**Exchange Act**", "**Form S-8 Registration Statement**", "**Registration Statement**" and "**Securities Act**" have the meanings ascribed to them in Section 4.10 herein;

(p) "**Executive**" means Kevin Jerome Pavlov;

(q) "**Expenses**" has the meaning ascribed to it in Section 4.8 herein;

(r) "**Facility**" has the meaning ascribed to it in the Recital E herein;

(s) "**Indemnified Parties**" and "**Indemnitee**" have the meanings ascribed to them in Sections 10.1 and 10.4 herein;

(t) "**Intellectual Property Rights**" has the meaning ascribed to it in Section 8.2 herein;

(u) "**Inventions**" has the meaning ascribed to it in Section 8.1 herein;

(v) "**LTIP**" means the Long Term Incentive Plan applicable to the Parent Company's executives as may be established and amended by the Board of Directors from time to time;

(w) "**Monthly Salary**" means the Monthly Salary of the Executive as set out in Section 4.1 herein;

(x) "**Operating Subsidiary**" means Electrameccanica USA, LLC, or any successor company to the Operating Subsidiary, as duly constituted from time to time;

(y) "**Option**", "**Option Plan**" and "**Option Share**" have the meanings ascribed to them in Section 4.9 herein;

(z) "**Parent Company**" means Electrameccanica Vehicles Corp., or any successor company to the Parent Company, as duly constituted from time to time;

(aa) "**Parent Company's Non-Renewal Notice**" has the meaning ascribed to it in Section 2.2 herein;

(bb) "**Person**" has the meaning ascribed to it in the *Interpretation Act* (British Columbia) and which, for the purposes of this Agreement, shall include the Company;

(cc) "**RRSP**" has the meaning ascribed to it in Section 4.4 herein;

(dd) "**Services**" has the meaning ascribed to it in Section 3.2 herein;

(ee) "**STIP**" means the Short Term Incentive Plan applicable to the Parent Company's executives as may be established and amended by the Board of Directors from time to time;

(ff) "**Subsidiary**" has the meaning ascribed to it in the BCA;

(gg) "**Term**" has the meaning ascribed to it in Section 2.1 herein;

(hh) "**Termination Amount**" has the meaning ascribed to it from time to time in Article 5 herein;

(ii) "**Termination Option Exercise Period**" has the meaning ascribed to it in Section 5.4 herein;

(jj) "**Territory**" has the meaning ascribed to it in Section 7.1 herein;

(kk) "**Underlying Agreement**" has the meaning ascribed to it in the Recital F herein; and

(ll) "**Vacation**" has the meaning ascribed to it in Section 4.7 herein.

Article 2
TERM AND RENEWAL

Term

2.1 The initial term of this Agreement (the "**Term**") is for a period of two years commencing on May 1, 2021 (the "**Effective Date**"), unless this Agreement is terminated earlier as hereinafter provided.

Renewal

2.2 Subject at all times to the provisions of Article 7 hereof, this Agreement shall renew automatically if not specifically terminated in accordance with the following provisions. The Parent Company agrees to notify the Executive in writing at least 90 calendar days prior to the end of the Term of its intent not to renew this Agreement (the "**Parent Company's Non-Renewal Notice**"). Should the Parent Company fail to provide a Parent Company's Non-Renewal Notice this Agreement shall automatically renew on a three-month to three-month term renewal basis after the Term until otherwise specifically renewed in writing by each of the Parties for the next three-month term of renewal or, otherwise, terminated upon delivery by the Parent Company of a corresponding and follow-up 90 calendar day Parent Company's Non-Renewal Notice in connection with and within 90 calendar days prior to the end of any such three-month term renewal period. Any such renewal on a three-month basis shall be on the same terms and conditions contained herein unless modified and agreed to in writing by the Parties in advance.

Article 3
POSITION, SERVICES AND DUTIES

Condition of Employment

3.2 The Executive's employment with the Companies is conditional upon satisfactory reference and background checks, in the Parent Company's sole discretion, and final approval of the Board of Directors. This Agreement is also conditional up on the Executive providing proof satisfactory to the Parent Company that the Executive is legally able to work in the United States and to travel to Canada and China. The Executive also represents and warrants that the Executive

is not aware of any fact or matter that would prevent the Executive from being legally able to travel to Canada or China.

Position and Services

3.2 Subject as otherwise herein provided, during the Term and during the continuance of this Agreement the Parent Company hereby agrees to retain the Executive as the Chief Operating Officer and an executive of the Parent Company, and the Operating Subsidiary hereby agrees to retain the Executive as an executive of the Operating Subsidiary, and the Executive hereby agrees to accept such positions and be subject to the direction and supervision of, and to have the authority as is delegated to the Executive by, the Board of Directors consistent with such positions, and the Executive also agrees to accept such positions in order to provide such services as the Board of Directors shall, from time to time, reasonably assign to the Executive and as may be necessary for the ongoing maintenance and development of the Companies' various Business interests during the Term and during the continuance of this Agreement (collectively, the "**Services**"); it being acknowledged and agreed by each of the Parties that the Executive shall commit and provide to the Companies the Services on a reasonably sufficient and full-time basis during the Term and during the continuance of this Agreement for which the Companies, as more particularly set forth herein, hereby agree to pay and provide to the order and direction of the Executive each of the proposed compensation amounts as set forth in Article 3 herein.

Place of Employment

3.3 The Executive shall perform the Services and duties at home or at such other locations as are necessary and/or agreed to by the Parties for the performance of the Services and the duties. The Executive acknowledges that national and international travel will be required. The Executive further agrees that it will not be a breach of this Agreement for the place of employment to be changed.

Authority

3.4 In this regard it is hereby acknowledged and agreed that the Executive shall be entitled to communicate with and shall rely upon the immediate advice, direction and instructions of the Chief Executive Officer of the Parent Company, or upon the advice or instructions of such other director or officer of the Parent Company as the Chief Executive Officer shall, from time to time, designate in times of the Chief Executive Officer's absence, in order to initiate, coordinate and implement the Services as contemplated herein subject, at all times, to the final direction and supervision of the Board of Directors.

Executive Covenant

3.5 Without in any manner limiting the generality of the Services to be provided as set forth in Section 3.1 hereinabove, the Executive shall devote the whole of the Executive's working time and effort to the Executive's Services, duties and obligations hereunder and shall use the Executive's best efforts to promote the interests of the Companies and their respective Subsidiaries and Affiliates; provided, however, that the Executive may serve as an independent director for other entities, subject to the prior written approval of the Board of Directors and such service not placing the Executive into any conflict of interest in respect of the Executive's duties hereunder and to the Companies. Should the Parent Company determine, with the Executive's prior consent, that the Executive shall be appointed as a director of the Parent Company, the Operating Subsidiary and/or any of their respective Subsidiaries, and with or without extra fees or compensation, the Parent Company will provide the Executive with directors' and officers' liability insurance coverage (in terms satisfactory to the Parent Company in its sole discretion and pursuant to applicable plans and policies) for each such appointment.

Concerns

3.6 Recognizing the Companies' commitment to achieving the highest standards of openness and accountability, the Executive shall raise, in a prompt manner, any good faith concerns the Executive has regarding the conduct of the Companies' Business or compliance with the Companies' financial, legal or reporting obligations. Such good faith concerns should be brought first to the attention of the Chief Executive Officer and subsequently to the Board of Directors.

Reporting

3.7 The Executive will report to the person holding the office of Chief Executive Officer. The Executive will report fully on the management, operations and business affairs of the Companies and advise, to the best of the Executive's ability and in accordance with reasonable business standards, on business matters that may arise from time to time.

Additional Duties and Obligations of Employment

3.8 Rules and Policies. The Executive hereby acknowledges and agrees to abide by the reasonable rules, regulations, instructions, personnel practices and policies of the Companies and any changes therein which may be adopted from time to time by the same as such rules, regulations, instructions, personnel practices and policies may be reasonably applied to the Executive as an executive of the Companies.

3.9 Effort. The Executive will also:

(a) devote reasonable efforts and attention to the Business and affairs of the Companies;

(b) perform the Services in a competent and efficient manner and in a manner consistent with the Executive's obligations to the Companies and in compliance with all the Companies' policies, and will carry out all lawful instructions and directions from time to time given to the Executive; and

(c) promote the interests and goodwill of the Companies.

3.10 Reports. The Executive acknowledges and agrees that all written and oral opinions, reports, advice and materials provided by the Executive to the Companies in connection with the Executive's employment and the Services hereunder are intended solely for the Companies' benefit and for the Companies' uses only, and that any such written and oral opinions, reports, advice and information are the exclusive property of the Companies. In this regard the Executive covenants and agrees that the Companies may utilize any such opinion, report, advice and materials for any other purpose whatsoever and, furthermore, may reproduce, disseminate, quote from and refer to, in whole or in part, at any time and in any manner, any such opinion, report, advice and materials in the Companies' sole and absolute discretion. The Executive further covenants and agrees that no public references to the Executive or disclosure of the Executive's role in respect of the Companies may be made by the Executive without the prior written consent of the Chief Executive Officer in each specific instance.

3.11 Business Conduct. The Executive warrants that the Executive shall conduct the business and other activities in a manner which is lawful and reputable and which brings good repute to the Companies, the Companies' Business interests and the Executive. In particular, and in this regard, the Executive specifically warrants to provide the Services in a sound and

professional manner such that the same meet superior standards of performance quality within the standards of the industry or as set by the specifications of the Companies. In the event that the Board of Directors has a reasonable concern that the business as conducted by the Executive is being conducted in a way contrary to law or is reasonably likely to bring disrepute to the Business interests or to the Companies' or the Executive's reputation, the Parent Company may require that the Executive make such alterations in the Executive's business conduct or structure, whether of management or board representation or employee or sub-licensee representation, as the Board of Directors may reasonably require in its sole and absolute discretion.

3.12 Compliance with Laws. The Executive will comply with all Canadian and foreign laws, whether federal, provincial or state, applicable to the Executive's respective duties and obligations hereunder and, in addition, hereby represents and warrants that any information which the Executive may provide to any person or company hereunder will, to the best of the Executive's knowledge, information and belief, be accurate and complete in all material respects and not misleading, and will not omit to state any fact or information which would be material to such person or company.

Article 4
COMPENSATION AND BENEFITS

Monthly Salary

4.1 It is hereby acknowledged and agreed that the Executive shall render the Services as defined hereinabove during the Term and during the continuance of this Agreement and shall thus be compensated from the Effective Date of this Agreement to the termination of the same by way of the payment by the Operating Subsidiary to the Executive of the gross Monthly Salary of US$26,000.00 (the "**Monthly Salary**"). All such Monthly Salary payments shall be paid in such instalments and at such times and in the same manner as the Operating Subsidiary pays its other senior executives generally, but not less than monthly.

Increase in Monthly Salary

4.2 The Parent Company will review the Monthly Salary payable to the Executive from time to time during the Term and during the continuance of this Agreement and may, in its sole and absolute discretion, increase the Monthly Salary depending on the Executive's performance of the Services and having regard to the financial circumstances of the Companies.

Bonus

4.3 It is hereby also acknowledged that the Board of Directors shall, in good faith, consider the payment of reasonable industry standard annual bonuses (each being a "**Bonus**") based upon the performance of the Companies and upon the achievement by the Executive and/or the Company of reasonable management objectives to be reasonably established by the Board of Directors (after reviewing proposals with respect thereto defined by the Executive and delivered to the Board of Directors by the Executive at least 30 calendar days before the beginning of the relevant year of the Parent Company (or within 90 calendar days following the commencement of the Parent Company's first calendar year commencing on the Effective Date). These management objectives shall consist of both financial and subjective goals and shall be specified in writing by the Board of Directors, and a copy shall be given to the Executive prior to the commencement of the applicable year. The payment of any such Bonus shall be payable, in the sole and absolute discretion of the Parent Company, in either cash and/or common shares or other stock-based compensation of the Parent Company, no later than within 120 calendar days of the ensuing year after any calendar year commencing on the Effective Date.

Benefits

4.4 The Executive shall be eligible for participation in the following benefits, perquisites and allowances (each, a "**Benefit**"):

(a) Group Benefits. Subject to the terms and conditions of applicable plans and policies, the Executive shall be eligible to participate in all group insured benefit plans and policies provided by either of the Companies to similarly situated executives of the Companies (including dental, health and life insurance), as such plans and policies may be amended from time to time, without notice. The Executive is responsible for the payment of any long term disability benefit premiums. Payments are automatically deducted monthly and are based on annual income. The Companies' sole obligation will be to pay relevant employer portions of premiums;

(b) Smartphone. The Operating Subsidiary shall provide the Executive with a smartphone to be used for Business purposes and shall pay for and/or reimburse the Executive for all expenses and costs associated with maintaining the same; and

(c) RRSP Contribution. In the event that either of the Companies establishes an RRSP or equivalent pension contribution plan, the Executive shall have the right to participate in such a plan.

STIPs

4.5 The Executive shall be eligible to participate in any STIP introduced by the Parent Company from time to time. The Executive's target bonus under the STIP shall be as determined by the Board of Directors and the Executive's goals under the STIP shall be approved and assessed in the absolute discretion of the Board of Directors on an annual basis. Any STIP awards will be pro-rated based on the total months worked in the calendar year. The Executive will not be entitled to any payment on account of the STIP, pro-rata or otherwise, for any period beyond the Date of Termination.

LTIPs

4.6 The Executive shall be eligible to participate in any LTIP introduced by the Parent Company from time to time. The terms of such participation and any awards or payments made under the LTIP shall be determined by the Board of Directors from time to time in its sole discretion. The Executive will not be entitled to any payment on account of the LTIP, pro-rata or otherwise, for any period beyond the Date of Termination.

Vacation

4.7 The Executive shall be entitled to five weeks' paid vacation per calendar year, such vacation to extend for such periods and to be taken at such intervals as shall be appropriate and consistent with the proper performance of the Executive's duties and as agreed upon between the Executive and the Parent Company (the "**Vacation**"). Notwithstanding the foregoing, in no event shall the Executive utilize in excess of ten consecutive business days of vacation time without notification to and approval from the Chief Executive Officer acting reasonably. To the extent permitted by applicable law, accumulated vacation time or pay may not be carried forward except with the prior approval of the Board of Directors.

Reimbursement of Expenses

4.8 Upon presentation of proper receipts or other proof of expenditure and subject to such reasonable guidelines or limitations provided by the Operating Subsidiary from time to time, the Operating Subsidiary shall reimburse the Executive for all reasonable and necessary business and travel expenses actually incurred by the Executive directly in connection with the Business affairs of the Companies and the performance of the Executive's duties hereunder (collectively, the "**Expenses**"). The Executive shall comply with such reasonable limitations and reporting requirements with respect to such Expenses, including provision of receipts and related documentation, as the Chief Executive Officer may establish from time to time.

Stock Options

4.9 Option grants. Subject to the following and the provisions of Section 4.10 herein, it is hereby acknowledged and agreed that, on or about the Effective Date hereof, the Executive will be granted, in accordance with the terms and conditions of the Parent Company's existing share option plan (the "**Option Plan**"), a further initial incentive stock option (the "**Option**") to purchase up an aggregate of 750,000 common shares of the Parent Company (each, an "**Option Share**"), and vesting as to initial one-third of the Option Shares on the Effective Date with the balance of two-thirds of the Option Shares vesting monthly and at the end of each month during the Term, at an exercise price equal to the closing price of the Parent Company's shares on the Nasdaq Capital Market on the date of the Option grant and for an exercise period ending seven years from the date of grant.

In this regard it is hereby acknowledged that the Option granted to the Executive herein was negotiated as between the Parties in the context of the stage of development of the Companies existing prior to the Effective Date of this Agreement. Correspondingly, it is hereby acknowledged and agreed that any further Options granted by the Parent Company to the Executive shall be reviewed and renegotiated at the request of either Party on a reasonably consistent basis during the Term and during the continuance of this Agreement and, in the event that the Parties cannot agree, then the number of Options shall be increased on an annual basis by the percentage which is the average percentage of all increases to Parent Company management Options within the Parent Company during the previous 12-month period; and in each case on similar and reasonable exercise terms and conditions. Any dispute respecting either the effectiveness or magnitude of the final number and terms hereunder shall be determined by arbitration in accordance with Article 11 herein.

