Management's Discussion and Analysis of Financial Condition and Results of Operations for the Three and Six Months Ending December 31, 2023 and 2022 ("interim MD&A")

*The following discussion and analysis of financial condition and results of operations of the Company ("**SEA**", "**SEA Electric**", "**we**", "**our**", "**us**", or the "**Company**") should be read in conjunction with the Company's financial statements for the three and six months ended December 31, 2023 and 2022 and related notes appearing elsewhere in this Circular. Our actual results may not be indicative of future performance. This discussion and analysis contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those discussed in the sections of this Circular titled "Appendix B Information Concerning SEA – Cautionary Statement Regarding Forward-Looking Information" and "Appendix B Information Concerning SEA – Risk Factors". Actual results may differ materially from those contained in any forward-looking statements. Certain monetary amounts, percentages and other figures included in this report have been subjected to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated, may not be the arithmetic aggregation of the percentages that precede them. All financial detail is expressed in U.S. dollars unless otherwise indicated. This interim MD&A has been prepared as of the date of this Circular.*

Factors Affecting Our Revenues

Revenues are the result of a number of factors:

1. Customer expectations with respect to the relationship between the price of a zero-emission vehicle ("**ZEV**") and a vehicle equipped with a traditional internal combustion engine ("**ICE**");
2. The ability of the SEA Electric team and the dealers that we work with through OEMs or directly to provide customers with a good understanding of the TCO advantage of a ZEV versus an ICE vehicle;
3. Availability of Federal, State and Local grants or subsidies that are used to promote the adoption of ZEV's and assist in achievement of various clean air targets;
4. Ability of business to find affordable solutions for charging their ZEVs;
5. The strength and training of our distribution networks (principally the dealer networks of Hino and Mack);
6. ZEV adoption strategies of countries, and large businesses such as major fleets, mining, school bus and operators of specialist vehicles (e.g., airplane refueling trucks); and
7. Changes in the Cost of Goods Sold due to raw materials, labor costs, infrastructure costs (e.g., the escalation of freight costs during COVID-19), regulatory actions such as the imposition of higher tariffs on goods imported from China and other factors are all reasons for management to review and adjust prices.

Factors Affecting Our Expenses and Other Items

Our expenses and other line items in our Consolidated Statements of Operations are principally driven by the following factors:

1. Cost of goods sold consist of material costs (principally powertrain components such as batteries and motors, and wiring due to changes in copper prices, steel and other commodities), freight costs, labor expenses, and overhead and duties applied to imports. Our cost of goods sold may vary from period to period due to changes in sales volume, efforts by certain suppliers to pass through the economics associated with key commodities, fluctuations in freight costs, design changes with respect to specific components, design changes with respect to specific vehicles, wage increases for plant labor, productivity of plant labor, delays in receiving materials and other logistical

challenges, inflation, changes in duty rates applied to imported components and the impact of overhead items such as utilities.

2. Selling, general and administrative (“**SG&A**”) expenses include costs associated with our selling and marketing efforts, engineering, centralized finance, human resources, purchasing, and information technology services, along with other administrative matters and functions. In most instances, marketing programs, the principal component of these costs is salary expense, professional service charges and rent. Changes from period to period are typically driven by employment factors.
3. Interest expense relates to costs associated with our debt instruments and reflects both the amount of indebtedness and the interest rate that we are required to pay on our debt.
4. Estimates of the amounts to recognize for income taxes in each tax jurisdiction in which we operate are included. In addition, provisions are established for certain withholding taxes and for uncertain tax positions taken.
5. Other income and expense items are largely gains or losses on foreign currency, if any. Other amounts not associated with operating expenses may also be included in this balance.

Our Segments

We manage our business as a single segment. Financial information is reported on the basis that it is used internally by the chief operating decision maker (“**CODM**”) in evaluating performance and deciding how to allocate resources. The Chief Executive Officer of the Company has been identified as the CODM. If the Company is to adopt segment reporting in the future, it will most likely be on a geographical basis, however, given the fact that our business is still maturing in most markets, we believe that a segment based reporting decision is premature at the present time.

Consolidated Statement of Operations and Comprehensive Loss (*in U.S. Dollars*)

	Three Months Ended December 31,		*Six Months Ended December 31,*	
	2023	**2022**	**2023**	**2022**
Revenue	$ 3,350,570	$ 6,299,811	$ 7,211,847	$ 12,029,850
Operating Expenses				
Cost of sales	(4,342,546)	(7,805,700)	(8,216,761)	(15,875,398)
Selling, general, and administrative	(7,092,574)	(7,558,302)	(14,040,335)	(15,730,721)
Research and development	(61,176)	(183,516)	(727,322)	(375,827)
Total Operating Expenses	(11,496,296)	(15,547,518)	(22,984,418)	(31,981,946)
Loss from Operations	(8,145,726)	(9,247,707)	(15,772,571)	(19,952,096)
Interest Expense	(1,406,136)	(462,217)	(2,820,889)	(824,434)
Loss before income taxes	(9,551,862)	(9,709,924)	(18,593,460)	(20,776,530)
Income Tax Provision	-	-	-	-
Net Loss	$ (9,551,862)	$ (9,709,924)	$ (18,593,460)	$ (20,776,530)
Other Comprehensive Income (Loss)				
Foreign currency translation adjustments	1,698,506	(839,785)	1,386,234	(835,851)
Total Comprehensive Loss	$ (7,853,356)	$ (10,549,709)	$ (17,207,226)	$ (21,612,381)