4.10 Option registration and compliance. In this regard, and subject also to the following, it is hereby acknowledged and agreed that the exercise of any such Options shall be subject, at all times, to such vesting and resale provisions as may then be contained in the Option Plan and as may be finally determined by the Board of Directors, acting reasonably. In this regard, and in accordance with the terms and conditions of each final form of Parent Company Option agreement, as the same may exist from time to time, the Parties hereby also acknowledge and agree that:

(a) *Registration of Option Shares under the Options*: the Parent Company will use reasonable commercial efforts to file with the United States Securities and Exchange Commission (the "**SEC**") a registration statement on Form S-8 (the "**Form S-8 Registration Statement**") within one year after the Effective Date hereof covering the issuance of all Option Shares of the Parent Company underlying the then issued Options, and such Form S-8 Registration Statement shall comply with all requirements of the United States *Securities Act of 1933*, as amended (the "**Securities Act**"). In this regard the Parent Company shall use its best efforts to ensure that the Form S-8 Registration Statement remains effective as

long as such Options are outstanding, and the Executive fully understands and acknowledges that any such Option Shares will be issued in reliance upon the exemption afforded under the Form S-8 Registration Statement which is available only if the Executive acquires such Option Shares for investment and not with a view to distribution. The Executive is familiar with the phrase "acquired for investment and not with a view to distribution" as it relates to the Securities Act and the special meaning given to such term in various releases of the SEC;

(b) *Section 16 compliance*: the Parent Company shall ensure that all grants of Options are made to ensure compliance with all applicable provisions of the exemption afforded under Rule 16b-3 promulgated under the *Securities and Exchange Act of 1934*, as amended (the "**Exchange Act**"). Without limiting the foregoing, the Parent Company shall have an independent committee of the Board of Directors approve each grant of Options to the Executive and, if required, by the applicable regulatory authorities and the shareholders of the Parent Company. If and when required, the Parent Company shall file, on behalf of the Executive, all reports required to filed with the SEC pursuant to the requirements of Section 16(a) under the Exchange Act and applicable rules and regulations;

(c) *Disposition of any Option Shares*: the Executive acknowledges and understands that, without in anyway limiting the acknowledgements and understandings as set forth hereinabove, the Executive agrees that the Executive shall in no event make any disposition of all or any portion of the Option Shares which the Executive may acquire hereunder unless and until:

(i) there is then in effect a "**Registration Statement**" under the Securities Act covering such proposed disposition and such disposition is made in accordance with said Registration Statement; or

(ii) (A) the Executive shall have notified the Parent Company of the proposed disposition and shall have furnished the Parent Company with a detailed statement of the circumstances surrounding the proposed disposition; (B) the Executive shall have furnished the Parent Company with an opinion of the Executive's own counsel to the effect that such disposition will not require registration of any such Option Shares under the Securities Act; and (C) such opinion of the Executive's counsel shall have been concurred in by counsel for the Parent Company and the Parent Company shall have advised the Executive of such concurrence; and

(d) *Payment for any Option Shares*: it is hereby further acknowledged and agreed that, during the Term and any continuance of this Agreement, the Executive shall be entitled to exercise any Option granted and pay for the same by way of the prior agreement of the Executive, in the Executive's sole and absolute discretion, and with the prior knowledge of the Parent Company, to settle any indebtedness which may be due and owing by the Companies under this Agreement in payment for the exercise price of any Option Shares acquired thereunder.

No other Benefits

4.11 The Executive is not entitled to any other payment, benefit, perquisite, allowance or entitlement other than as specifically set out in this Agreement or as otherwise approved by the Chief Executive Officer and agreed to in writing and signed by either of the Companies and the Executive.

Payment of compensation and status as a taxable employee

4.12 It is hereby also acknowledged and agreed that, unless otherwise agreed to in advance and in writing by the Parties, the Executive will be classified as a taxable employee of the Companies for all purposes, such that all compensation which is provided by the Companies to the Executive under this Agreement, or otherwise, will be calculated on a net basis and otherwise for which statutory taxes will first be deducted by the Company.

Article 5
TERMINATION

Definitions

5.1 For the purposes of this Article 5, the following terms have the following meanings:

(a) "**Change of Control**" means any of:

(i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than the Parent Company or any Affiliate or Subsidiary) thereafter acquires the direct or indirect "beneficial ownership" (as defined in the BCA) of, or acquires the right to exercise control or direction over, securities of the Parent Company representing 50% or more of the then issued and outstanding voting securities of the Parent Company in any manner whatsoever, including, without limitation, as a result of a Take-Over Bid, an issuance or exchange of securities, an amalgamation of the Parent Company with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;

(ii) the sale, assignment or other transfer of all or substantially all of the assets of the Parent Company to a person or any group of two or more persons acting jointly or in concert (other than a wholly-owned Subsidiary of the Parent Company);

(iii) the occurrence of a transaction requiring approval of the Parent Company's security holders whereby the Parent Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or more persons acting jointly or in concert (other than an exchange of securities with a wholly-owned Subsidiary of the Parent Company); or

(iv) the Board of Directors passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;

(b) "**Good Reason**" means:

(i) without the express written consent of the Executive, the assignment to the Executive of any duties materially inconsistent with the Executive's position, duties and responsibilities with the Companies immediately prior to such assignment or any removal of the Executive from, or any failure to re-elect the Executive to, material positions, duties and responsibilities with the Companies;

(ii) a material reduction in total compensation, including Monthly Salary, incentive compensation, including Options, Benefits (including pension, life insurance, health and accident benefits) and perquisites the Executive was receiving immediately prior to insolvency or a Change of Control; or

(iii) any reason which would be considered to amount to constructive dismissal by a court of competent jurisdiction;

(c) "**Just Cause**" means any act, omission, behaviour, conduct or circumstance of the Executive that constitutes just cause for dismissal of the Executive at common law;

(d) **Take-Over Bid**" means a take-over bid as defined in National Instrument 62-104 – *Take-Over Bids and Issuer Bids*; and

(e) "**Total Disability**" means any physical or mental incapacity, disease or affliction of the Executive (as determined by a legally qualified medical practitioner or by a court in accordance with the Parent Company's group benefit plan) which has prevented or which will prevent the Executive from performing the essential duties of the Executive's position (taking into account reasonable accommodation by the Parent Company) for a continuous period of six months or any cumulative period of 180 days in any 12 consecutive month period.

Termination

5.2 Notwithstanding any other provision in this Agreement, the Executive's employment may be terminated at any time as follows:

(a) Death. This Agreement and the Executive's employment shall automatically terminate upon the death of the Executive. In such event, the Companies shall provide, and the Executive shall be entitled to receive, the payments and entitlements as set out in Section 5.4 herein;

(b) Total Disability. The Parent Company may terminate this Agreement and the Executive's employment at any time as a result of Total Disability upon providing 30 calendar days' written notice to the Executive. In such event, the Companies shall provide, and the Executive shall be entitled to receive, the payments, benefits and entitlements as set out in Section 5.5 herein;

(c) Just Cause. The Parent Company may terminate this Agreement and the Executive's employment at any time forthwith for any Just Cause;

(d) Non-Renewal. This Agreement and the Executive's employment shall terminate upon the delivery of a Parent Company's Non-Renewal Notice after the Term in accordance with Section 2.2 herein. In such event, the Companies shall provide, and the Executive shall be entitled to receive, the payments, benefits and entitlements as set out in Section 5.6 herein;

(e) Without Just Cause. The Parent Company may terminate this Agreement and the Executive's employment at any time without Just Cause and for any reason or no reason whatsoever by providing written notice to the Executive specifying the effective Date of Termination (such date being not less than one month after the date of the Parent Company's written notice) (which may be forthwith). In such

event, the Companies shall provide, and the Executive shall be entitled to receive, the payments, benefits and entitlements as set out in Section 5.7 herein;

(f) Resignation. The Executive may terminate this Agreement and the Executive's employment at any time by providing written notice to the Board of Directors specifying the Date of Termination (such date being not less than three months after the date of the Executive's written notice). The Parent Company may elect to deem any date prior to the date specified in the notice as the Date of Termination. For greater certainty, the Executive shall not be entitled to any further payments whatsoever beyond the date specified by the Parent Company.

(g) Change of Control. The Executive may terminate this Agreement and the Executive's employment at any time in connection with any Change of Control of the Parent Company by providing not less than 90 calendar days' notice in writing of said Date of Termination to the Parent Company after the Change of Control has been effected; provided, however, that the Parent Company may waive or abridge any notice period specified in such notice in its sole and absolute discretion; and provided, further, that the Parent Company will be entitled to carefully review and object to any said Change of Control designation by the Executive within 30 calendar days of said notice; the final determination of which, upon dispute, if any, to be determined by arbitration in accordance with Article 11 herein.

Termination for Just Cause or Resignation

5.3 If this Agreement and the Executive's employment is terminated pursuant to subsections 5.2(c) or 5.2(f) herein, then the Companies shall pay to the Executive an amount equal to the Monthly Salary and Vacation pay earned by and payable to the Executive up to the Date of Termination, and the Executive shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, continuation of benefits or any damages whatsoever. Participation in all bonus plans (specifically including any Bonus) or other equity or profit participation plans terminates immediately upon the Date of Termination and the Executive shall not be entitled to any additional bonus or incentive award, *pro rata* or otherwise, except as may have been owing to the Executive for the Parent Company's completed fiscal year immediately preceding the Date of Termination.

Termination by Reason of Death

5.4 If this Agreement and the Executive's employment is terminated pursuant to subsection 5.2(a) herein, then the Companies shall pay to and provide the Executive's estate and, if applicable, the Executive's immediate family members, with the following:

(a) the Companies shall pay an amount equal to the Monthly Salary and Vacation pay earned by and payable to the Executive up to the Date of Termination; and the Executive shall then have no entitlement to any further notice of termination, payment in lieu of notice of termination, continuation of benefits or any damages whatsoever save and except any entitlements to statutory termination, continuation of benefits and termination pay that may be required in such circumstances;

(b) the Companies shall pay the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on the achievement of the objectives to such date, such payment(s) being made immediately if the amount can be readily determined but, in any event, no later than 30 calendar days following the Board of Directors' approval of the audited financial

statements for the fiscal year in which the Date of Termination occurs; and the Executive shall then have no right to further participation in all Company bonus plans or other equity or profit participation plans which terminate immediately upon the Date of Termination; and

(c) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive's estate to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during 12 months from the Date of Termination (the "**Termination Option Exercise Period**").

Termination by Reason of Total Disability

5.5 If this Agreement and the Executive's employment is terminated pursuant to subsection 5.2(b) herein, then the Companies shall pay to and provide the Executive with the following:

(a) the Companies shall pay an amount equal to the Monthly Salary and Vacation pay earned by and payable to the Executive up to the Date of Termination; and the Executive shall then have no entitlement to any further notice of termination, payment in lieu of notice of termination, continuation of benefits or any damages whatsoever save and except any entitlements to statutory termination, continuation of benefits and termination pay that may be required in such circumstances;

(b) the Companies shall pay the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on the achievement of the objectives to such date, such payment(s) being made immediately if the amount can be readily determined but, in any event, no later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs; and the Executive shall then have no right to further participation in all Company bonus plans or other equity or profit participation plans which terminate immediately upon the Date of Termination;

(c) subject to provisions of any of the Companies' plans and arrangements under which Benefits are being provided to the Executive hereunder, continue each of the Executive's Benefits in full force and effect for a period of 12 months from the Date of Termination; and

(d) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during the Termination Option Exercise Period.

Termination by for Non-Renewal

5.6 If this Agreement and the Executive's employment is terminated by the Parent Company in accordance with a Parent Company's Non-Renewal Notice pursuant to subsection 5.1(d) herein, then the following provisions shall apply:

(a) the Companies shall pay to the Executive an amount equal to the Monthly Salary and Vacation pay earned by the Executive and payable to the Executive up to the

Date of Termination, together with any other Vacation pay required to comply with applicable employment standards legislation;

(b) the Companies shall pay to the Executive the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on achievement of the objectives to such date, such payment(s) being made not later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs;

(c) the Companies shall pay to the Executive, as termination pay, an amount equal to four months' Monthly Salary for each completed full year of employment with the Company commencing from the Original Commencement Date up to a total maximum of 24 months' Monthly Salary based on the Executive's Monthly Salary as at the Date of Termination (collectively, the "**Termination Amount**" herein). Unless otherwise agreed to in writing between the Parties, the foregoing Termination Amount shall be paid within 30 calendar days of the Date of Termination;

(d) subject to provisions of any of the Companies' plans and arrangements under which Benefits are being provided to the Executive hereunder, continue each of the Executive's Benefits to remain in full force and effect for a period of 12 months from the Date of Termination;

(e) the Companies shall pay the Executive an amount equal to the greater of (i) the average of the STIP paid to the Executive for the previous two years and (ii) 80% of the Executive's target annual STIP for the current fiscal year of the Company if the Executive has been employed by the Company for less than two years as at the Date of Termination; and

(f) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during the Termination Option Exercise Period.

Termination Without Just Cause

5.7 If this Agreement and the Executive's employment is terminated by the Parent Company without Just Cause pursuant to subsection 5.1(e) herein, then the following provisions shall apply:

(a) the Companies shall pay to the Executive an amount equal to the Monthly Salary and Vacation pay earned by the Executive and payable to the Executive up to the Date of Termination, together with any other Vacation pay required to comply with applicable employment standards legislation;

(b) the Companies shall pay to the Executive the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on achievement of the objectives to such date, such payment(s) being made not later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs;

(c) the Companies shall pay to the Executive, as termination pay, an amount equal to 24 months' Monthly Salary plus an additional one month's Monthly Salary for each completed full year of employment with the Company commencing from the Effective Date up to a total maximum of 30 months' Monthly Salary based on the Executive's Monthly Salary as at the Date of Termination (collectively, the "**Termination Amount**" herein). Unless otherwise agreed to in writing between the Parties, the foregoing Termination Amount shall be paid within 30 calendar days of the Date of Termination;

(d) subject to provisions of any of the Companies' plans and arrangements under which Benefits are being provided to the Executive hereunder, continue each of the Executive's Benefits to remain in full force and effect for a period of 12 months from the Date of Termination;

(e) the Companies shall pay the Executive an amount equal to the greater of (i) the average of the STIP paid to the Executive for the previous two years and (ii) 80% of the Executive's target annual STIP for the current fiscal year of the Company if the Executive has been employed by the Company for less than two years as at the Date of Termination; and

(f) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during the Termination Option Exercise Period.

Termination for any Change of Control

5.8 Termination by the Executive. If this Agreement and the Executive's employment is terminated pursuant to subsection 5.2(g) herein, then the Companies shall pay to and provide the Executive with the following:

(a) the Companies shall pay to the Executive an amount equal to the Monthly Salary and Vacation pay earned by the Executive and payable to the Executive up to the Date of Termination, together with any other Vacation pay required to comply with applicable employment standards legislation;

(b) the Companies shall pay to the Executive the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on achievement of the objectives to such date, such payment(s) being made not later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs;

(c) the Companies shall pay to the Executive, as termination pay, an amount equal to 24 months' Monthly Salary plus an additional one month's Monthly Salary for each completed full year of employment with the Company commencing from the Effective Date up to a total maximum of 30 months' Monthly Salary based on the Executive's Monthly Salary as at the Date of Termination (collectively, the "**Termination Amount**" herein). Unless otherwise agreed to in writing between the Parties, the foregoing Termination Amount shall be paid within 30 calendar days of the Date of Termination;

(d) subject to provisions of any of the Companies' plans and arrangements under which Benefits are being provided to the Executive hereunder, continue each of the Executive's Benefits to remain in full force and effect for a period of 12 months from the Date of Termination;

(e) the Companies shall pay the Executive an amount equal to the greater of (i) the average of the STIP paid to the Executive for the previous two years and (ii) 80% of the Executive's target annual STIP for the current fiscal year of the Company if the Executive has been employed by the Company for less than two years as at the Date of Termination; and

(f) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during the Termination Option Exercise Period.

5.9 Termination by the Parent Company. If at any time within 12 months following a Change of Control (i) the Executive is given notice that the Executive's employment is terminated by the Parent Company other than for Just Cause or (ii) the Executive's employment is terminated by the Executive for Good Reason and the Executive gives notice to the Parent Company to that effect and after 30 calendar days the Parent Company does not cure the act or omission which constitutes Good Reason, then the Companies shall pay to and provide the Executive the entitlements set forth in Section 5.8 herein.

Executive to Provide Release

5.10 The Executive acknowledges and agrees that the payments pursuant to this Article 5 shall be in full satisfaction of all terms of termination of the Executive's employment, including termination pay, benefits continuation and pay pursuant to the Underlying Agreement, the minimum provisions of which are deemed incorporated into this Agreement and which shall prevail to the extent greater. Except as otherwise provided in this Article 5, the Executive shall not be entitled to any further notice of termination, payment in lieu of notice of termination, benefits continuation, damages or any additional compensation whatsoever. As a condition precedent to any payments or benefits pursuant to Sections 5.4, 5.5, 5.6, 5.7 and 5.8 herein, the Executive shall deliver a full and final release from all actions or claims, known and unknown, in connection with the Executive's employment with the Companies or the termination thereof in favour of the Companies, their Subsidiaries, their Affiliates and all of their respective officers, directors, trustees, shareholders, employees, attorneys, insurers and agents, such release to be in a form satisfactory to the Parent Company. No payments or benefits under Sections 5.4, 5.5, 5.6, 5.7, 5.8 and 5.9 herein shall be made until such release has been signed and returned by the Executive.

Executive to Provide Resignation

5.12 The Executive covenants and agrees that, upon any termination of this Agreement and of the Executive's employment, howsoever caused, the Executive shall forthwith tender the Executive's resignation from all offices, directorships and trusteeships then held by the Executive with the Companies or with any of their respective Subsidiaries or Affiliates, such resignation to be effective upon the Date of Termination. If the Executive fails to resign as set out above, the Executive will be deemed to have resigned from all such offices, directorships and trusteeships, and the Companies are hereby authorized by the Executive to appoint any person in the Executive's

name and on the Executive's behalf to sign any documents or do anything necessary or required to give effect to such resignation.

Return of Property

5.13 All equipment, keys, pass cards, credit cards, software, material, data, written correspondence, memoranda, communication, reports or other documents or property pertaining to the business of the Companies used or produced by the Executive in connection with the Executive's employment, or in the Executive's possession or under the Executive's control, shall at all times remain the property of the Companies. The Executive shall return all property of the Companies in the Executive's possession or under the Executive's control in good condition forthwith upon any request by the Parent Company or upon any termination of this Agreement and of the Executive's employment (regardless of the reason for such termination).

Article 6
CONFIDENTIALITY

Confidential Information

6.1 The Executive acknowledges that:

(a) the Executive may, during the Term and during the continuance of this Agreement, acquire information which is confidential in nature or of great value to the Companies and their respective Subsidiaries and Affiliates and including, without limitation, matters or subjects concerning corporate assets, cost and pricing data, customer listing, financial reports, formulae, inventions, know-how, marketing strategies, products or devices, profit plans, research and development projects and findings, computer programs, suppliers and trade secrets, whether in the form of records, files, correspondence, notes, data, information or any other form, including copies or excerpts thereof (collectively, the "**Confidential Information**"); the disclosure of any of which to competitors, customers, clients or suppliers of the Companies, unauthorized personnel of the Companies or to third parties would be highly detrimental to the best interests of the Companies; and

(b) the right to maintain the confidentiality of Confidential Information, and the right to preserve the Companies' goodwill, constitute proprietary rights which the Companies are entitled to protect.

Protection of Confidential Information

6.2 While employed by the Companies and following the termination of this Agreement and the Executive's employment (regardless of the reason for any termination), the Executive shall not, directly or indirectly, in any way use or disclose to any person any Confidential Information except as provided for herein. The Executive agrees and acknowledges that the Confidential Information of the Companies is the exclusive property of the Companies to be used exclusively by the Executive to perform the Executive's Services and duties and fulfil the Executive's obligations to the Companies and not for any other reason or purpose. Therefore, the Executive agrees to hold all such Confidential Information in trust for the Companies, and the Executive further confirms and acknowledges the Executive's fiduciary duty to use best efforts to protect the Confidential Information, not to misuse such information, and to protect such Confidential Information from any misuse, misappropriation, harm or interference by others in any manner whatsoever. The Executive agrees to protect the Confidential Information regardless of whether the information was disclosed in verbal, written, electronic, digital, visual or other form,

and the Executive hereby agrees to give notice immediately to the Companies of any unauthorized use or disclosure of Confidential Information of which the Executive becomes aware. The Executive further agrees to assist the Companies in remedying any such unauthorized use or disclosure of Confidential Information. In the event that the Executive is requested or required to disclose to third parties any Confidential Information or any memoranda, opinions, judgments or recommendations developed from the Confidential Information, the Executive will, prior to disclosing such Confidential Information, provide the Companies with prompt written notice of such request(s) or requirement(s) so that the Companies may seek appropriate legal protection or waive compliance with the provisions of this Agreement. The Executive will not oppose action by, and will cooperate with, the Companies to obtain legal protection or other reliable assurance that confidential treatment will be accorded the Confidential Information. The restrictions on the Executive's use or disclosure of any of the Companies' information, including Confidential Information as set forth in this Article 6, shall continue following the expiration or termination of this Agreement regardless of the reasons for or manner of such termination.

Corporate Opportunity

6.3 Any business opportunities related in any way to the Business and affairs of the Companies or any of their respective Subsidiaries or Affiliates which become known to the Executive during the Executive's employment hereunder shall be fully disclosed and made available to the Companies and shall not be appropriated by the Executive under any circumstance without the prior written consent of the Parent Company.

Article 7
RESTRICTIVE COVENANTS

Non-Competition

7.1 The Executive covenants to not (without prior written consent of the Companies) at any time during the Executive's employment with the Companies nor during the period following the Date of Termination when the Executive is receiving Termination Amount payments from the Company pursuant to Article 5 herein, directly or indirectly, anywhere within North America (the "**Territory**"), either individually or in partnership, jointly or in conjunction with any other person, firm, association, syndicate or company, whether as agent, shareholder, employee, consultant, or in any manner whatsoever, engage in, carry on or otherwise be concerned with, be employed by, associated with or in any other manner connected with, or have any interest in, manage, advise, lend money to, guarantee the debts or obligations of, render services or advice to, permit the Executive's name, or any part thereof to be used or employed in connection with, in whole or in part, any business the same or similar to or in competition with that of the Business.

Non-Solicitation

7.2 The Executive covenants to not (without prior written consent of the Companies) at any time during the Executive's employment with the Company, nor during the periods set out below, directly or indirectly, either individually or in partnership, jointly or in conjunction with any other person, firm, association, syndicate, company or corporation, whether as agent, shareholder, employee, consultant, or in any manner whatsoever:

(a) for the 12 month period following the date the Executive ceases to be employed with the Companies or any other termination of this Agreement (regardless of who initiated the termination and whether with or without Just Cause), solicit or entice away, or endeavour to solicit or entice away from the Companies, employ, or otherwise engage (as an employee, independent Executive, independent sales

representative, or otherwise) any person who is employed by the Companies or employed as a consultant or independent sales representative by the Companies as at the Date of Termination or who was so employed or employed within the 12 month period preceding such date; or

(b) for the 12 month period following the date the Executive ceases to be employed with the Companies or any other termination of this Agreement (regardless of who initiated the termination and whether with or without Just Cause), for any purpose competitive with the Business, canvass, solicit or approach for orders, or cause to be canvassed or solicited or approached for orders, or accept any business or patronage from any person or entity (i) who is or which is a customer, client, supplier, licensee or business relation of the Companies as at the Date of Termination or within the one month period preceding such date and (ii) with whom the Executive worked, or about whom the Executive received Confidential Information, during the course of employment with the Companies; or

(c) for the 12 month period following the date the Executive ceases to be employed with the Companies or any other termination of this Agreement (regardless of who initiated the termination and whether with or without Just Cause), induce or attempt to induce any customer, client, supplier, licensee or business relationship of the Companies to cease doing business with the Companies; or

(d) for the period following the date the Executive ceases to be employed with the Companies or any other termination of this Agreement (regardless of who initiated the termination and whether with or without Just Cause), disparage the Companies or their respective Subsidiaries, Affiliates or employees.

Non-Interference

7.3 The Executive covenants to not (without prior written consent of the Companies) at any time during the Executive's employment with the Companies, nor for a period of 12 months thereafter, interfere with any contractual relationship between the Companies and any party that was a licensor, buyer, customer, partner, joint venturer or vendor (each, a "**Contract Partner**") of the Companies or that the Companies were actively soliciting to be a Contract Partner during the 12 month period preceding that date upon which the Executive ceases to be employed with the Companies. For purposes of this section, the Executive shall be deemed to interfere with a contractual relationship with a Contract Partner if (i) the Executive takes any action that the Executive, or a person in a similar position, should reasonably anticipate could result in a material adverse change of the terms of such relationship or (ii) the Executive disparages the Companies, or any of their respective directors, officers, stockholders or employees, in any manner reasonably foreseeable to be harmful to the Companies, or their reputation, or the personal or business reputation of such directors, officers, stockholders or employees; provided that the Executive may respond accurately and fully to any question, inquiry or request for information when required by legal process.

Company

7.4 For the purposes of Sections 7.2 and 7.3, references to the "Companies" shall be deemed to include the Companies, their respective successors (whether direct or indirect) by purchase, amalgamation, merger or otherwise of the Business, and their respective Subsidiaries, Affiliates and their subsidiaries.

Passive Investments

7.5 Nothing in this Agreement shall prohibit or restrict the Executive from holding or becoming beneficially interested in up to one percent (1%) of any class of securities in any company provided that such class of securities are listed on a recognized stock exchange in North America.

Article 8
OWNERSHIP OF INTELLECTUAL PROPERTY

Definitions

8.1 In this Agreement, "**Inventions**" means, collectively, all:

(a) discoveries, inventions, ideas, suggestions, reports, documents, designs, technology, methodologies, compilations, concepts, procedures, processes, products, protocols, treatments, methods, tests, improvements, work product and computer programs (including all source code, object code, compilers, libraries and developer tools, and any manuals, descriptions, data files, resource files and other such materials relating thereto), and

(b) each and every part of the foregoing;

that are conceived, developed, reduced to practice or otherwise made by the Executive either alone or with others or, in any way, relate to the present or proposed programs, services, products or business of the Companies, or to tasks assigned to the Executive in connection with the Executive's duties or in connection with any research or development carried on or planned by the Companies, whether or not such Inventions are conceived, developed, reduced to practice or otherwise made during the Executive's employment or during regular working hours and whether or not the Executive is specifically instructed to conceive, develop, reduce to practice or otherwise make same.

Exclusive Property

8.2 The Executive agrees that all Inventions, and any and all services and products which embody, emulate or employ any such Invention, shall be the sole property of the Companies, and all copyrights, patents, patent rights, trademarks, service marks, reproduction rights and all other proprietary title, rights and interest in and to each such Invention, whether or not registrable (collectively, the "**Intellectual Property Rights**"), shall belong exclusively to the Companies.

Work for Hire

8.3 For purposes of all applicable copyright laws to the extent, if any, that such laws are applicable to any such Invention or any such service or product, it shall be considered a work made for hire and the Companies shall be considered the author thereof.

Disclosure

8.4 The Executive will promptly disclose to the Companies, or any persons designated by it, all Inventions and all such services or products.

Assignment

8.5 The Executive hereby assigns and further agrees to, from time to time as such Inventions arise, assign to the Companies or their respective nominee (or their respective successors or assigns) all of the Executive's right, title and interest in and to the Inventions and the Intellectual Property Rights without further payment by the Companies.

Moral Rights

8.6 The Executive hereby waives and further agrees to, from time to time as such Inventions arise, waive for the benefit of the Companies and their respective successors or assigns all the Executive's moral rights in respect of the Inventions.

Further Assistance

8.7 The Executive agrees to assist the Companies in every proper way (but at the Companies' expense) to obtain and, from time to time, enforce the Intellectual Property Rights and to the Inventions in any and all countries, and to that end will execute all documents for use in applying for, obtaining and enforcing the Intellectual Property Rights in and to such Inventions as the Companies may desire, together with any assignments of such Inventions to the Companies or persons designated by them. The Executive's obligation to assist the Companies in obtaining and enforcing such Intellectual Property Rights in any and all countries shall continue beyond the termination of this Agreement.

Representations and Warranties

8.8 The Executive hereby represents and warrants that the Executive is subject to no contractual or other restriction or obligation that will in any manner limit the Executive's obligations under this Agreement or activities on behalf of the Companies. The Executive hereby represents and warrants to the Companies that the Executive has no continuing obligations to any person (i) with respect to any previous invention, discovery or other item of intellectual property or (ii) that require the Executive not to disclose the same.

Article 9
REMEDIES

Remedy

9.1 The Executive acknowledges and agrees that the Executive is employed in a fiduciary capacity, with obligations of trust and loyalty owed by the Executive to the Companies. Accordingly, the Executive agrees that the restrictions in Articles 6, 7 and 8 herein are reasonable in the circumstances of the Executive's employment and that the Business and affairs of the Companies cannot be properly protected from the adverse consequences of the actions of the Executive other than by the restrictions set forth in this Agreement. If any of the restrictions are determined to be unenforceable as going beyond what is reasonable in the circumstances for the protection of the interests of the Companies but would be valid; for example, if the scope of their time periods or geographic areas were limited; the Parties consent to the court making such modifications as may be required and such restrictions shall apply with such modifications as may be necessary to make them valid and effective.

Injunctions, etc.

9.2 The Executive acknowledges and agrees that, in the event of a breach of the covenants, provisions and restrictions in Articles 6, 7 and 8 herein by the Executive, the Companies' remedy in the form of monetary damages will be inadequate. Therefore, the Companies shall be and are hereby authorized and entitled, in addition to all other rights and remedies available to them, to apply to a court of competent jurisdiction for interim and permanent injunctive relief and an accounting of all profits and benefits arising out of such breach without the necessity of posting a bond or other security.

Loss of Entitlements

9.3 In addition to all other rights and remedies available to the Companies, the Executive acknowledges and agrees that the Executive will immediately lose and not be entitled to the payments and benefits set out in Article 6 herein if the Executive breaches any of the covenants in Articles 6, 7 or 8 herein.

Survival

9.4 Each and every provisions of Articles 1, 6, 7, 8 and 9 herein shall survive the termination of this Agreement and the Executive's employment hereunder (regardless of the reason for such termination).

Article 10
INDEMNIFICATION AND LEGAL PROCEEDINGS

Indemnification

10.1 The Parties hereby each agree to indemnify and save harmless the other Party and including, where applicable, the other Party's respective Subsidiaries and Affiliates and each of their respective directors, officers, associates, affiliates and agents (each such party being an "**Indemnified Party**"), harmless from and against any and all losses, claims, actions, suits, proceedings, damages, liabilities or expenses of whatever nature or kind and including, without limitation, any investigation expenses incurred by any Indemnified Party, to which an Indemnified Party may become subject by reason of the terms and conditions of this Agreement.

No indemnification

10.2 This indemnity will not apply in respect of an Indemnified Party in the event and to the extent that a court of competent jurisdiction in a final judgment shall determine that the Indemnified Party was grossly negligent or guilty of wilful misconduct.

Claim of indemnification

10.3 The Parties agree to waive any right they might have of first requiring the Indemnified Party to proceed against or enforce any other right, power, remedy, security or claim payment from any other person before claiming this indemnity.

Notice of claim

10.4 In case any action is brought against an Indemnified Party in respect of which indemnity may be sought against either of the Parties (said Party then being the "**Indemnitee**"), the Indemnified Party will give both Parties prompt written notice of any such action of which the Indemnified Party has knowledge and the Indemnitee will undertake the investigation and defense thereof on behalf of the Indemnified Party, including the prompt employment of counsel

acceptable to the Indemnified Party affected and the Indemnitee and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve the Indemnitee of the Indemnitee's obligation of indemnification hereunder unless (and only to the extent that) such failure results in a forfeiture by the Indemnitee of substantive rights or defenses.