The following provides a summary of quarterly results for each of the eight most recently completed quarters:

Quarter Ended		Revenue		Net Loss		Issued		Fully Diluted
December 31, 2023	$	3,350,570	$	(7,853,356)	$	(1.81)	$	(1.52)
September 30, 2023	$	3,861,277	$	(9,353,869)	$	(2.15)	$	(1.82)
June 30, 2023	$	1,527,250	$	(8,693,850)	$	(2.00)	$	(1.71)
March 31, 2023	$	3,528,245	$	(8,762,761)	$	(2.02)	$	(1.73)
December 31, 2022	$	6,299,811	$	(10,549,509)	$	(2.43)	$	(2.13)
September 30, 2022	$	5,730,040	$	(11,062,872)	$	(2.55)	$	(2.27)
June 30, 2022	$	3,232,820	$	(16,244,361)	$	(3.74)	$	(3.57)
March 31, 2022	$	516,854	$	(7,379,482)	$	(1.80)	$	(1.73)

Quarter Ending December 31, 2023

Net sales were $3.4 million for the three months ended December 31, 2023, a decrease of $3.8 million, or 53.4%, compared to $7.2 million for the same period in fiscal 2023. The decrease in net sales is due to unit bookings in the quarter ended December 31, 2023 of 29 units, down from 48 units recorded during the same period in fiscal 2023 and a product mix shift in both the U.S. and Australia.

In Australia and New Zealand, net sales for the three months ended December 31, 2023 (FY 2024), were $1.2 million or $1.3 million lower than the $2.5 million recorded for the same period in fiscal 2023 and the average sales price per unit was $165 thousand compared to $195 thousand in fiscal 2023. The change in average sales price per unit reflects pricing actions taken by management as well as product and customer mix changes. Units booked were seven in the three months ended December 31, 2023 (FY 2024), compared with 13 units in the same period in fiscal 2023.

Sales in the U.S. for the three months ended December 31, 2023 were $2.2 million, or $1.6 million lower compared to the same period in fiscal 2023 and the average sales price per unit was $100 thousand compared to $108 thousand in fiscal 2023. Units booked were 22 in the three months ended December 31, 2023, compared with 35 units in the same period in fiscal 2023.

Total cost of sales was $4.3 million for the three months ended December 31, 2023, a decrease of $3.5 million, or 44.9%, compared to $7.8 million for the same period in fiscal 2023. The decrease in cost of goods sold was due partially to the reduction in volume and partially to cost reductions.

Operating loss was $8.2 million for the three months ended December 31, 2023, a decrease of $1.0 million or 11.0% compared to $9.2 million for the same period in fiscal 2023. The reduction in the operating loss of $1.0 million was due to lower per unit cost of goods sold (worth $3.5 million), lower SG&A expenses ($0.5 million) and lower research and development expenses ($0.1 million), partially offset by lower revenue ($3.8 million).

Interest expense was $1.4 million for the three-month period ended December 31, 2023, compared to $0.5 million for the same period in fiscal 2023. The increase was attributable to SEA Electric increasing its debt by $30 million between the end of December 2022 and end of December 2023.

Income tax expense was $0.0 million for the three months ended December 31, 2023, unchanged from the same period in fiscal 2023.

Six Months Ending December 31, 2023

Net sales were $7.2 million for the six months ended December 31, 2023, a decrease of $4.8 million, or 40%, compared to $12 million for the same period in fiscal 2023. The decrease in net sales is due to unit bookings in the six months ended December 31, 2023 of 60 units, down from 80 units recorded during the same period in fiscal 2023, and a product mix shift in both the U.S. and Australia.

In Australia and New Zealand, net sales for the six months ended December 31, 2023 (FY 2024), were $2.6 million or $2.7 million lower than the $5.3 million recorded for the same period in fiscal 2023 and the average sales price per unit was $172 thousand compared to $197 thousand in fiscal 2023. The change in average sales price per unit reflects pricing actions taken by management as well as product and customer mix changes. Units booked were 15 in the six months ended December 31, 2023 (FY 2024), compared with 27 units in the same period in fiscal 2023.

Sales in the U.S. for the six months ended December 31, 2023 were $4.6 million, or $2.1 million lower than the $6.7 million recorded for the same period in fiscal 2023 and the average sales price per unit was $103 thousand compared to $126 thousand in fiscal 2023. Units booked were 45 in the six months ended December 31, 2023, compared with 53 units in the same period in fiscal 2023.

Total cost of sales was $8.2 million for the six months ended December 31, 2023, a decrease of $7.7 million, or 48.4%, compared to $15.9 million for the same period in fiscal 2023. The decrease in cost of goods sold was due partially to the reduction in volume and partially to cost reductions.

Operating loss was $15.8 million for the six months ended December 31, 2023, a decrease of $4.2 million or 21% compared to $20.0 million for the same period in fiscal 2023. The reduction in the operating loss of $4.2 million was due to lower per unit cost of goods sold (worth $7.7 million), lower SG&A expenses ($1.7 million), partially offset by higher research and development expenses ($0.4 million) and lower revenue ($4.8 million).

Interest expense was $2.8 million for the six month period ended December 31, 2023, compared to $0.8 million for the same period in fiscal 2023. The increase was attributable to SEA Electric increasing its debt by $30 million between the end of December 2022 and end of December 2023.

Income tax expense was $0.0 million for the six months ended December 31, 2023, unchanged from the same period in fiscal 2023.

The Federal income tax rate for fiscal 2023 and fiscal 2022 was unchanged at 21.0%. Any increase in the effective tax rate was primarily due to the impacts of state taxes and certain permanent items on the Federal income tax rate.

Liquidity and Capital Resources

The Company's primary sources of liquidity are cash generated from sales by operations, available cash, borrowings and sale of shares. Principal uses of cash are working capital and operating expense (including lease payments (see schedule below). SEA has very limited capital investment requirements. We currently forecast SEA will achieve positive Free Cash Flow in calendar year 2025 based on the present plan and until that time, will rely on equity and debt to meet working capital requirements. On December 31, 2023, the Company had $2.4 million of available cash and cash equivalents.

Short-Term and Long-Term Liquidity Requirements

Our ability to make principal and interest payments on borrowings under our outstanding promissory notes and convertible promissory notes and our ability to fund planned capital expenditures will depend on our ability to generate cash in the future, which, to a certain extent, is subject to general economic, financial, competitive, regulatory and other conditions.

Cash Flows

The following table sets forth general information derived from our statement of cash flows for the six month periods ended December 31, 2023 and 2022:

Consolidated Statement of Cash Flows *(in U.S. Dollars)* Six Months Ended December 31	**2023 (FY 2024)**	**2022 (FY 2023)**
Cash at Beginning (July 1)	$ 1,432,326	$ 10,011,935
Net Cash Provided by (Used in) Operating Activities	$ (8,713,748)	$ (15,351,588)
Net Flows from Investing Activities	(66,609)	(150,723)
Net Cash Provided by (Used in) Financing Activities	$ 9,989,872	$ 6,971824
Exchange Rate Impact	(269,842)	(139,560)
Change in Cash During the Six Months Ended December 31	$ 939,673	$ (8,683,202)
Cash at December 31	$ 2,371,999	$ 1,328,733

Cash used in operating activities totaled $8.7 million for the six months ended December 31, 2023, and $15.3 million for the same period in fiscal 2023. The primary driver of the use of cash in the six months ending December 31, 2023, was the net loss of $(18.6) million partially offset by working capital decrease of $3.0 million and prepaid expenses. In fiscal 2023, cash used in operating activities for the six months ending December 31, 2022 was due to the net loss of $(20.8) million, changes in working capital, accrued liabilities of $2.0 million and prepaid expenses.

Cash flows used in investing activities totaled $(0.1) million and $(0.2) million.

Cash provided by financing activities totaled $10.0 million for the six months ended December 31, 2023. The financing inflow was primarily due to additional promissory notes issued on July 19, 2023, for total gross proceeds of $10.0 million. In the prior period ending December 31, 2022, cash from financing activities was $7.0 million due to an issuance of convertible notes on July 27, 2022 for $2 million and issuance of convertible notes on November 10, 2022 for $5 million.

On November 10, 2022, the Company issued $5 million convertible notes to four investors under the same terms and conditions as the original convertible notes issued for $10 million. Also, on July 27, 2022, the Company issued a convertible note to Meritor (a Series A investor) for $2 million with the same terms and conditions as the other convertible notes. The terms of the original issue were that the Company became obligated to pay a success fee to each noteholder equal to 10% of the principal amount of the notes. The fee shall be paid-in-kind and added to the principal amount of the notes. The notes accrue simple interest at a rate of 1% per month on the original face value of the notes, excluding the principal balance increase resulting from the addition of the fee. The fee will be amortized through interest expense. Additional costs incurred to obtain the debt will also be amortized through interest expense under the effective interest method.

On February 23, 2023, the Company received a long-term promissory note from a Series A investor (Vestcor) for $20 million. As of June 30, 2023, $20 million had been provided to the Company. An additional promissory note for $10 million was approved on and funds drawn down on July 19, 2023. Total promissory notes as of July 31, 2023 were $30 million with and interest rate of 12% accruing to the principle. The notes can be paid off prior to this date at the Company’s option.

Critical Accounting Policies and Estimates

Basis of Presentation

The Company prepares its consolidated financial statements in conformity with accounting principles generally accepted in the United States of America as determined by Financial Accounting Standards Board (FASB) within its Accounting Standards Codification (ASC). The following represents the more significant of those policies and practices.

Going Concern

The Company's consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. For the interim periods ended December 31, 2023, and 2022, the Company reported consolidated net losses of $(18.6) million and $(20.8) million, respectively, and had cash flows used in operating activities of $(8.7) million and $(15.4) million, respectively.

The Company does not have sufficient cash and cash equivalents on hand or available liquidity to meet its obligations as they become due 12 months from date of issuance of its consolidated financial statements. These conditions raise substantial doubt about the Company's ability to continue as a going concern. In response to these conditions, the Company is in the process of attempting to raise additional funding. There can be no assurance that the Company will be able to raise additional funding, including what the terms, restrictions, and covenants of any new funding will contain. These plans have not been finalized and are not within the Company's control, and therefore cannot be deemed probable. As a result, the Company has concluded that management's plans do not alleviate substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

The Company's consolidated financial statements reflect all adjustments which, in the opinion of management, are necessary for a fair presentation of the Company's financial position and results of operations.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The Company's consolidated financial statements include the accounts of the following entities, wholly owned by the Company as of December 31, 2023:

Name of Entity	**Place of Incorporation**
SEA Electric Holdings Pty Ltd.	Melbourne, AUS
SEA Automotive Pty Ltd.	Melbourne, AUS
SEA Electric Pty Ltd.	Melbourne, AUS
SEA Electric Vans Latrobe Valley Pty Ltd.	Melbourne, AUS
SEA Electric Asia Ltd.	Bangkok, TH
SEA Electric Ltd.	Auckland, NZ
SEA Electric LLC	Delaware, USA
SEA Electric GMBH	Vienna, AT

The entities listed above have been formed or acquired to support the intended operations of the Company.