Settlement

10.5 No admission of liability and no settlement of any action shall be made without the consent of each of the Parties and the consent of the Indemnified Party affected, such consent not to be unreasonable withheld.

Legal Proceedings

10.6 Notwithstanding that the Indemnitee will undertake the investigation and defense of any action, an Indemnified Party will have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless:

(a) such counsel has been authorized by the Indemnitee;

(b) the Indemnitee has not assumed the defense of the action within a reasonable period of time after receiving notice of the action;

(c) the named parties to any such action include that any Party and the Indemnified Party shall have been advised by counsel that there may be a conflict of interest between any Party and the Indemnified Party; or

(d) there are one or more legal defenses available to the Indemnified Party which are different from or in addition to those available to any Party.

Contribution

10.7 If for any reason other than the gross negligence or bad faith of the Indemnified Party being the primary cause of the loss claim, damage, liability, cost or expense, the foregoing indemnification is unavailable to the Indemnified Party or insufficient to hold them harmless, the Indemnitee shall contribute to the amount paid or payable by the Indemnified Party as a result of any and all such losses, claim, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitee on the one hand and the Indemnified Party on the other, but also the relative fault of the Indemnitee and the Indemnified Party and other equitable considerations which may be relevant. Notwithstanding the foregoing, the Indemnitee shall in any event contribute to the amount paid or payable by the Indemnified Party, as a result of the loss, claim, damage, liability, cost or expense (other than a loss, claim, damage, liability, cost or expenses, the primary cause of which is the gross negligence or bad faith of the Indemnified Party), any excess of such amount over the amount of the fees actually received by the Indemnified Party hereunder.

Article 11
ARBITRATION

Matters for arbitration

11.1 Except for matters of indemnity or in the case of urgency to prevent material harm to a substantive right or asset, the Parties agree that all questions or matters in dispute with respect

to this Agreement shall be submitted to arbitration pursuant to the terms hereof. This provision shall not prejudice a Party from seeking a court order or assistance to garnish or secure sums or to seek summary remedy for such matters as counsel may consider amenable to summary proceedings.

Notice

11.2 It shall be a condition precedent to the right of any Party to submit any matter to arbitration pursuant to the provisions hereof that any Party intending to refer any matter to arbitration shall have given not less than five business days' prior written notice of its intention to do so to the other Parties together with particulars of the matter in dispute. On the expiration of such five business days the Party who gave such notice may proceed to refer the dispute to arbitration as provided for herein. Except for matters of indemnity or in the case of urgency to prevent material harm to a substantive right or asset, the Parties agree that all questions or matters in dispute with respect to this Agreement shall be submitted to arbitration pursuant to the terms hereof. This provision shall not prejudice a Party from seeking a court order or assistance to garnish or secure sums or to seek summary remedy for such matters as counsel may consider amenable to summary proceedings.

Appointments

11.3 The Party desiring arbitration shall appoint one arbitrator, and shall notify the other Parties of such appointment, and the other Parties shall, within five business days after receiving such notice, appoint an arbitrator, and the two arbitrators so named, before proceeding to act, shall, within five business days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator, to act with them and be chairperson of the arbitration herein provided for. If the other Parties shall fail to appoint an arbitrator within five business days after receiving notice of the appointment of the first arbitrator, and if the two arbitrators appointed by the Parties shall be unable to agree on the appointment of the chairperson, the chairperson shall be appointed in accordance with the provisions of the Arbitration Act. Except as specifically otherwise provided in this section, the arbitration herein provided for shall be conducted in accordance with such Arbitration Act. The chairperson, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place in Vancouver, British Columbia, Canada, for the purpose of hearing the evidence and representations of the Parties, and the chairperson shall preside over the arbitration and determine all questions of procedure not provided for by the Arbitration Act or this section. After hearing any evidence and representations that the Parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the Parties. The expense of the arbitration shall be paid as specified in the award.

Award

11.4 The Parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.

Article 12
OTHER PROVISIONS

Recitals

12.1 The Companies and the Executive represent and warrant to each other that the Recitals set out above are true.

Currency

12.2 All amounts payable pursuant to this Agreement are expressed in and shall be paid in United States currency unless otherwise expressly provided for.

Withholding

12.3 All amounts paid or payable and all benefits, perquisites, allowances or entitlements provided to the Executive under this Agreement are subject to applicable taxes and withholdings. Accordingly, the Company shall be entitled to deduct and withhold from any amount payable to the Executive hereunder such sums that the Company is required to withhold pursuant to any federal, provincial, state, local or foreign withholding or other applicable taxes or levies. Notwithstanding the foregoing, the Executive acknowledges and agrees that the Executive is solely responsible for all tax liability arising from the Executive's receipt of any payments, benefits, perquisites, allowances or entitlements as set out in this Agreement.

Rights and Waivers

12.4 All rights and remedies of the Parties are separate and cumulative, and none of them, whether exercised or not, shall be deemed to be to the exclusion of any other rights or remedies or shall be deemed to limit or prejudice any other legal or equitable rights or remedies which either of the Parties may have. Any purported waiver of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Party to be bound by the waiver. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement shall not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

No Representation or Claims

12.5 The Executive agrees that the Executive has not been induced to enter into this Agreement by reason of any statement, representation, understanding or promise not expressly set out in this Agreement. The Executive has no claim against the Companies arising from any Services provided by the Executive to the Companies in any capacity prior to the Effective Date of this Agreement and, if applicable, under the Underlying Agreement.

Governing Law

12.6 The situs of this Agreement is Vancouver, British Columbia, Canada, and for all purposes this Agreement will be governed exclusively by and construed and enforced in accordance with the laws prevailing in the Province of British Columbia, Canada, and the federal laws of Canada applicable thereto.

Notices

12.7 Any notice or other communication or writing required or permitted to be given under this Agreement or for the purposes of this Agreement will be in writing and will be sufficiently given if delivered personally, or if transmitted by facsimile transmission (with original to follow by mail) or other form of recorded communication, tested prior to transmission, to:

(a) if to the Companies:

Electrameccanica Vehicles Corp.
102 East First Avenue, Vancouver, British Columbia, Canada, V5T 1A4
Attention: Paul Rivera, Chief Executive Officer
Phone: (604) 428-7656
E-mail: Paul.Rivera@electrameccanica.com;

with a copy to counsel for the Parent Company:

McMillan LLP
Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7
Attention: Thomas J. Deutsch
Phone: (604) 691-7445
Fax: (604) 893-2679
E-mail: thomas.deutsch@mcmillan.ca; and

(b) if to the Executive:

Kevin Jerome Pavlov
20123 Mayfield Road, Lavonia, Michigan, U.S.A., 48152
Phone: (248) 854-6451
E-mail: pavlovkevin@yahoo.com or kevin.pavlov@electrameccanica.com;

or to such other address as the Party to whom such notice is to be given will have last notified the Party giving the same in the manner provided in this section. Any notice so delivered will be deemed to have been given and received on the day it is so delivered at such address; provided that such day is not a Business Day (as herein defined) then the notice will be deemed to have been given and received on the Business Day next following the day it is so delivered. Any notice so transmitted by facsimile transmission or other form of recorded communication will be deemed to have been given and received on the day of its confirmed transmission (as confirmed by the transmitting medium), provided that if such day is not a Business Day then the notice will be deemed to have been given and received on the Business Day next following such day. "**Business Day**" means any day that is not a Saturday, Sunday or civic or statutory holiday in the Province of British Columbia, Canada.

Successors and Assigns

12.8 This Agreement shall inure to the benefit of, and be binding on, the Parties and their respective heirs, administrators, executors, successors (whether direct or indirect, by purchase, amalgamation, arrangement, merger, consolidation or otherwise) and permitted assigns. The Companies shall have the right to assign this Agreement, or the benefit thereof, to any of their respective Affiliates or to any successor (whether direct or indirect, by purchase, amalgamation, arrangement, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Companies. The Executive, by the Executive's signature hereto, expressly consents to such assignment and, provided that such successor agrees to assume and be bound by the terms and conditions of this Agreement, all references to the "Companies" hereunder shall include their respective successors. The Companies may also agree to enforce, for the benefit of any successor (whether direct or indirect, by purchase, amalgamation, arrangement, merger, consolidation or otherwise) the provisions contained in Articles 7 and 8, regardless of whether the Companies continue to carry on or be involved in the Business. The Executive shall not assign or transfer, whether absolutely, by way of security or otherwise, all or any part of the Executive's rights or obligations under this Agreement without the prior consent of the Companies, which may be arbitrarily withheld.

Amendment

12.9 No amendment of this Agreement will be effective unless made in writing and signed by the Parties.

Severability

12.10 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. The Parties agree to negotiate in good faith to agree to a substitute provision which shall be as close as possible to the intention of any invalid or unenforceable provision as may be valid or enforceable.

Independent Legal Advice

12.11 The Parties acknowledge that, prior to executing this Agreement, they have each had the opportunity to obtain independent legal advice and that they fully understand the nature of this Agreement and that they are entering into this Agreement voluntarily.

Force Majeure

12.12 If either Party is at any time either during this Agreement or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of strikes, walk-outs, labour shortages, power shortages, fires, wars, acts of God, earthquakes, storms, floods, explosions, accidents, protests or demonstrations by environmental lobbyists or native rights groups, delays in transportation, breakdown of machinery, inability to obtain necessary materials in the open market, unavailability of equipment, governmental regulations restricting normal operations, shipping delays or any other reason or reasons beyond the control of that Party, then the time limited for the performance by that Party of its respective obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay. A Party shall within three calendar days give notice to the other Parties of each event of force majeure under this section, and upon cessation of such event shall furnish the other Parties with notice of that event together with particulars of the number of days by which the obligations of that Party hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

Time of the essence

12.13 Time will be of the essence of this Agreement.

Enurement

12.14 This Agreement will enure to the benefit of and will be binding upon the Parties and their respective heirs, executors, administrators and assigns.

Further assurances

12.15 The Parties will from time to time after the execution of this Agreement make, do, execute or cause or permit to be made, done or executed, all such further and other acts, deeds, things, devices and assurances in law whatsoever as may be required to carry out the true intention and to give full force and effect to this Agreement.

No partnership or agency

12.16 The Parties have not created a partnership and nothing contained in this Agreement shall in any manner whatsoever constitute any Party the partner, agent or legal representative of the other Parties, nor create any fiduciary relationship between them for any purpose whatsoever.

Entire agreement

12.17 This Agreement constitutes the entire agreement to date between the Parties and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, between the Parties with respect to the subject matter of this Agreement and including, without limitation, the Underlying Agreement.

Personal Information

12.18 The Executive acknowledges that the Companies are obligated to comply with the *Personal Information Protection Act* (British Columbia) and with any other applicable legislation governing the collection, use, storage and disclosure of personal information. The Executive agrees to comply with all of the Companies' personal information protection policies and with other policies, controls and practices as they may exist, from time to time, in ensuring that the Executive and the Companies engage only in lawful collection, storage, use and disclosure of personal information.

Captions

12.19 The headings, captions, Article, section and subsection numbers appearing in this Agreement are inserted for convenience of reference only and shall in no way define, limit, construe or describe the scope or intent of this Agreement nor in any way affect this Agreement.

Ambiguities

12.20 As each Party and its legal counsel have participated in the review and revision of this Agreement, any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in interpreting this Agreement.

Accessibility

12.21 The Companies have policies to support employees with disabilities, including, but not limited to, policies regarding the provision of job accommodations that take into account an employee's accessibility needs due to disability.

Counterparts

12.22 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

[*The rest of this page left intentionally blank. The signature page follows.*]

IN WITNESS WHEREOF the Parties have hereunto set their respective hands and seals as at the Effective Date as hereinabove determined.

The COMMON SEAL of **ELECTRAMECCANICA VEHICLES CORP.**, the Parent Company herein, was hereunto affixed in the presence of:	(C/S)
/s/ Paul Rivera Authorized Signatory	
The COMMON SEAL of **ELECTRAMECCANICA USA, LLC**, the Operating Subsidiary herein, was hereunto affixed in the presence of:	(C/S)
/s/ Paul Rivera Authorized Signatory	
SIGNED, SEALED and DELIVERED by **KEVIN JEROME PAVLOV**, the Executive herein, in the presence of:	
/s/ Isaac Moss Witness Signature	*/s/ Kevin Pavlov* **KEVIN JEROME PAVLOV**
Isaac Moss, Chief Administrative Officer Witness Name and Occupation	

Exhibit 4.10

EXECUTIVE EMPLOYMENT SERVICES AGREEMENT

Among each of:

ELECTRAMECCANICA VEHICLES CORP.

And:

EMV AUTOMOTIVE USA INC.

And:

KIM ANNE BRINK

Electrameccanica Vehicles Corp.
102 East First Avenue, Vancouver, British Columbia, Canada, V5T 1A4

EXECUTIVE EMPLOYMENT SERVICES AGREEMENT

THIS EXECUTIVE EMPLOYMENT SERVICES AGREEMENT is made and dated for reference as fully executed on this 24th day of December, 2021.

AMONG EACH OF:

ELECTRAMECCANICA VEHICLES CORP., a company incorporated pursuant to the laws of the Province of British Columbia, Canada, and having an address for delivery and notice located at 102 East First Avenue, Vancouver, British Columbia, Canada, V5T 1A4

(the "**Parent Company**");

OF THE FIRST PART

AND:

EMV AUTOMOTIVE USA INC., a company incorporated pursuant to the laws of the State of Nevada, U.S.A., and having an address for delivery and notice located at 11647 Ventura Boulevard, Studio City, California, U.S.A., 91604

(the "**Operating Subsidiary**");

OF THE SECOND PART

(and the Parent Company and the Operating Subsidiary being hereinafter collectively referred to as the "**Companies**" as the context so requires).

AND:

KIM ANNE BRINK, businessperson, having an address for notice and delivery located at 44283 Highland Court, Northville, Michigan, U.S.A., 48168

(the "**Executive**");

OF THE THIRD PART

(and each of the Companies and the Executive being hereinafter singularly also referred to as a "**Party**" and collectively referred to as the "**Parties**" as the context so requires).

WHEREAS:

A. The Parent Company is a reporting company incorporated under the laws of the Province of British Columbia, Canada;

B. The Operating Subsidiary is a non-reporting company incorporated under the laws of the State of Nevada, U.S.A., and is a wholly-owned subsidiary of an operating subsidiary of the Parent Company;

C. The Executive has experience in and specializes in providing companies with valuable automotive sales and marketing management services and has expertise in overseeing the daily sales and marketing operations of automotive companies in order to provide them with valuable guidance in the execution of their business plans;

D. The Parent Company is focused on developing a manufacturing technology and business interests related to and associated with the sales and marketing of its innovate electric vehicles and related business interests and, as a consequence thereof, the Company is hereby desirous of formally retaining the Executive as the Chief Revenue Officer and an executive of the Company, and the Executive is hereby desirous of continuing in such positions, in order to provide such related Services (as hereinafter defined) to the Company;

E. As a consequence of the Executive's anticipated and valuable role within the Companies, the Parties acknowledge and agree that there have been various discussions, negotiations, understandings and agreements between them relating to the terms and conditions of the Services (as herein defined and determined) and, correspondingly, that it is their intention by the terms and conditions of this Executive Employment Services Agreement" (the "**Agreement**") to hereby replace, in their entirety, all such prior discussions, negotiations, understandings and agreements with respect to the Services; and

F. The Parties have agreed to enter into this Agreement which replaces, in its entirety, all prior discussions, negotiations, understandings and agreements as between them, and, furthermore, which necessarily clarifies their respective duties and obligations with respect to the within Services to be provided hereunder, all in accordance with the terms and conditions of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants and provisos herein contained, **THE PARTIES AGREE AS FOLLOWS**:

Article 1
DEFINITIONS

Definitions

1.1 For the purposes of this Agreement, the following words and phrases shall have the following meanings:

(a) "**Affiliate**" has the meaning ascribed to it in the BCA;

(b) "**Agreement**" means this agreement, including any schedules hereto, as amended, supplemented or modified in writing from time to time;

(c) "**Arbitration Act**" means the *International Commercial Arbitration Act* (British Columbia), as amended from time to time;

(d) "**BCA**" means the *Business Corporations Act* (British Columbia), as amended from time to time;

(e) "**Benefits**" means those benefits, perquisites, allowances and entitlements as described in Section 4.2 herein and in which the Executive is participating as at the Date of Termination;

(f) "**Board of Directors**" means the Board of Directors of the Parent Company as duly constituted from time to time;

(g) "**Bonus**" has the meaning ascribed to it in Section 4.3 herein;

(h) "**Business**" means the business of developing technology and business interests related to and associated with the commercialization of its innovate electric vehicles or any other products or line of business that are actively carried on by the Companies or in the Companies' active contemplation and about which the Executive has Confidential Information or is actively involved in as at the Date of Termination;

(i) "**Change of Control**", "**Good Reason**", "**Just Cause**", "**Take-over Bid**" and "**Total Disability**" have the meanings ascribed to them in Section 5.1 herein;

(j) "**Chief Executive Officer**" means the Chief Executive Officer of the Parent Company as duly appointed from time to time by the Board of Directors;

(k) "**Companies**" means, collectively, the Parent Company and the Operating Subsidiary, or any successor companies to the Companies, as duly constituted from time to time;

(l) "**Confidential Information**" has the meaning ascribed to it in Section 6.1 herein;

(m) "**Date of Termination**" means the date of cessation of the Executive's employment with the Companies (including by way of resignation) without regard to any notice of termination, pay in lieu of notice of termination or other damages;

(n) "**Effective Date**" has the meaning ascribed to it in Section 2.1 herein;

(o) "**Exchange Act**", "**Form S-8 Registration Statement**", "**Registration Statement**" and "**Securities Act**" have the meanings ascribed to them in Section 4.10 herein;

(p) "**Executive**" means Kim Anne Brink;

(q) "**Expenses**" has the meaning ascribed to it in Section 4.8 herein;

(r) "**Indemnified Parties**" and "**Indemnitee**" have the meanings ascribed to them in Sections 10.1 and 10.4 herein;

(s) "**Intellectual Property Rights**" has the meaning ascribed to it in Section 8.2 herein;

(t) "**Inventions**" has the meaning ascribed to it in Section 8.1 herein;

(u) "**LTIP**" means the Long Term Incentive Plan applicable to the Parent Company's executives as may be established and amended by the Board of Directors from time to time;

(v) "**Monthly Salary**" means the Monthly Salary of the Executive as set out in Section 4.1 herein;

(w) "**Operating Subsidiary**" means EMV Automotive USA Inc., or any successor company to the Operating Subsidiary, as duly constituted from time to time;

(x) "**Option**", "**Option Plan**" and "**Option Share**" have the meanings ascribed to them in Section 4.9 herein;

(y) "**Parent Company**" means Electrameccanica Vehicles Corp., or any successor company to the Parent Company, as duly constituted from time to time;

(z) "**Parent Company's Non-Renewal Notice**" has the meaning ascribed to it in Section 2.2 herein;

(aa) "**Person**" has the meaning ascribed to it in the *Interpretation Act* (British Columbia) and which, for the purposes of this Agreement, shall include the Company;

(bb) "**RRSP**" has the meaning ascribed to it in Section 4.4 herein;

(cc) "**Services**" has the meaning ascribed to it in Section 3.2 herein;

(dd) "**STIP**" means the Short Term Incentive Plan applicable to the Parent Company's executives as may be established and amended by the Board of Directors from time to time;

(ee) "**Subsidiary**" has the meaning ascribed to it in the BCA;

(ff) "**Term**" has the meaning ascribed to it in Section 2.1 herein;

(gg) "**Termination Amount**" has the meaning ascribed to it from time to time in Article 5 herein;

(hh) "**Termination Option Exercise Period**" has the meaning ascribed to it in Section 5.4 herein;

(ii) "**Territory**" has the meaning ascribed to it in Section 7.1 herein; and

(jj) "**Vacation**" has the meaning ascribed to it in Section 4.7 herein.

Article 2
TERM AND RENEWAL

Term

2.1 The initial term of this Agreement (the "**Term**") is for a period of two years commencing on January 24, 2022 (the "**Effective Date**"), unless this Agreement is terminated earlier as hereinafter provided.

Renewal

2.2 Subject at all times to the provisions of Article 7 hereof, this Agreement shall renew automatically if not specifically terminated in accordance with the following provisions. The Parent Company agrees to notify the Executive in writing at least 90 calendar days prior to the end of the Term of its intent not to renew this Agreement (the "**Parent Company's Non-Renewal Notice**"). Should the Parent Company fail to provide a Parent Company's Non-Renewal Notice this Agreement shall automatically renew on a three-month to three-month term renewal basis after the Term until otherwise specifically renewed in writing by each of the Parties for the next three-month term of renewal or, otherwise, terminated upon delivery by the Parent Company of a corresponding and follow-up 90 calendar day Parent Company's Non-Renewal Notice in connection with and within 90 calendar days prior to the end of any such three-month term renewal period. Any such renewal on a three-month basis shall be on the same terms and conditions contained herein unless modified and agreed to in writing by the Parties in advance.

Article 3
POSITION, SERVICES AND DUTIES

Condition of Employment

3.1 The Executive's employment with the Companies is conditional upon satisfactory reference and background checks, in the Parent Company's sole discretion, and final approval of the Board of Directors. This Agreement is also conditional up on the Executive providing proof satisfactory to the Parent Company that the Executive is legally able to work in the United States and to travel to Canada and China. The Executive also represents and warrants that the Executive is not aware of any fact or matter that would prevent the Executive from being legally able to travel to Canada or China.

Position and Services

3.2 Subject as otherwise herein provided, during the Term and during the continuance of this Agreement the Parent Company hereby agrees to retain the Executive as the Chief Revenue Officer and an executive of the Parent Company, and the Operating Subsidiary hereby agrees to retain the Executive as an executive of the Operating Subsidiary, and the Executive hereby agrees to accept such positions and be subject to the direction and supervision of, and to have the authority as is delegated to the Executive by, the Board of Directors consistent with such positions, and the Executive also agrees to accept such positions in order to provide such services as the Board of Directors shall, from time to time, reasonably assign to the Executive and as may be necessary for the ongoing maintenance and development of the Companies' various Business interests during the Term and during the continuance of this Agreement (collectively, the "**Services**"); it being acknowledged and agreed by each of the Parties that the Executive shall commit and provide to the Companies the Services on a reasonably sufficient and full-time basis during the Term and during the continuance of this Agreement for which the Companies, as more particularly set forth

herein, hereby agree to pay and provide to the order and direction of the Executive each of the proposed compensation amounts as set forth in Article 3 herein.

Place of Employment

3.3 The Executive shall perform the Services and duties at home or at such other locations as are necessary and/or agreed to by the Parties for the performance of the Services and the duties. The Executive acknowledges that national and international travel will be required. The Executive further agrees that it will not be a breach of this Agreement for the place of employment to be changed.

Authority

3.4 In this regard it is hereby acknowledged and agreed that the Executive shall be entitled to communicate with and shall rely upon the immediate advice, direction and instructions of the Chief Executive Officer of the Parent Company, or upon the advice or instructions of such other director or officer of the Parent Company as the Chief Executive Officer shall, from time to time, designate in times of the Chief Executive Officer's absence, in order to initiate, coordinate and implement the Services as contemplated herein subject, at all times, to the final direction and supervision of the Board of Directors.

Executive Covenant

3.5 Without in any manner limiting the generality of the Services to be provided as set forth in Section 3.2 hereinabove, the Executive shall devote the whole of the Executive's working time and effort to the Executive's Services, duties and obligations hereunder and shall use the Executive's best efforts to promote the interests of the Companies and their respective Subsidiaries and Affiliates; provided, however, that the Executive may serve as an independent director for other entities, subject to the prior written approval of the Board of Directors and such service not placing the Executive into any conflict of interest in respect of the Executive's duties hereunder and to the Companies. Should the Parent Company determine, with the Executive's prior consent, that the Executive shall be appointed as a director of the Parent Company, the Operating Subsidiary and/or any of their respective Subsidiaries, and with or without extra fees or compensation, the Parent Company will provide the Executive with directors' and officers' liability insurance coverage (in terms satisfactory to the Parent Company in its sole discretion and pursuant to applicable plans and policies) for each such appointment.

Concerns

3.6 Recognizing the Companies' commitment to achieving the highest standards of openness and accountability, the Executive shall raise, in a prompt manner, any good faith concerns the Executive has regarding the conduct of the Companies' Business or compliance with the Companies' financial, legal or reporting obligations. Such good faith concerns should be brought first to the attention of the Chief Executive Officer and subsequently to the Board of Directors.

Reporting

3.7 The Executive will report to the person holding the office of Chief Executive Officer. The Executive will report fully on the management, operations and business affairs of the Companies and advise, to the best of the Executive's ability and in accordance with reasonable business standards, on business matters that may arise from time to time.

Additional Duties and Obligations of Employment

3.8 Rules and Policies. The Executive hereby acknowledges and agrees to abide by the reasonable rules, regulations, instructions, personnel practices and policies of the Companies and any changes therein which may be adopted from time to time by the same as such rules, regulations, instructions, personnel practices and policies may be reasonably applied to the Executive as an executive of the Companies.

3.9 Effort. The Executive will also:

(a) devote reasonable efforts and attention to the Business and affairs of the Companies;

(b) perform the Services in a competent and efficient manner and in a manner consistent with the Executive's obligations to the Companies and in compliance with all the Companies' policies, and will carry out all lawful instructions and directions from time to time given to the Executive; and

(c) promote the interests and goodwill of the Companies.

3.10 Reports. The Executive acknowledges and agrees that all written and oral opinions, reports, advice and materials provided by the Executive to the Companies in connection with the Executive's employment and the Services hereunder are intended solely for the Companies' benefit and for the Companies' uses only, and that any such written and oral opinions, reports, advice and information are the exclusive property of the Companies. In this regard the Executive covenants and agrees that the Companies may utilize any such opinion, report, advice and materials for any other purpose whatsoever and, furthermore, may reproduce, disseminate, quote from and refer to, in whole or in part, at any time and in any manner, any such opinion, report, advice and materials in the Companies' sole and absolute discretion. The Executive further covenants and agrees that no public references to the Executive or disclosure of the Executive's role in respect of the Companies may be made by the Executive without the prior written consent of the Chief Executive Officer in each specific instance.

3.11 Business Conduct. The Executive warrants that the Executive shall conduct the business and other activities in a manner which is lawful and reputable and which brings good repute to the Companies, the Companies' Business interests and the Executive. In particular, and in this regard, the Executive specifically warrants to provide the Services in a sound and professional manner such that the same meet superior standards of performance quality within the standards of the industry or as set by the specifications of the Companies. In the event that the Board of Directors has a reasonable concern that the business as conducted by the Executive is being conducted in a way contrary to law or is reasonably likely to bring disrepute to the Business interests or to the Companies' or the Executive's reputation, the Parent Company may require that the Executive make such alterations in the Executive's business conduct or structure, whether of management or board representation or employee or sub-licensee representation, as the Board of Directors may reasonably require in its sole and absolute discretion.

3.12 Compliance with Laws. The Executive will comply with all Canadian and foreign laws, whether federal, provincial or state, applicable to the Executive's respective duties and obligations hereunder and, in addition, hereby represents and warrants that any information which the Executive may provide to any person or company hereunder will, to the best of the Executive's knowledge, information and belief, be accurate and complete in all material respects and not misleading, and will not omit to state any fact or information which would be material to such person or company.

Article 4
COMPENSATION AND BENEFITS

Monthly Salary

4.1 It is hereby acknowledged and agreed that the Executive shall render the Services as defined hereinabove during the Term and during the continuance of this Agreement and shall thus be compensated from the Effective Date of this Agreement to the termination of the same by way of the payment by the Operating Subsidiary to the Executive of the gross Monthly Salary of US$28,333.34 (the "**Monthly Salary**"). All such Monthly Salary payments shall be paid in such instalments and at such times and in the same manner as the Operating Subsidiary pays its other senior executives generally, but not less than monthly.

Increase in Monthly Salary

4.2 The Parent Company will review the Monthly Salary payable to the Executive from time to time during the Term and during the continuance of this Agreement and may, in its sole and absolute discretion, increase the Monthly Salary depending on the Executive's performance of the Services and having regard to the financial circumstances of the Companies.

Bonus

4.3 It is hereby also acknowledged that the Board of Directors shall, in good faith, consider the payment of reasonable industry standard annual bonuses (each being a "**Bonus**") based upon the performance of the Companies and upon the achievement by the Executive and/or the Company of reasonable management objectives to be reasonably established by the Board of Directors (after reviewing proposals with respect thereto defined by the Executive and delivered to the Board of Directors by the Executive at least 30 calendar days before the beginning of the relevant year of the Parent Company (or within 90 calendar days following the commencement of the Parent Company's first calendar year commencing on the Effective Date). These management objectives shall consist of both financial and subjective goals and shall be specified in writing by the Board of Directors, and a copy shall be given to the Executive prior to the commencement of the applicable year. The payment of any such Bonus shall be payable, in the sole and absolute discretion of the Parent Company, in either cash and/or common shares or other stock-based compensation of the Parent Company, no later than within 120 calendar days of the ensuing year after any calendar year commencing on the Effective Date.

Benefits

4.4 The Executive shall be eligible for participation in the following benefits, perquisites and allowances (each, a "**Benefit**"):

(a) Group Benefits. Subject to the terms and conditions of applicable plans and policies, the Executive shall be eligible to participate in all group insured benefit plans and policies provided by either of the Companies to similarly situated executives of the Companies (including dental, health and life insurance), as such plans and policies may be amended from time to time, without notice. The Executive is responsible for the payment of any long term disability benefit premiums. Payments are automatically deducted monthly and are based on annual income. The Companies' sole obligation will be to pay relevant employer portions of premiums;

(b) Smartphone. The Operating Subsidiary shall provide the Executive with a smartphone to be used for Business purposes and shall pay for and/or reimburse the Executive for all expenses and costs associated with maintaining the same; and

(c) RRSP Contribution. In the event that either of the Companies establishes an RRSP or equivalent pension contribution plan, the Executive shall have the right to participate in such a plan.

STIPs

4.5 The Executive shall be eligible to participate in any STIP introduced by the Parent Company from time to time. The Executive's target bonus under the STIP shall be as determined by the Board of Directors and the Executive's goals under the STIP shall be approved and assessed in the absolute discretion of the Board of Directors on an annual basis. Any STIP awards will be pro-rated based on the total months worked in the calendar year. The Executive will not be entitled to any payment on account of the STIP, pro-rata or otherwise, for any period beyond the Date of Termination.

LTIPs

4.6 The Executive shall be eligible to participate in any LTIP introduced by the Parent Company from time to time. The terms of such participation and any awards or payments made under the LTIP shall be determined by the Board of Directors from time to time in its sole discretion. The Executive will not be entitled to any payment on account of the LTIP, pro-rata or otherwise, for any period beyond the Date of Termination.

Vacation

4.7 The Executive shall be entitled to five weeks' paid vacation per calendar year, such vacation to extend for such periods and to be taken at such intervals as shall be appropriate and consistent with the proper performance of the Executive's duties and as agreed upon between the Executive and the Parent Company (the "**Vacation**"). Notwithstanding the foregoing, in no event shall the Executive utilize in excess of ten consecutive business days of vacation time without notification to and approval from the Chief Executive Officer acting reasonably. To the extent permitted by applicable law, accumulated vacation time or pay may not be carried forward except with the prior approval of the Board of Directors.

Reimbursement of Expenses

4.8 Upon presentation of proper receipts or other proof of expenditure and subject to such reasonable guidelines or limitations provided by the Operating Subsidiary from time to time, the Operating Subsidiary shall reimburse the Executive for all reasonable and necessary business and travel expenses actually incurred by the Executive directly in connection with the Business affairs of the Companies and the performance of the Executive's duties hereunder (collectively, the "**Expenses**"). The Executive shall comply with such reasonable limitations and reporting requirements with respect to such Expenses, including provision of receipts and related documentation, as the Chief Executive Officer may establish from time to time.