New Accounting Pronouncements Recently Adopted

In August 2020, the FASB issued Accounting Standards Update (ASU) 2020-06, Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging Contracts in Entity's Own Equity (Subtopic 815-40), changes that simplified the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts on an entity's own equity. The Company adopted the standard on July 1, 2021. There was no impact upon adoption.

New Accounting Pronouncements Not Yet Adopted

Please see notes to financial statements (Note 2) include elsewhere in this Circular.

Off-Balance Sheet Arrangements. The Company does not have any off-balance sheet arrangements for the year ended June 30, 2023 or for the three months ended December 31, 2023.

Transactions Between Related Parties. On July 10, 2018, the Company entered into a ten-year lease agreement with the Bellstar Family Trust and Far Superannuation Fund (the lessors) for Unit 1, 13 Advantage Dr, Dandenong South VIC 3175, Australia. The Company pays to the lessors monthly rent of AUD$25,000, escalating annually by 3%. The lessor's are both stockholders of SEA Electric. Total rent paid under this lease was approximately AUD$90,032 and AUD$99,405 for the three months ended December 31, 2023 and 2022, respectively.

The Company makes monthly payments of AUD$25,000 to AST Global for engineering consultancy services, which is wholly owned and controlled by a stockholder of the Company.

Consulting Fees Payable to John Pratt

The Company entered into a consulting agreement with John Pratt, effective July 1, 2020, to May 31, 2021, to provide strategic and financial advice. During fiscal 2021, the Company incurred consulting costs under this arrangement of $838,250, all of which was accrued at June 30, 2022 and is included in accrued liabilities and other in the consolidated balance sheets. During 2022, John Pratt was appointed as a director of the Company. In 2024, the Company and Mr. Pratt amended his consulting agreement to provide for payment of $400,000 in cash and 8,650 restricted stock units to resolve the amounts owed to Mr. Pratt.

Use of Estimates and Significant Judgments

The preparation of the Company's consolidated financial statements requires management to make estimates, assumptions, and judgments that affect the reported amounts of revenue, expenses, assets, liabilities, accompanying disclosures, and the disclosure of contingent liabilities. These estimates and judgments are subject to change based on experience and new information that could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities affecting future periods. Estimates and judgments are assessed on an ongoing basis. Revisions to estimates are recognized prospectively.

Examples of key estimates in its consolidated financial statements include the allowance for doubtful accounts receivable and trade receivables, inventory valuation adjustments that contemplate the market value of, and demand for, inventory, estimated useful lives of property and equipment and intangible assets, valuation allowance on deferred income tax assets, determining the fair value of financial instruments, estimated variable consideration on contracts with customers, sales return estimates, and incremental borrowing rates and lease terms applicable to lease contracts.

Financial statement areas that require significant judgments are as follows:

Leases – The Company applies judgment in determining whether a contract contains a lease and if a lease is classified as an operating lease or a finance lease. The Company determines the lease term as the non-cancelable term of the lease, which may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

The Company has several lease contracts that include extension and termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Company also applies judgment in allocating the consideration in a contract between lease and non-lease components. It considers whether the Company can benefit from the right-of-use (ROU) asset either on its own or together with other resources and whether the asset is highly dependent on or highly interrelated with another ROU asset.

Foreign Currency

The Company's consolidated financial statements are presented in United States dollars (USD), which is the Company's reporting currency. The functional currency of all of the Company's foreign subsidiaries, as determined by management, is the local currency of each entity. All assets and liabilities of the foreign subsidiaries are translated to USD at the rates in effect at the consolidated balance sheet date. All amounts in the consolidated statements of operations and comprehensive loss are translated using the average exchange rates in effect during the year. Resulting translation adjustments are reflected in the accumulated other comprehensive loss component of stockholders' equity. Settlement of receivables and payables in a foreign currency that is not in the functional currency results in foreign currency gains and losses. Foreign currency transaction gains and losses are included in other income in the consolidated statement of operations and comprehensive loss.

Cash and Cash Equivalents

Cash includes cash on hand, deposits with banks, and cash equivalents that are highly liquid investments that are readily convertible to cash. A cash equivalent is a highly liquid investment that at the time of acquisition has a maturity of three months or less. The Company did not have any cash equivalents on December 31, 2023, or 2022.

Fair Value Measurements

FASB ASC Topic 820, Fair Value Measurement (ASC 820), defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a transaction measurement date. The ASC 820 three-tier fair value hierarchy prioritizes the inputs used in the valuation methodologies, as follows:

Level 1 - This level consists of valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - This level consists of valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs observable or that can be corroborated by observable market data.

Level 3 - This level consists of valuations based on unobservable inputs reflecting the Company's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

The Company evaluates its financial instruments to determine if those instruments or any embedded components of those instruments potentially qualify as derivatives required to be separately accounted for in accordance with FASB ASC Topic 815, Derivatives and Hedging (ASC 815).

The carrying value of the Company's accounts receivable, accounts payable, accrued expenses, and other current liabilities approximates their fair value due to their short-term nature, and the carrying value of long-term loans and convertible debt approximates fair value as they bear a market rate of interest.

Product Warranty Costs

The Company generally offers warranty coverage for its products. The Company accrues warranty related costs under standard warranty terms and for certain claims outside the contractual obligation period that it chooses to pay as accommodations to its customers.