Stock Options

4.9 Option grants. Subject to the following and the provisions of Section 4.10 herein, it is hereby acknowledged and agreed that, on or about the Effective Date hereof, the Executive will be granted, in accordance with the terms and conditions of the Parent Company's existing share option plan (the "**Option Plan**"), an initial incentive stock option (the "**Option**") to purchase

up to an aggregate of 550,000 common shares of the Parent Company (each, an "**Option Share**"), and vesting as to initial one-third of the Option Shares on the Effective Date with the balance of two-thirds of the Option Shares vesting monthly and at the end of each month during the Term, at an exercise price equal to the closing price of the Parent Company's shares on the Nasdaq Capital Market on the date of the Option grant and for an exercise period ending seven years from the date of grant.

In this regard it is hereby acknowledged that the Option granted to the Executive herein was negotiated as between the Parties in the context of the stage of development of the Companies existing prior to the Effective Date of this Agreement. Correspondingly, it is hereby acknowledged and agreed that any further Options granted by the Parent Company to the Executive shall be reviewed and renegotiated at the request of either Party on a reasonably consistent basis during the Term and during the continuance of this Agreement and, in the event that the Parties cannot agree, then the number of Options shall be increased on an annual basis by the percentage which is the average percentage of all increases to Parent Company management Options within the Parent Company during the previous 12-month period; and in each case on similar and reasonable exercise terms and conditions. Any dispute respecting either the effectiveness or magnitude of the final number and terms hereunder shall be determined by arbitration in accordance with Article 11 herein.

4.10 Option registration and compliance. In this regard, and subject also to the following, it is hereby acknowledged and agreed that the exercise of any such Options shall be subject, at all times, to such vesting and resale provisions as may then be contained in the Option Plan and as may be finally determined by the Board of Directors, acting reasonably. In this regard, and in accordance with the terms and conditions of each final form of Parent Company Option agreement, as the same may exist from time to time, the Parties hereby also acknowledge and agree that:

(a) *Registration of Option Shares under the Options*: the Parent Company will use reasonable commercial efforts to file with the United States Securities and Exchange Commission (the "**SEC**") a registration statement on Form S-8 (the "**Form S-8 Registration Statement**") within one year after the Effective Date hereof covering the issuance of all Option Shares of the Parent Company underlying the then issued Options, and such Form S-8 Registration Statement shall comply with all requirements of the United States *Securities Act of 1933*, as amended (the "**Securities Act**"). In this regard the Parent Company shall use its best efforts to ensure that the Form S-8 Registration Statement remains effective as long as such Options are outstanding, and the Executive fully understands and acknowledges that any such Option Shares will be issued in reliance upon the exemption afforded under the Form S-8 Registration Statement which is available only if the Executive acquires such Option Shares for investment and not with a view to distribution. The Executive is familiar with the phrase "acquired for investment and not with a view to distribution" as it relates to the Securities Act and the special meaning given to such term in various releases of the SEC;

(b) *Section 16 compliance*: the Parent Company shall ensure that all grants of Options are made to ensure compliance with all applicable provisions of the exemption afforded under Rule 16b-3 promulgated under the *Securities and Exchange Act of 1934*, as amended (the "**Exchange Act**"). Without limiting the foregoing, the Parent Company shall have an independent committee of the Board of Directors approve each grant of Options to the Executive and, if required, by the applicable regulatory authorities and the shareholders of the Parent Company. If and when required, the Parent Company shall file, on behalf of the Executive, all reports required to filed with

the SEC pursuant to the requirements of Section 16(a) under the Exchange Act and applicable rules and regulations;

(c) *Disposition of any Option Shares*: the Executive acknowledges and understands that, without in anyway limiting the acknowledgements and understandings as set forth hereinabove, the Executive agrees that the Executive shall in no event make any disposition of all or any portion of the Option Shares which the Executive may acquire hereunder unless and until:

(i) there is then in effect a "**Registration Statement**" under the Securities Act covering such proposed disposition and such disposition is made in accordance with said Registration Statement; or

(ii) (A) the Executive shall have notified the Parent Company of the proposed disposition and shall have furnished the Parent Company with a detailed statement of the circumstances surrounding the proposed disposition; (B) the Executive shall have furnished the Parent Company with an opinion of the Executive's own counsel to the effect that such disposition will not require registration of any such Option Shares under the Securities Act; and (C) such opinion of the Executive's counsel shall have been concurred in by counsel for the Parent Company and the Parent Company shall have advised the Executive of such concurrence; and

(d) *Payment for any Option Shares*: it is hereby further acknowledged and agreed that, during the Term and any continuance of this Agreement, the Executive shall be entitled to exercise any Option granted and pay for the same by way of the prior agreement of the Executive, in the Executive's sole and absolute discretion, and with the prior knowledge of the Parent Company, to settle any indebtedness which may be due and owing by the Companies under this Agreement in payment for the exercise price of any Option Shares acquired thereunder.

No other Benefits

4.11 The Executive is not entitled to any other payment, benefit, perquisite, allowance or entitlement other than as specifically set out in this Agreement or as otherwise approved by the Chief Executive Officer and agreed to in writing and signed by either of the Companies and the Executive.

Payment of compensation and status as a taxable employee

4.12 It is hereby also acknowledged and agreed that, unless otherwise agreed to in advance and in writing by the Parties, the Executive will be classified as a taxable employee of the Companies for all purposes, such that all compensation which is provided by the Companies to the Executive under this Agreement, or otherwise, will be calculated on a net basis and otherwise for which statutory taxes will first be deducted by the Companies.

Article 5
TERMINATION

Definitions

5.1 For the purposes of this Article 5, the following terms have the following meanings:

(a) "**Change of Control**" means any of:

(i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than the Parent Company or any Affiliate or Subsidiary) thereafter acquires the direct or indirect "beneficial ownership" (as defined in the BCA) of, or acquires the right to exercise control or direction over, securities of the Parent Company representing 50% or more of the then issued and outstanding voting securities of the Parent Company in any manner whatsoever, including, without limitation, as a result of a Take-Over Bid, an issuance or exchange of securities, an amalgamation of the Parent Company with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;

(ii) the sale, assignment or other transfer of all or substantially all of the assets of the Parent Company to a person or any group of two or more persons acting jointly or in concert (other than a wholly-owned Subsidiary of the Parent Company);

(iii) the occurrence of a transaction requiring approval of the Parent Company's security holders whereby the Parent Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or more persons acting jointly or in concert (other than an exchange of securities with a wholly-owned Subsidiary of the Parent Company); or

(iv) the Board of Directors passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;

(b) "**Good Reason**" means:

(i) without the express written consent of the Executive, the assignment to the Executive of any duties materially inconsistent with the Executive's position, duties and responsibilities with the Companies immediately prior to such assignment or any removal of the Executive from, or any failure to re-elect the Executive to, material positions, duties and responsibilities with the Companies;

(ii) a material reduction in total compensation, including Monthly Salary, incentive compensation, including Options, Benefits (including pension, life insurance, health and accident benefits) and perquisites the Executive was receiving immediately prior to insolvency or a Change of Control; or

(iii) any reason which would be considered to amount to constructive dismissal by a court of competent jurisdiction;

(c) "**Just Cause**" means any act, omission, behaviour, conduct or circumstance of the Executive that constitutes just cause for dismissal of the Executive at common law;

(d) **Take-Over Bid**" means a take-over bid as defined in National Instrument 62-104 – *Take-Over Bids and Issuer Bids*; and

(e) "**Total Disability**" means any physical or mental incapacity, disease or affliction of the Executive (as determined by a legally qualified medical practitioner or by a court in accordance with the Parent Company's group benefit plan) which has prevented or which will prevent the Executive from performing the essential duties of the Executive's position (taking into account reasonable accommodation by the Parent Company) for a continuous period of six months or any cumulative period of 180 days in any 12 consecutive month period.

Termination

5.2 Notwithstanding any other provision in this Agreement, the Executive's employment may be terminated at any time as follows:

(a) Death. This Agreement and the Executive's employment shall automatically terminate upon the death of the Executive. In such event, the Companies shall provide, and the Executive shall be entitled to receive, the payments and entitlements as set out in Section 5.4 herein;

(b) Total Disability. The Parent Company may terminate this Agreement and the Executive's employment at any time as a result of Total Disability upon providing 30 calendar days' written notice to the Executive. In such event, the Companies shall provide, and the Executive shall be entitled to receive, the payments, benefits and entitlements as set out in Section 5.5 herein;

(c) Just Cause. The Parent Company may terminate this Agreement and the Executive's employment at any time forthwith for any Just Cause;

(d) Non-Renewal. This Agreement and the Executive's employment shall terminate upon the delivery of a Parent Company's Non-Renewal Notice after the Term in accordance with Section 2.2 herein. In such event, the Companies shall provide, and the Executive shall be entitled to receive, the payments, benefits and entitlements as set out in Section 5.6 herein;

(e) Without Just Cause. The Parent Company may terminate this Agreement and the Executive's employment at any time without Just Cause and for any reason or no reason whatsoever by providing written notice to the Executive specifying the effective Date of Termination (such date being not less than one month after the date of the Parent Company's written notice; and which may be forthwith). In such event, the Companies shall provide, and the Executive shall be entitled to receive, the payments, benefits and entitlements as set out in Section 5.7 herein;

(f) Resignation. The Executive may terminate this Agreement and the Executive's employment at any time by providing written notice to the Board of Directors specifying the Date of Termination (such date being not less than three months after the date of the Executive's written notice). The Parent Company may elect to deem any date prior to the date specified in the notice as the Date of Termination. For greater certainty, the Executive shall not be entitled to any further payments whatsoever beyond the date specified by the Parent Company.

(g) Change of Control. The Executive may terminate this Agreement and the Executive's employment at any time in connection with any Change of Control of the Parent Company by providing not less than 90 calendar days' notice in writing of said Date of Termination to the Parent Company after the Change of Control has

been effected; provided, however, that the Parent Company may waive or abridge any notice period specified in such notice in its sole and absolute discretion; and provided, further, that the Parent Company will be entitled to carefully review and object to any said Change of Control designation by the Executive within 30 calendar days of said notice; the final determination of which, upon dispute, if any, to be determined by arbitration in accordance with Article 11 herein.

Termination for Just Cause or Resignation

5.3 If this Agreement and the Executive's employment is terminated pursuant to subsections 5.2(c) or 5.2(f) herein, then the Companies shall pay to the Executive an amount equal to the Monthly Salary and Vacation pay earned by and payable to the Executive up to the Date of Termination, and the Executive shall have no entitlement to any further notice of termination, payment in lieu of notice of termination, continuation of benefits or any damages whatsoever. Participation in all bonus plans (specifically including any Bonus) or other equity or profit participation plans terminates immediately upon the Date of Termination and the Executive shall not be entitled to any additional bonus or incentive award, *pro rata* or otherwise, except as may have been owing to the Executive for the Parent Company's completed fiscal year immediately preceding the Date of Termination.

Termination by Reason of Death

5.4 If this Agreement and the Executive's employment is terminated pursuant to subsection 5.2(a) herein, then the Companies shall pay to and provide the Executive's estate and, if applicable, the Executive's immediate family members, with the following:

(a) the Companies shall pay an amount equal to the Monthly Salary and Vacation pay earned by and payable to the Executive up to the Date of Termination; and the Executive shall then have no entitlement to any further notice of termination, payment in lieu of notice of termination, continuation of benefits or any damages whatsoever save and except any entitlements to statutory termination, continuation of benefits and termination pay that may be required in such circumstances;

(b) the Companies shall pay the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on the achievement of the objectives to such date, such payment(s) being made immediately if the amount can be readily determined but, in any event, no later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs; and the Executive shall then have no right to further participation in all Company bonus plans or other equity or profit participation plans which terminate immediately upon the Date of Termination; and

(c) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive's estate to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during 12 months from the Date of Termination (the "**Termination Option Exercise Period**").

Termination by Reason of Total Disability

5.5 If this Agreement and the Executive's employment is terminated pursuant to subsection 5.2(b) herein, then the Companies shall pay to and provide the Executive with the following:

(a) the Companies shall pay an amount equal to the Monthly Salary and Vacation pay earned by and payable to the Executive up to the Date of Termination; and the Executive shall then have no entitlement to any further notice of termination, payment in lieu of notice of termination, continuation of benefits or any damages whatsoever save and except any entitlements to statutory termination, continuation of benefits and termination pay that may be required in such circumstances;

(b) the Companies shall pay the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on the achievement of the objectives to such date, such payment(s) being made immediately if the amount can be readily determined but, in any event, no later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs; and the Executive shall then have no right to further participation in all Company bonus plans or other equity or profit participation plans which terminate immediately upon the Date of Termination;

(c) subject to provisions of any of the Companies' plans and arrangements under which Benefits are being provided to the Executive hereunder, continue each of the Executive's Benefits in full force and effect for a period of 12 months from the Date of Termination; and

(d) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during the Termination Option Exercise Period.

Termination by for Non-Renewal

5.6 If this Agreement and the Executive's employment is terminated by the Parent Company in accordance with a Parent Company's Non-Renewal Notice pursuant to subsection 5.1(d) herein, then the following provisions shall apply:

(a) the Companies shall pay to the Executive an amount equal to the Monthly Salary and Vacation pay earned by the Executive and payable to the Executive up to the Date of Termination, together with any other Vacation pay required to comply with applicable employment standards legislation;

(b) the Companies shall pay to the Executive the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on achievement of the objectives to such date, such payment(s) being made not later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs;

(c) the Companies shall pay to the Executive, as termination pay, an amount equal to four months' Monthly Salary for each completed full year of employment with the

Company commencing from the Original Commencement Date up to a total maximum of 24 months' Monthly Salary based on the Executive's Monthly Salary as at the Date of Termination (collectively, the "**Termination Amount**" herein). Unless otherwise agreed to in writing between the Parties, the foregoing Termination Amount shall be paid within 30 calendar days of the Date of Termination;

(d) subject to provisions of any of the Companies' plans and arrangements under which Benefits are being provided to the Executive hereunder, continue each of the Executive's Benefits to remain in full force and effect for a period of 12 months from the Date of Termination;

(e) the Companies shall pay the Executive an amount equal to the greater of (i) the average of the STIP paid to the Executive for the previous two years and (ii) 80% of the Executive's target annual STIP for the current fiscal year of the Company if the Executive has been employed by the Company for less than two years as at the Date of Termination; and

(f) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during the Termination Option Exercise Period.

Termination Without Just Cause

5.7 If this Agreement and the Executive's employment is terminated by the Parent Company without Just Cause pursuant to subsection 5.1(e) herein, then the following provisions shall apply:

(a) the Companies shall pay to the Executive an amount equal to the Monthly Salary and Vacation pay earned by the Executive and payable to the Executive up to the Date of Termination, together with any other Vacation pay required to comply with applicable employment standards legislation;

(b) the Companies shall pay to the Executive the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on achievement of the objectives to such date, such payment(s) being made not later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs;

(c) the Companies shall pay to the Executive, as termination pay, an amount equal to 24 months' Monthly Salary plus an additional one month's Monthly Salary for each completed full year of employment with the Company commencing from the Effective Date up to a total maximum of 30 months' Monthly Salary based on the Executive's Monthly Salary as at the Date of Termination (collectively, the "**Termination Amount**" herein). Unless otherwise agreed to in writing between the Parties, the foregoing Termination Amount shall be paid within 30 calendar days of the Date of Termination;

(d) subject to provisions of any of the Companies' plans and arrangements under which Benefits are being provided to the Executive hereunder, continue each of the

Executive's Benefits to remain in full force and effect for a period of 12 months from the Date of Termination;

(e) the Companies shall pay the Executive an amount equal to the greater of (i) the average of the STIP paid to the Executive for the previous two years and (ii) 80% of the Executive's target annual STIP for the current fiscal year of the Company if the Executive has been employed by the Company for less than two years as at the Date of Termination; and

(f) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during the Termination Option Exercise Period.