Provisions for estimated assurance warranties are recorded at the time of sale and are periodically adjusted to reflect actual experience. The amount of warranty liability accrued reflects management's best estimate of the expected future cost of honoring Company obligations under the warranty plans. Historically, the cost of fulfilling the Company's warranty obligations has principally involved replacement parts, towing and transportation costs, labor, and sometimes travel for any field retrofit campaigns. The Company's estimates are based on historical experience.

Income Taxes

At December 31, 2023 and 2022, the Company has foreign net operating loss carry forwards of $22.9 million and $16.3 million, respectively, primarily related to Australia, which has an indefinite carry forward period. The Company believes that it is more likely than not that the benefit from the net operating loss carry forwards and other deferred tax assets will not be realized. In recognition of this risk, the Company has recorded a full valuation allowance as of December 31, 2023 and June 30, 2023.

The Company and its subsidiaries are subject to U.S. federal income tax as well as income tax in various states and foreign jurisdictions. The Company is generally subject to examination by taxing authorities for years ended June 30, 2020 and onwards.

The Company includes interest and penalties related to tax contingencies in the provision for income taxes in the consolidated statement of operations and comprehensive loss.

Subsequent Events

Debt Settlement

In January 2024, the Company entered into a debt restructuring agreement with the holders of the Company's promissory notes and its convertible promissory notes. Pursuant to the terms of the debt restructuring agreement, the principal amount of all outstanding promissory notes and certain of the convertible promissory notes were consolidated into a series of senior secured promissory notes with a face amount of approximately $50.0 million. The senior secured promissory notes mature in 2027 and bear interest at 12.0% per year. As security for the senior secured promissory notes, the holders were granted a first priority security interest over any and all Company assets. The debt restructuring agreement, among other things, also extended the maturity date for the remaining portion of the Company's existing convertible promissory notes until December 2024. Pursuant to the terms of the debt restructuring agreement, the remaining portion of the convertible promissory notes convert into (i) shares of the Company's common stock, in the event of certain merger transactions or (ii) equity securities of the Company issued in certain qualified financing transactions. If the remaining balance of the convertible promissory notes has not converted pursuant to (i) or (ii) in the preceding sentence on or before December 31, 2024, then such remaining portion of the convertible promissory notes will be exchanged for senior secured promissory notes on the same terms as the new senior secured promissory notes issued in January 2024.

Merger Agreement

On January 29, 2024, SEA entered into an Agreement and Plan of Merger (the "**Merger Agreement**") with Exro and eTruck VCU Acquisition Inc., an indirect wholly-owned subsidiary of Exro ("**Merger Sub**") that provides for the acquisition of SEA by Exro. The Merger Agreement was amended on March 1, 2024 and March 6, 2024. Under the Merger Agreement, Merger Sub will merge with and into SEA and SEA shall continue its corporate existence under Delaware law as the surviving corporation in the merger and will be an indirect wholly-owned subsidiary of Exro (together with the other transactions contemplated by the Merger Agreement, the "**Transaction**"). Completion of the Transaction will result in a fully integrated next generation power systems provider. A copy of the Merger Agreement is available under Exro's profile on SEDAR+ at www.sedarplus.com.

No other matter or circumstance has arisen since December 31, 2023 that has significantly affected, or, to the best of our knowledge, may significantly affect, the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future fiscal years.

Material Trends and Uncertainties

External factors can impact our business. These include changes in government policies, increasing inflation and interest rates, supply chain constraints, and geopolitical events. The impact of any of these factors is uncertain, both in timing and magnitude. In addition, although the impact is lessening, the extent to which the COVID-19 pandemic may impact our business or our suppliers in future periods remains uncertain and unpredictable.

Our outlook for future growth in sales of our power system depends upon the various economic and regulatory conditions, and on our ability to manage through supply chain issues that have, and could continue to, limit the level to which we can increase output in the near term.

The long-term outlook is positive based on global pressures to reduce emissions from vehicles, continuing support from governments and regulators (e.g., EPA and CARB) and our expectation that the cost gap between traditional ICE vehicles and Zero Emission Vehicles will continue to narrow.

Inflation Reduction Act. On August 16, 2022, the Inflation Reduction Act of 2022, or IRA, was signed into law. The IRA extends the existing tax credit for electric vehicles and establishes a new tax credit for used electric vehicles, as well as establishes a new tax credit for commercial ZEVs. Under the IRA, commercial ZEVs will be eligible for a federal tax credit of up to the lesser of 30% of the sales price or the incremental cost of a comparable ICE-engine vehicle, capped at $7,500 for vehicles under 14,000 pounds and $40,000 for all others. In addition, governmental entities may also be eligible to claim these credits. Vehicles' final assembly must be in North America to be eligible for the federal tax credit, but commercial vehicles are exempt from the battery or mineral sourcing requirements that apply to consumer electric vehicles. The federal tax credit on charging equipment has been extended through 2032. For commercial uses, the tax credit is 6% with a maximum credit of $100,000 per unit. The equipment must be placed in a low-income community or non-urban area. The IRS is still in the process of releasing further guidance on specific aspects of the aforementioned credits. The announcement of the IRA and the delay in receiving IRS guidance as to the roll-out of the new tax credits has reduced the number of customer orders during the fourth quarter of 2022 and the first quarter of 2023, as many existing or potential customers are waiting to place orders until they are certain of the amount of tax credits available per ZEV. Furthermore, other government programs, including certain state programs (California, New Jersey and others), recently announced new funding and regulatory initiatives that are launching in 2024 and could be impacting purchasing decisions in 2024.