Termination for any Change of Control

5.8 Termination by the Executive. If this Agreement and the Executive's employment is terminated pursuant to subsection 5.2(g) herein, then the Companies shall pay to and provide the Executive with the following:

(a) the Companies shall pay to the Executive an amount equal to the Monthly Salary and Vacation pay earned by the Executive and payable to the Executive up to the Date of Termination, together with any other Vacation pay required to comply with applicable employment standards legislation;

(b) the Companies shall pay to the Executive the Executive's annual performance Bonus entitlements (if any) calculated *pro rata* for the period up to the Date of Termination based on achievement of the objectives to such date, such payment(s) being made not later than 30 calendar days following the Board of Directors' approval of the audited financial statements for the fiscal year in which the Date of Termination occurs;

(c) the Companies shall pay to the Executive, as termination pay, an amount equal to 24 months' Monthly Salary plus an additional one month's Monthly Salary for each completed full year of employment with the Company commencing from the Effective Date up to a total maximum of 30 months' Monthly Salary based on the Executive's Monthly Salary as at the Date of Termination (collectively, the "**Termination Amount**" herein). Unless otherwise agreed to in writing between the Parties, the foregoing Termination Amount shall be paid within 30 calendar days of the Date of Termination;

(d) subject to provisions of any of the Companies' plans and arrangements under which Benefits are being provided to the Executive hereunder, continue each of the Executive's Benefits to remain in full force and effect for a period of 12 months from the Date of Termination;

(e) the Companies shall pay the Executive an amount equal to the greater of (i) the average of the STIP paid to the Executive for the previous two years and (ii) 80% of the Executive's target annual STIP for the current fiscal year of the Company if the Executive has been employed by the Company for less than two years as at the Date of Termination; and

(f) subject to Section 5.10 herein, and subject to the Parent Company's then Option Plan and the rules and policies of any regulatory authority and stock exchange having jurisdiction over the Parent Company, allow for the Executive to then exercise any unexercised and fully vested portion of any Options on the Date of Termination at any time during the Termination Option Exercise Period.

5.9 Termination by the Parent Company. If at any time within 12 months following a Change of Control (i) the Executive is given notice that the Executive's employment is terminated by the Parent Company other than for Just Cause or (ii) the Executive's employment is terminated by the Executive for Good Reason and the Executive gives notice to the Parent Company to that effect and after 30 calendar days the Parent Company does not cure the act or omission which constitutes Good Reason, then the Companies shall pay to and provide the Executive the entitlements set forth in Section 5.8 herein.

Executive to Provide Release

5.10 The Executive acknowledges and agrees that the payments pursuant to this Article 5 shall be in full satisfaction of all terms of termination of the Executive's employment. Except as otherwise provided in this Article 5, the Executive shall not be entitled to any further notice of termination, payment in lieu of notice of termination, benefits continuation, damages or any additional compensation whatsoever. As a condition precedent to any payments or benefits pursuant to Sections 5.4, 5.5, 5.6, 5.7 and 5.8 herein, the Executive shall deliver a full and final release from all actions or claims, known and unknown, in connection with the Executive's employment with the Companies or the termination thereof in favour of the Companies, their Subsidiaries, their Affiliates and all of their respective officers, directors, trustees, shareholders, employees, attorneys, insurers and agents, such release to be in a form satisfactory to the Parent Company. No payments or benefits under Sections 5.4, 5.5, 5.6, 5.7, 5.8 and 5.9 herein shall be made until such release has been signed and returned by the Executive.

Executive to Provide Resignation

5.12 The Executive covenants and agrees that, upon any termination of this Agreement and of the Executive's employment, howsoever caused, the Executive shall forthwith tender the Executive's resignation from all offices, directorships and trusteeships then held by the Executive with the Companies or with any of their respective Subsidiaries or Affiliates, such resignation to be effective upon the Date of Termination. If the Executive fails to resign as set out above, the Executive will be deemed to have resigned from all such offices, directorships and trusteeships, and the Companies are hereby authorized by the Executive to appoint any person in the Executive's name and on the Executive's behalf to sign any documents or do anything necessary or required to give effect to such resignation.

Return of Property

5.13 All equipment, keys, pass cards, credit cards, software, material, data, written correspondence, memoranda, communication, reports or other documents or property pertaining to the business of the Companies used or produced by the Executive in connection with the Executive's employment, or in the Executive's possession or under the Executive's control, shall at all times remain the property of the Companies. The Executive shall return all property of the Companies in the Executive's possession or under the Executive's control in good condition forthwith upon any request by the Parent Company or upon any termination of this Agreement and of the Executive's employment (regardless of the reason for such termination).

Article 6
CONFIDENTIALITY

Confidential Information

6.1 The Executive acknowledges that:

(a) the Executive may, during the Term and during the continuance of this Agreement, acquire information which is confidential in nature or of great value to the Companies and their respective Subsidiaries and Affiliates and including, without limitation, matters or subjects concerning corporate assets, cost and pricing data, customer listing, financial reports, formulae, inventions, know-how, marketing strategies, products or devices, profit plans, research and development projects and findings, computer programs, suppliers and trade secrets, whether in the form of records, files, correspondence, notes, data, information or any other form, including copies or excerpts thereof (collectively, the "**Confidential Information**"); the disclosure of any of which to competitors, customers, clients or suppliers of the Companies, unauthorized personnel of the Companies or to third parties would be highly detrimental to the best interests of the Companies; and

(b) the right to maintain the confidentiality of Confidential Information, and the right to preserve the Companies' goodwill, constitute proprietary rights which the Companies are entitled to protect.

Protection of Confidential Information

6.2 While employed by the Companies and following the termination of this Agreement and the Executive's employment (regardless of the reason for any termination), the Executive shall not, directly or indirectly, in any way use or disclose to any person any Confidential Information except as provided for herein. The Executive agrees and acknowledges that the Confidential Information of the Companies is the exclusive property of the Companies to be used exclusively by the Executive to perform the Executive's Services and duties and fulfil the Executive's obligations to the Companies and not for any other reason or purpose. Therefore, the Executive agrees to hold all such Confidential Information in trust for the Companies, and the Executive further confirms and acknowledges the Executive's fiduciary duty to use best efforts to protect the Confidential Information, not to misuse such information and to protect such Confidential Information from any misuse, misappropriation, harm or interference by others in any manner whatsoever. The Executive agrees to protect the Confidential Information regardless of whether the information was disclosed in verbal, written, electronic, digital, visual or other form, and the Executive hereby agrees to give notice immediately to the Companies of any unauthorized use or disclosure of Confidential Information of which the Executive becomes aware. The Executive further agrees to assist the Companies in remedying any such unauthorized use or disclosure of Confidential Information. In the event that the Executive is requested or required to disclose to third parties any Confidential Information or any memoranda, opinions, judgments or recommendations developed from the Confidential Information, the Executive will, prior to disclosing such Confidential Information, provide the Companies with prompt written notice of such request(s) or requirement(s) so that the Companies may seek appropriate legal protection or waive compliance with the provisions of this Agreement. The Executive will not oppose action by, and will cooperate with, the Companies to obtain legal protection or other reliable assurance that confidential treatment will be accorded the Confidential Information. The restrictions on the Executive's use or disclosure of any of the Companies' information, including Confidential Information as set forth in this Article 6, shall continue following the expiration or termination of this Agreement regardless of the reasons for or manner of such termination.

Corporate Opportunity

6.3 Any business opportunities related in any way to the Business and affairs of the Companies or any of their respective Subsidiaries or Affiliates which become known to the Executive during the Executive's employment hereunder shall be fully disclosed and made available to the Companies and shall not be appropriated by the Executive under any circumstance without the prior written consent of the Parent Company.

Article 7
RESTRICTIVE COVENANTS

Non-Competition

7.1 The Executive covenants to not (without prior written consent of the Companies) at any time during the Executive's employment with the Companies nor during the period following the Date of Termination when the Executive is receiving Termination Amount payments from the Company pursuant to Article 5 herein, directly or indirectly, anywhere within North America (the "**Territory**"), either individually or in partnership, jointly or in conjunction with any other person, firm, association, syndicate or company, whether as agent, shareholder, employee, consultant, or in any manner whatsoever, engage in, carry on or otherwise be concerned with, be employed by, associated with or in any other manner connected with, or have any interest in, manage, advise, lend money to, guarantee the debts or obligations of, render services or advice to, permit the Executive's name, or any part thereof to be used or employed in connection with, in whole or in part, any business the same or similar to or in competition with that of the Business.

Non-Solicitation

7.2 The Executive covenants to not (without prior written consent of the Companies) at any time during the Executive's employment with the Company, nor during the periods set out below, directly or indirectly, either individually or in partnership, jointly or in conjunction with any other person, firm, association, syndicate, company or corporation, whether as agent, shareholder, employee, consultant, or in any manner whatsoever:

(a) for the 12 month period following the date the Executive ceases to be employed with the Companies or any other termination of this Agreement (regardless of who initiated the termination and whether with or without Just Cause), solicit or entice away, or endeavour to solicit or entice away from the Companies, employ, or otherwise engage (as an employee, independent Executive, independent sales representative, or otherwise) any person who is employed by the Companies or employed as a consultant or independent sales representative by the Companies as at the Date of Termination or who was so employed or employed within the 12 month period preceding such date; or

(b) for the 12 month period following the date the Executive ceases to be employed with the Companies or any other termination of this Agreement (regardless of who initiated the termination and whether with or without Just Cause), for any purpose competitive with the Business, canvass, solicit or approach for orders, or cause to be canvassed or solicited or approached for orders, or accept any business or patronage from any person or entity (i) who is or which is a customer, client, supplier, licensee or business relation of the Companies as at the Date of Termination or within the one month period preceding such date and (ii) with whom the Executive worked, or about whom the Executive received Confidential Information, during the course of employment with the Companies; or

(c) for the 12 month period following the date the Executive ceases to be employed with the Companies or any other termination of this Agreement (regardless of who initiated the termination and whether with or without Just Cause), induce or attempt to induce any customer, client, supplier, licensee or business relationship of the Companies to cease doing business with the Companies; or

(d) for the period following the date the Executive ceases to be employed with the Companies or any other termination of this Agreement (regardless of who initiated the termination and whether with or without Just Cause), disparage the Companies or their respective Subsidiaries, Affiliates or employees.

Non-Interference

7.3 The Executive covenants to not (without prior written consent of the Companies) at any time during the Executive's employment with the Companies, nor for a period of 12 months thereafter, interfere with any contractual relationship between the Companies and any party that was a licensor, buyer, customer, partner, joint venturer or vendor (each, a "**Contract Partner**") of the Companies or that the Companies were actively soliciting to be a Contract Partner during the 12 month period preceding that date upon which the Executive ceases to be employed with the Companies. For purposes of this section, the Executive shall be deemed to interfere with a contractual relationship with a Contract Partner if (i) the Executive takes any action that the Executive, or a person in a similar position, should reasonably anticipate could result in a material adverse change of the terms of such relationship or (ii) the Executive disparages the Companies, or any of their respective directors, officers, stockholders or employees, in any manner reasonably foreseeable to be harmful to the Companies, or their reputation, or the personal or business reputation of such directors, officers, stockholders or employees; provided that the Executive may respond accurately and fully to any question, inquiry or request for information when required by legal process.

Company

7.4 For the purposes of Sections 7.2 and 7.3, references to the "Companies" shall be deemed to include the Companies, their respective successors (whether direct or indirect) by purchase, amalgamation, merger or otherwise of the Business, and their respective Subsidiaries, Affiliates and their subsidiaries.

Passive Investments

7.5 Nothing in this Agreement shall prohibit or restrict the Executive from holding or becoming beneficially interested in up to one percent (1%) of any class of securities in any company provided that such class of securities are listed on a recognized stock exchange in North America.

Article 8
OWNERSHIP OF INTELLECTUAL PROPERTY

Definitions

8.1 In this Agreement, "**Inventions**" means, collectively, all:

(a) discoveries, inventions, ideas, suggestions, reports, documents, designs, technology, methodologies, compilations, concepts, procedures, processes,

products, protocols, treatments, methods, tests, improvements, work product and computer programs (including all source code, object code, compilers, libraries and developer tools, and any manuals, descriptions, data files, resource files and other such materials relating thereto), and

(b) each and every part of the foregoing;

that are conceived, developed, reduced to practice or otherwise made by the Executive either alone or with others or, in any way, relate to the present or proposed programs, services, products or business of the Companies, or to tasks assigned to the Executive in connection with the Executive's duties or in connection with any research or development carried on or planned by the Companies, whether or not such Inventions are conceived, developed, reduced to practice or otherwise made during the Executive's employment or during regular working hours and whether or not the Executive is specifically instructed to conceive, develop, reduce to practice or otherwise make same.

Exclusive Property

8.2 The Executive agrees that all Inventions, and any and all services and products which embody, emulate or employ any such Invention, shall be the sole property of the Companies, and all copyrights, patents, patent rights, trademarks, service marks, reproduction rights and all other proprietary title, rights and interest in and to each such Invention, whether or not registrable (collectively, the "**Intellectual Property Rights**"), shall belong exclusively to the Companies.

Work for Hire

8.3 For purposes of all applicable copyright laws to the extent, if any, that such laws are applicable to any such Invention or any such service or product, it shall be considered a work made for hire and the Companies shall be considered the author thereof.

Disclosure

8.4 The Executive will promptly disclose to the Companies, or any persons designated by it, all Inventions and all such services or products.

Assignment

8.5 The Executive hereby assigns and further agrees to, from time to time as such Inventions arise, assign to the Companies or their respective nominee (or their respective successors or assigns) all of the Executive's right, title and interest in and to the Inventions and the Intellectual Property Rights without further payment by the Companies.

Moral Rights

8.6 The Executive hereby waives and further agrees to, from time to time as such Inventions arise, waive for the benefit of the Companies and their respective successors or assigns all the Executive's moral rights in respect of the Inventions.

Further Assistance

8.7 The Executive agrees to assist the Companies in every proper way (but at the Companies' expense) to obtain and, from time to time, enforce the Intellectual Property Rights and to the Inventions in any and all countries, and to that end will execute all documents for use in applying for, obtaining and enforcing the Intellectual Property Rights in and to such Inventions

as the Companies may desire, together with any assignments of such Inventions to the Companies or persons designated by them. The Executive's obligation to assist the Companies in obtaining and enforcing such Intellectual Property Rights in any and all countries shall continue beyond the termination of this Agreement.

Representations and Warranties

8.8 The Executive hereby represents and warrants that the Executive is subject to no contractual or other restriction or obligation that will in any manner limit the Executive's obligations under this Agreement or activities on behalf of the Companies. The Executive hereby represents and warrants to the Companies that the Executive has no continuing obligations to any person (i) with respect to any previous invention, discovery or other item of intellectual property or (ii) that require the Executive not to disclose the same.

Article 9
REMEDIES

Remedy

9.1 The Executive acknowledges and agrees that the Executive is employed in a fiduciary capacity, with obligations of trust and loyalty owed by the Executive to the Companies. Accordingly, the Executive agrees that the restrictions in Articles 6, 7 and 8 herein are reasonable in the circumstances of the Executive's employment and that the Business and affairs of the Companies cannot be properly protected from the adverse consequences of the actions of the Executive other than by the restrictions set forth in this Agreement. If any of the restrictions are determined to be unenforceable as going beyond what is reasonable in the circumstances for the protection of the interests of the Companies but would be valid; for example, if the scope of their time periods or geographic areas were limited; the Parties consent to the court making such modifications as may be required and such restrictions shall apply with such modifications as may be necessary to make them valid and effective.

Injunctions, etc.

9.2 The Executive acknowledges and agrees that, in the event of a breach of the covenants, provisions and restrictions in Articles 6, 7 and 8 herein by the Executive, the Companies' remedy in the form of monetary damages will be inadequate. Therefore, the Companies shall be and are hereby authorized and entitled, in addition to all other rights and remedies available to them, to apply to a court of competent jurisdiction for interim and permanent injunctive relief and an accounting of all profits and benefits arising out of such breach without the necessity of posting a bond or other security.

Loss of Entitlements

9.3 In addition to all other rights and remedies available to the Companies, the Executive acknowledges and agrees that the Executive will immediately lose and not be entitled to the payments and benefits set out in Article 6 herein if the Executive breaches any of the covenants in Articles 6, 7 or 8 herein.

Survival

9.4 Each and every provisions of Articles 1, 6, 7, 8 and 9 herein shall survive the termination of this Agreement and the Executive's employment hereunder (regardless of the reason for such termination).