Supply-Chain challenges. There were significant delivery delays from many suppliers in 2020 and through most of 2022. As a result of these supply chain challenges, we have focused on maintaining or growing our inventory of critical components, such as batteries or motors, and where necessary added new suppliers. We expect supply chain challenges may continue as a result of ongoing international trade friction and concerns over availability of scarce minerals. We are constantly evaluating opportunities to reduce supply chain risks through sourcing actions, expanding our supply base and potential for long-term contracts.

Cost increases. Increased costs have been incurred due to inflation resulting from various supply chain disruptions and other disruptions caused by the COVID-19 pandemic and general global economic conditions. The cost of raw materials, manufacturing equipment, labor and shipping and transportation has increased considerably. If we are unable to fully offset higher costs through price increases or other measures, we could experience an adverse impact to our business, prospects, financial condition, results of operations and cash flows.

SHARE CAPITAL

The authorized capital stock of the Company consists of 8,500,000 shares of common stock and 4,000,000 shares of preferred stock, consisting of (a) 1,500,000 shares designated Series A Preferred Stock (the "**Company Series A Preferred Stock**") and (b) 2,500,000 shares designated Series B Preferred Stock ("**Company Series B Preferred Stock**"). As of the date of this Circular, (i) 2,968,202 shares of Company Common Stock (excluding treasury shares) were issued and outstanding and no shares of Company Stock were held by the Company in its treasury, (ii) 1,376,117 shares of Company Series A Preferred Stock were issued and outstanding, and no shares of Company Series A Preferred Stock were held by the Company in its treasury, (iii) no shares of Company Series B Preferred Stock were issued and outstanding and no shares of Company Series B Preferred Stock were held by the Company in its treasury, (iv) 432,806 shares of common stock were reserved for issuance pursuant to restricted stock units awarded pursuant to the Company's equity incentive plan, (v) 61,942 shares of Company Series A Preferred Stock were reserved for issuance pursuant to the options agreement with Eight Capital, (vi) 200,004 warrants are issued and 200,004 shares of common stock were reserved for issuance pursuant to the 200,004 issued and outstanding warrants, and (viii) 236,573 shares of common stock were reserved for issuance upon conversion of the convertible notes issued by the Company. No shares of capital stock of the Company are owned by any subsidiary of the Company. All outstanding shares of capital stock and other voting securities or equity interests of each Subsidiary of the Company have been duly authorized and validly issued, fully paid and nonassessable.

Each holder of record of common stock, as such, shall be entitled to one vote for each share of common stock held of record by such holder on all matters on which stockholders generally are entitled to vote.

The Company may not do any of the following without the written consent or affirmative vote of holders of (i) at least seventy-five percent (75%) of the outstanding voting power of the common stock and preferred stock voting together as one class and (ii) at least fifty percent (50%) of the outstanding voting power of the Series A Preferred Stock voting separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void ab initio and of no force or effect: (i) undertake a capital reorganization involving a stock split, stock purchase, stock conversion, merger, subdivision or consolidation of shares of capital stock, or any other reorganization, or alteration of any of the capital stock of the Company where the Company neither pays nor receives cash, (ii) fail to comply with Section 9.4 of the Shareholders' Agreement, by and among the Company and the shareholders party thereto, dated as of May 31, 2022, as it may be amended and/or restated from time to time (the "**Shareholders' Agreement**"), with respect to the issuance of new capital stock of the Company, if the Shareholders' Agreement is still in effect; or (iii) amend any provision of certificate of incorporation or bylaws, including any amendment by merger, consolidation, conversion or otherwise.

The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company (other than dividends on shares of common stock payable in shares of common stock or rights or options exercisable for common stock) unless the holders of the Series A Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series A Preferred Stock in an amount at least equal to that dividend per share of Series A Preferred Stock as would equal the product of (A) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into common stock and (B) the number of shares of common stock issuable upon conversion of a share of Series A Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend; provided that, if the Company declares, pays or sets aside, on the same date, a dividend on shares of more than one (1) class or series of capital stock of the Company, the dividend payable to the holders of Series A Preferred Stock shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Series A Preferred Stock dividend.

On any matter presented to the stockholders of the Company for their action or consideration at any meeting of stockholders of the Company (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series A Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of common stock into which the shares of Series A Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter.

At any time when shares of Series A Preferred Stock are outstanding, the Company shall not do any of the following without the written consent or affirmative vote of the holders of at least fifty percent (50%) of the outstanding voting power of the Series A Preferred Stock voting separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void ab initio and of no force or effect: (i) issue any further Series A Preferred Stock or any other shares of capital stock ranking senior in priority to the Series A Preferred Stock; (ii) declare or pay dividends on any of the common stock, without also declaring and paying at a minimum the same dividend on each share of Series A Preferred Stock on an as converted basis; (iii) pay distributions to any shares of common stock unless and until all current and declared but unpaid dividends and all other amounts which are due and payable but unpaid to the holders of Series A Preferred Stock, have been paid to the holders of the Series A Preferred Stock, or declared and set apart for payment in respect of each outstanding share of Series A Preferred Stock; or (iv) liquidate, dissolve or wind up the business and affairs of the Company, effect any merger or consolidation or conversion, or consent to any of the foregoing.