Article 10
INDEMNIFICATION AND LEGAL PROCEEDINGS

Indemnification

10.1 The Parties hereby each agree to indemnify and save harmless the other Party and including, where applicable, the other Party's respective Subsidiaries and Affiliates and each of their respective directors, officers, associates, affiliates and agents (each such party being an "**Indemnified Party**"), harmless from and against any and all losses, claims, actions, suits, proceedings, damages, liabilities or expenses of whatever nature or kind and including, without limitation, any investigation expenses incurred by any Indemnified Party, to which an Indemnified Party may become subject by reason of the terms and conditions of this Agreement.

No indemnification

10.2 This indemnity will not apply in respect of an Indemnified Party in the event and to the extent that a court of competent jurisdiction in a final judgment shall determine that the Indemnified Party was grossly negligent or guilty of wilful misconduct.

Claim of indemnification

10.3 The Parties agree to waive any right they might have of first requiring the Indemnified Party to proceed against or enforce any other right, power, remedy, security or claim payment from any other person before claiming this indemnity.

Notice of claim

10.4 In case any action is brought against an Indemnified Party in respect of which indemnity may be sought against either of the Parties (said Party then being the "**Indemnitee**"), the Indemnified Party will give both Parties prompt written notice of any such action of which the Indemnified Party has knowledge and the Indemnitee will undertake the investigation and defense thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Party affected and the Indemnitee and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve the Indemnitee of the Indemnitee's obligation of indemnification hereunder unless (and only to the extent that) such failure results in a forfeiture by the Indemnitee of substantive rights or defenses.

Settlement

10.5 No admission of liability and no settlement of any action shall be made without the consent of each of the Parties and the consent of the Indemnified Party affected, such consent not to be unreasonable withheld.

Legal Proceedings

10.6 Notwithstanding that the Indemnitee will undertake the investigation and defense of any action, an Indemnified Party will have the right to employ separate counsel in any such

action and participate in the defense thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless:

(a) such counsel has been authorized by the Indemnitee;

(b) the Indemnitee has not assumed the defense of the action within a reasonable period of time after receiving notice of the action;

(c) the named parties to any such action include that any Party and the Indemnified Party shall have been advised by counsel that there may be a conflict of interest between any Party and the Indemnified Party; or

(d) there are one or more legal defenses available to the Indemnified Party which are different from or in addition to those available to any Party.

Contribution

10.7 If for any reason other than the gross negligence or bad faith of the Indemnified Party being the primary cause of the loss claim, damage, liability, cost or expense, the foregoing indemnification is unavailable to the Indemnified Party or insufficient to hold them harmless, the Indemnitee shall contribute to the amount paid or payable by the Indemnified Party as a result of any and all such losses, claim, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitee on the one hand and the Indemnified Party on the other, but also the relative fault of the Indemnitee and the Indemnified Party and other equitable considerations which may be relevant. Notwithstanding the foregoing, the Indemnitee shall in any event contribute to the amount paid or payable by the Indemnified Party, as a result of the loss, claim, damage, liability, cost or expense (other than a loss, claim, damage, liability, cost or expenses, the primary cause of which is the gross negligence or bad faith of the Indemnified Party), any excess of such amount over the amount of the fees actually received by the Indemnified Party hereunder.

Article 11
ARBITRATION

Matters for arbitration

11.1 Except for matters of indemnity or in the case of urgency to prevent material harm to a substantive right or asset, the Parties agree that all questions or matters in dispute with respect to this Agreement shall be submitted to arbitration pursuant to the terms hereof. This provision shall not prejudice a Party from seeking a court order or assistance to garnish or secure sums or to seek summary remedy for such matters as counsel may consider amenable to summary proceedings.

Notice

11.2 It shall be a condition precedent to the right of any Party to submit any matter to arbitration pursuant to the provisions hereof that any Party intending to refer any matter to arbitration shall have given not less than five business days' prior written notice of its intention to do so to the other Parties together with particulars of the matter in dispute. On the expiration of such five business days the Party who gave such notice may proceed to refer the dispute to arbitration as provided for herein. Except for matters of indemnity or in the case of urgency to prevent material harm to a substantive right or asset, the Parties agree that all questions or matters in dispute with respect to this Agreement shall be submitted to arbitration pursuant to the terms

hereof. This provision shall not prejudice a Party from seeking a court order or assistance to garnish or secure sums or to seek summary remedy for such matters as counsel may consider amenable to summary proceedings.

Appointments

11.3 The Party desiring arbitration shall appoint one arbitrator, and shall notify the other Parties of such appointment, and the other Parties shall, within five business days after receiving such notice, appoint an arbitrator, and the two arbitrators so named, before proceeding to act, shall, within five business days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator, to act with them and be chairperson of the arbitration herein provided for. If the other Parties shall fail to appoint an arbitrator within five business days after receiving notice of the appointment of the first arbitrator, and if the two arbitrators appointed by the Parties shall be unable to agree on the appointment of the chairperson, the chairperson shall be appointed in accordance with the provisions of the Arbitration Act. Except as specifically otherwise provided in this section, the arbitration herein provided for shall be conducted in accordance with such Arbitration Act. The chairperson, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place in Vancouver, British Columbia, Canada, for the purpose of hearing the evidence and representations of the Parties, and the chairperson shall preside over the arbitration and determine all questions of procedure not provided for by the Arbitration Act or this section. After hearing any evidence and representations that the Parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the Parties. The expense of the arbitration shall be paid as specified in the award.

Award

11.4 The Parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.

Article 12
OTHER PROVISIONS

Recitals

12.1 The Companies and the Executive represent and warrant to each other that the Recitals set out above are true.

Currency

12.2 All amounts payable pursuant to this Agreement are expressed in and shall be paid in United States currency unless otherwise expressly provided for.

Rights and Waivers

12.3 All rights and remedies of the Parties are separate and cumulative, and none of them, whether exercised or not, shall be deemed to be to the exclusion of any other rights or remedies or shall be deemed to limit or prejudice any other legal or equitable rights or remedies which either of the Parties may have. Any purported waiver of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Party to be bound by the waiver. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-

compliance under this Agreement shall not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

No Representation or Claims

12.4 The Executive agrees that the Executive has not been induced to enter into this Agreement by reason of any statement, representation, understanding or promise not expressly set out in this Agreement. The Executive has no claim against the Companies arising from any Services provided by the Executive to the Companies in any capacity prior to the Effective Date of this Agreement.

Governing Law

12.5 The situs of this Agreement is Vancouver, British Columbia, Canada, and for all purposes this Agreement will be governed exclusively by and construed and enforced in accordance with the laws prevailing in the Province of British Columbia, Canada, and the federal laws of Canada applicable thereto.

Notices

12.6 Any notice or other communication or writing required or permitted to be given under this Agreement or for the purposes of this Agreement will be in writing and will be sufficiently given if delivered personally, or if transmitted by facsimile transmission (with original to follow by mail) or other form of recorded communication, tested prior to transmission, to:

(a) if to the Companies:

Electrameccanica Vehicles Corp.
102 East First Avenue, Vancouver, British Columbia, Canada, V5T 1A4
Attention: Kevin Pavlov, Chief Executive Officer
Phone: (604) 428-7656
E-mail: kevin.pavlov@electrameccanica.com;

with a copy to counsel for the Parent Company:

McMillan LLP
Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7
Attention: Thomas J. Deutsch
Phone: (604) 691-7445
Fax: (604) 893-2679
E-mail: thomas.deutsch@mcmillan.ca; and

(b) if to the Executive:

Kim Anne Brink
44283 Highland Court, Northville, Michigan, U.S.A., 48168
Phone: (248) 704 - 9394
E-mail: kimannebrink@gmail.com;

or to such other address as the Party to whom such notice is to be given will have last notified the Party giving the same in the manner provided in this section. Any notice so delivered will be

deemed to have been given and received on the day it is so delivered at such address; provided that such day is not a Business Day (as herein defined) then the notice will be deemed to have been given and received on the Business Day next following the day it is so delivered. Any notice so transmitted by facsimile transmission or other form of recorded communication will be deemed to have been given and received on the day of its confirmed transmission (as confirmed by the transmitting medium), provided that if such day is not a Business Day then the notice will be deemed to have been given and received on the Business Day next following such day. "**Business Day**" means any day that is not a Saturday, Sunday or civic or statutory holiday in the Province of British Columbia, Canada.

Successors and Assigns

12.7 This Agreement shall inure to the benefit of, and be binding on, the Parties and their respective heirs, administrators, executors, successors (whether direct or indirect, by purchase, amalgamation, arrangement, merger, consolidation or otherwise) and permitted assigns. The Companies shall have the right to assign this Agreement, or the benefit thereof, to any of their respective Affiliates or to any successor (whether direct or indirect, by purchase, amalgamation, arrangement, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Companies. The Executive, by the Executive's signature hereto, expressly consents to such assignment and, provided that such successor agrees to assume and be bound by the terms and conditions of this Agreement, all references to the "Companies" hereunder shall include their respective successors. The Companies may also agree to enforce, for the benefit of any successor (whether direct or indirect, by purchase, amalgamation, arrangement, merger, consolidation or otherwise) the provisions contained in Articles 7 and 8, regardless of whether the Companies continue to carry on or be involved in the Business. The Executive shall not assign or transfer, whether absolutely, by way of security or otherwise, all or any part of the Executive's rights or obligations under this Agreement without the prior consent of the Companies, which may be arbitrarily withheld.

Amendment

12.8 No amendment of this Agreement will be effective unless made in writing and signed by the Parties.

Severability

12.9 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. The Parties agree to negotiate in good faith to agree to a substitute provision which shall be as close as possible to the intention of any invalid or unenforceable provision as may be valid or enforceable.

Independent Legal Advice

12.10 The Parties acknowledge that, prior to executing this Agreement, they have each had the opportunity to obtain independent legal advice and that they fully understand the nature of this Agreement and that they are entering into this Agreement voluntarily.

Force Majeure

12.11 If either Party is at any time either during this Agreement or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of strikes, walk-outs, labour shortages, power shortages, fires, wars, acts of God, earthquakes, storms, floods, explosions,

accidents, protests or demonstrations by environmental lobbyists or native rights groups, delays in transportation, breakdown of machinery, inability to obtain necessary materials in the open market, unavailability of equipment, governmental regulations restricting normal operations, shipping delays or any other reason or reasons beyond the control of that Party, then the time limited for the performance by that Party of its respective obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay. A Party shall within three calendar days give notice to the other Parties of each event of force majeure under this section, and upon cessation of such event shall furnish the other Parties with notice of that event together with particulars of the number of days by which the obligations of that Party hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

Time of the essence

12.12 Time will be of the essence of this Agreement.

Enurement

12.13 This Agreement will enure to the benefit of and will be binding upon the Parties and their respective heirs, executors, administrators and assigns.

Further assurances

12.14 The Parties will from time to time after the execution of this Agreement make, do, execute or cause or permit to be made, done or executed, all such further and other acts, deeds, things, devices and assurances in law whatsoever as may be required to carry out the true intention and to give full force and effect to this Agreement.

No partnership or agency

12.15 The Parties have not created a partnership and nothing contained in this Agreement shall in any manner whatsoever constitute any Party the partner, agent or legal representative of the other Parties, nor create any fiduciary relationship between them for any purpose whatsoever.

Entire agreement

12.16 This Agreement constitutes the entire agreement to date between the Parties and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, between the Parties with respect to the subject matter of this Agreement.

Personal Information

12.17 The Executive acknowledges that the Companies are obligated to comply with the *Personal Information Protection Act* (British Columbia) and with any other applicable legislation governing the collection, use, storage and disclosure of personal information. The Executive agrees to comply with all of the Companies' personal information protection policies and with other policies, controls and practices as they may exist, from time to time, in ensuring that the Executive and the Companies engage only in lawful collection, storage, use and disclosure of personal information.

Captions

12.18 The headings, captions, Article, section and subsection numbers appearing in this Agreement are inserted for convenience of reference only and shall in no way define, limit, construe or describe the scope or intent of this Agreement nor in any way affect this Agreement.

Ambiguities

12.19 As each Party and its legal counsel have participated in the review and revision of this Agreement, any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in interpreting this Agreement.

Accessibility

12.20 The Companies have policies to support employees with disabilities, including, but not limited to, policies regarding the provision of job accommodations that take into account an employee's accessibility needs due to disability.

Counterparts

12.21 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

[*The rest of this page left intentionally blank. The signature page follows.*]

IN WITNESS WHEREOF the Parties have hereunto set their respective hands and seals as at the Effective Date as hereinabove determined.

The COMMON SEAL of **ELECTRAMECCANICA VEHICLES CORP.**, the Parent Company herein, was hereunto affixed in the presence of:	)	(C/S)
/s/ Kevin Pavlov Authorized Signatory	)	
The COMMON SEAL of **EMV AUTOMOTIVE USA INC.** the Operating Subsidiary herein, was hereunto affixed in the presence of:	)	(C/S)
/s/ Kevin Pavlov Authorized Signatory	)	
SIGNED, SEALED and DELIVERED by **KIM ANNE BRINK**, the Executive herein, in the presence of:	)	
/s/ Russ Stokes Witness Signature	)	*/s/ Kim Brink* **KIM ANNE BRINK**
Russ Stokes, Commercial Banker Witness Name and Occupation	)	

EXHIBIT 8.1

LIST OF SUBSIDIARIES

Subsidiaries

1. Intermeccanica International Inc., a British Columbia, Canada, corporation;
2. EMV Automotive USA Inc., a Nevada corporation;
3. SOLO EV LLC, a Michigan corporation; and
4. ElectraMeccanica USA LLC, an Arizona limited liability company; and
5. EMV Automotive Technology (Chongqing) Inc., a PRC corporation.

EXHIBIT 12.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kevin Pavlov, certify that:

1. I have reviewed this Annual Report on Form 20-F of Electrameccanica Vehicles Corp.;

2. Based on my knowledge, this Annual Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Annual Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this Annual Report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Annual Report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this Annual Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Annual Report based on such evaluation; and

   (d) Disclosed in this Annual Report any change in the company's internal control over financial reporting that occurred during the period covered by this Annual Report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 22, 2022
/s/ Kevin Pavlov
Name: Kevin Pavlov
Title: Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 12.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Bal Bhullar, certify that:

1. I have reviewed this Annual Report on Form 20-F of Electrameccanica Vehicles Corp.;

2. Based on my knowledge, this Annual Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Annual Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this Annual Report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Annual Report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this Annual Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Annual Report based on such evaluation; and

   (d) Disclosed in this Annual Report any change in the company's internal control over financial reporting that occurred during the period covered by this Annual Report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 22, 2022

/s/ Bal Bhullar
Name: Bal Bhullar
Title: Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

EXHIBIT 13.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Electrameccanica Vehicles Corp. on Form 20-F for the fiscal year ended December 31, 2021 filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certify that to the best of our knowledge:

1. The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Annual Report fairly presents, in all material respects, the financial conditions and results of operations of Electrameccanica Vehicles Corp.

Date: March 22, 2022 *<u>/s/Kevin Pavlov</u>*
Name: Kevin Pavlov
Title: Chief Executive Officer
(Principal Executive Officer)

Date: March 22, 2022 *<u>/s/ Bal Bhullar</u>*
Name: Bal Bhullar
Title: Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

This written statement accompanies the Annual Report on Form 20-F in which it appears as an Exhibit pursuant to Section 906 of the U.S. Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the U.S. Sarbanes-Oxley Act of 2002 or other applicable law, be deemed filed by Electrameccanica *Vehicles Corp. for purposes of Section 18 of the U.S. Securities Exchange Act of 1934, as amended.*

EXHIBIT 15.1

KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Electrameccanica Vehicles Corp.

We consent to the use of our report dated March 22, 2022 on the consolidated financial statements of Electrameccanica Vehicles Corp. (the "Entity") which comprise the consolidated statements of financial position as at December 31, 2021 and December 31, 2020, the related consolidated statements of loss and comprehensive loss, changes in equity and cash flows for each of the years in the three-year period ended December 31, 2021, and the related notes (collectively the "consolidated financial statements"), and which is included in the Annual Report on Form 20-F of the Entity for the fiscal year ended December 31, 2021.

We also consent to the incorporation by reference of such report in the registration statements (No. 333-229562 and No. 333-257292) on Form F-3 and (No. 333-249321) on Form S-8 of the Entity.

/s/ KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
March 22, 2022