Preferred stockholders have the right to convert their stock into common stock on a one-to-one basis, subject to the conversion ratio and mechanics described in the certificate of incorporation. In the event SEA undergoes an initial public offering with expected gross proceeds of not less than US$75,000,000 with shares to be listed on the Nasdaq Stock Market's National Market or the New York Stock Exchange, all outstanding Preferred Stock will be converted into common stock via the conversion process described above. Preferred stockholders holding at least 74,500 (or as such number may be adjusted by the Directors to account for any capital reorganization) shares of Series A Preferred Stock or Series B Preferred Stock are entitled to a right of first offer for any new shares or securities that SEA proposes to issue subject to the exceptions detailed in the Shareholder's Agreement dated May 31, 2022.

Warrants

There are 200,004 warrants issued and outstanding. Each warrant can be exercised to receive one share of SEA common stock. Upon closing of the merger between SEA and Exro, the parties have agreed that each warrant will be replaced by a corresponding Exro warrant. If the proposed merger has not occurred on or prior to June 30, 2024, SEA and the warrant holders have agreed that, upon consummation of certain capital raising to occur on or prior to December 31, 2024, the term "Exercise Price" as used in each of the existing warrants shall be an exercise price per share equal to (x) the enterprise value of the Company as determined in such capital raise divided by (y) the outstanding number of all shares of capital stock of the Company (on an as-converted basis) issued and outstanding on the date of exercise, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but excluding all then existing convertible promissory notes or similar obligations then multiplied by (z) 85%.

Debt Securities

Please see the discussion of debt securities included in the interim MD&A above under the heading "*Subsequent Events – Debt Settlement*".

CONSOLIDATED CAPITALIZATION

Except as described in the preceding description of the Company's debt securities, since December 31, 2023, there have been no material changes in the share and loan capital of SEA, whether on a consolidated basis or otherwise.

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

The following table sets forth information about SEA Shares that may be issued under the Options Agreement between the Company and Eight Capital. Treatment of SEA's Options following completion of the Merger is described in the Circular under the heading "*Information about Exro, Merger Sub, SEA and the Combined Company*".

Category	Number of Securities to be Issued Upon Exercise of Outstanding Options	Weighted-Average Exercise Price of Outstanding Options	
Eight Capital Options Agreement	61,942 shares of Series A Preferred Stock	$	40.1995
Granted	61,942 shares of Series A Preferred Stock		40.1995
Exercised	0		N/A
Forfeited	0		N/A
Outstanding at the date of this Circular	61,942 shares of Series A Preferred Stock	$	40.1995
Vested and exercisable at the date of this Circular	61,942 shares of Series A Preferred Stock	$	40.1995

Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans

75,863 shares of SEA common stock remain available to be awarded under SEA's existing incentive plan.

PRINCIPAL SHAREHOLDERS OF SEA

The following table sets forth certain information with respect to beneficial ownership of SEA Shares as of the date of this Circular, except as otherwise noted, as to:

- each person (or group of affiliated persons) known by SEA to own beneficially more than 10% of its outstanding SEA Shares;
- SEA's named executive officers;
- each of SEA's directors and director nominees; and
- all of SEA's directors and executive officers as a group.

Except as otherwise indicated, all of the shares indicated in the table are shares of SEA Shares and each beneficial owner has sole voting and investment power with respect to the shares set forth opposite his, her or its name. For the purposes of calculating percentage ownership as of the date of this Circular, 4,344,319 shares of SEA Common Stock and SEA Series A Preferred Stock were outstanding. Unless otherwise indicated, the address of each of the individuals and entities named below is: c/o SEA Electric Inc, 436 Alaska Ave, Torrance, California, 90503.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Bellatron Pty. Ltd. (1)	Ordinary Shares: 980,388 Series A Preferred Stock: 1,007	Ordinary Shares: 33.03% Series A Preferred Stock: 0.07%
Margfair Pty. Ltd. (2)	Ordinary Shares: 276,141 Series A Preferred Stock: 1,007	Ordinary Shares: 9.30% Series A Preferred Stock: 0.07%
Aus-Care Pty. Ltd. (3)	Ordinary Shares: 820,088 Series A Preferred Stock: 15,803	Ordinary Shares: 27.63% Series A Preferred Stock: 1.15%
Bell Allen Holdings Pty. Ltd. (4)	Ordinary Shares: 58,414	Ordinary Shares: 1.97%
Kanina Hall Pty. Ltd. (5)	Ordinary Shares: 240,083 Series A Preferred Stock: 1,007	Ordinary Shares: 8.09% Series A Preferred Stock: 0.07%
Farr (Super) Pty. Ltd. (6)	Ordinary Shares: 30,528	Ordinary Shares: 1.03%
Encompass Capital Advisors LLC (7)	Ordinary Shares: 14,894 Series A Preferred Stock: 187,004	Ordinary Shares: 0.50% Series A Preferred Stock: 13.59%
Vestcor Inc. (8)	Ordinary Shares: 16,667 Series A Preferred Stock: 195,883	Ordinary Shares: 0.56% Series A Preferred Stock: 14.23%
Zola Global and Zola Ventures (9)	Series A Preferred Stock: 174,132	Series A Preferred Stock: 12.65%

(1) Bellatron Pty. Ltd. is a trust. Warren Fairweather is authorized to vote the shares and is the father of CEO and Founder, Tony Fairweather.

(2) Margfair Pty. Ltd. is a trust. Warren Fairweather is authorized to vote the shares and is the father of CEO and Founder, Tony Fairweather.

(3) Aus-Care Pty. Ltd. is a trust. John Bell-Allen is authorized to vote the shares and is a member of the SEA Electric Inc. Board.

(4) Bell-Allen Holdings Pty. Ltd. is a trust. John Bell-Allen is authorized to vote the shares and is a member of the SEA Electric Inc. Board.

(5) Kanina Hall Pty. Ltd. is a trust. Andrew Farr is authorized to vote the shares and is the father-in-law of CEO and Founder Tony Fairweather.

(6) Farr (Super) Pty. Ltd. is a trust. Andrew Farr is authorized to vote the shares and is the father-in-law of CEO and Founder Tony Fairweather.

(7) Encompass is an investment firm. Their securities are held in four funds managed by Encompass.

Encompass Capital Energy Transition Master Fund LP owns 4,951 Series A Shares. Encompass Capital Advisors LLC is its investment manager.

Encompass Capital E L Master Fund, LP owns 6,184 shares of common stock and 54,758 Series A Shares. Encompass Capital Advisors LLC is its investment manager.

Encompass Capital Master Fund LP owns 7,960 shares of common stock and 102,235 Series A Preferred Shares. Encompass Capital Advisors LLC is its investment manager.

BEMAP Master Fund Ltd. owns 750 shares of common stock and 25,060 Series A Shares. Encompass Capital Advisors LLC is its sub-manager.

(8) Vestcor Inc. is an independent not-for-profit company that provides global investment management services to various public sector client groups. Their securities are held in two funds managed by Vestcor.

(9) Zola Global and Zola Ventures are investment firms. Their securities are held in three funds managed by Zola Global and Zola Ventures.

DIRECTORS AND EXECUTIVE OFFICERS

Board of Directors ("Board of Directors" or "Board")

The Board of Directors of SEA consists of five directors. The term of office for each director is until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal.

The following table sets forth the name, age, province and country of residence, positions held with SEA, principal occupations and duration of service of the current directors of SEA. Additional biographical information for each individual is provided below.

Name, Province and Country of Residence	Age	Position with SEA	Director Since	Principal Occupation
Angela Strand, Oregon, USA (1) (2)	56	Chair of the Board	2022	Business Executive and Board Member
Tony Fairweather, Florida, USA	52	Chief Executive Officer and Director	2012	Chief Executive Officer of SEA
John Bell-Allen, Queensland, Australia (3)	63	Director	2018	CEO and Investor
John MacLeod, California, USA (1) (3)	66	Director	2022	Business Executive and Board Member
John Pratt, Illinois, USA (1) (2)	68	Director	2021	Investment Banking Executive and Board Member

(1) Member of the Finance & Audit Committee.

(2) Member of the Corporate Governance and Nominating Committee.

(3) Member of the Compensation Committee

Angela Strand

Angela is an experienced executive, advisor, director and serial entrepreneur with a 25-year track record of founding and building disruptive, technology-based products and companies across a range of diverse global industries, including e-mobility, infrastructure, technology, software and transportation & logistics. Angela joined the SEA Electric Board of Directors in 2022 and was appointed Chair in 2023. She also serves as Chair of the Corporate Governance and Nominating committee and is a member of the Finance & Audit committee. Considered a pioneer in the commercial electric vehicle sector, she helped scale early commercial EV fleet adoption in North America. Within EV infrastructure, Angela was a co-founder of In-Charge Energy, and a launch advisor for Duke Energy's eTransEnergy business. She is a named inventor on 7 issued patents. She is presently the managing director of Strand Strategy, a boutique technology advisory firm and serves as an independent director on multiple public and private boards. Angela holds an MBA in marketing and a B.S. in communications from the University of Tennessee.

Tony Fairweather

Tony has a career founded in transportation. Graduating with an honours Degree in Mechanical Engineering he commenced his corporate career in FMCG and then in Management Consulting, whilst completing his Master of Business (Entrepreneurship). Tony later joined TNT Express (now FedEx) during which time he completed an MBA (Majoring in International Business). Tony started his entrepreneurial career in 2007, importing commercial vehicles brands via exclusive distribution agreements in Australia. In 2012 he identified the rapidly evolving electric commercial vehicle industry) and commenced the development of a proprietary 100% electric SEA-Drive® power-system. At the same time SEA Electric was established. Commercialisation occurred in 2017 and since that time, SEA Electric has deployed 100% electric delivery vehicles into 8 countries across 5 continents. More than 3 million miles of collective operation and the granting of the SEA-Drive® patent in 14 jurisdictions, has enabled SEA Electric to obtain lucrative OEM supply contracts with both Mack Trucks and Hino Trucks (Toyota), build a substantial global backlog and win numerous awards.

John Bell-Allen

John is CEO and Managing Director of Aus-Care. He sits on five external boards as a Non-Executive Director. He is a member of the Compensation Committee.

John Pratt

John is the retired chairman of Bank of America Merrill Lynch's Global Industrials Investment Banking Group and was also the head of Bank of America's Investment Banking office in Chicago. He has more than 30 years of investment banking experience including extensive experience in mergers and acquisitions, capital raising and corporate strategy. John joined the SEA Electric Board of Directors in 2021 and served as Chair until 2023. He also serves as Chair of the Finance & Audit Committee and is a member of the Corporate Governance and Nominating Committee. John is also a board member of TFI International Inc. John graduated from Northwestern University with a B.A. in Political Science and Economics, and an MBA from the Kellogg School of Management .

John MacLeod

John is a successful global executive with deep experience across technology, automotive, entertainment and retail sectors. Over his career as a senior executive, strategic advisor and board member, he has helped create value worth billions of dollars via organic growth, partnerships, acquisitions, and new ventures. John joined the SEA Electric Board of Directors in 2022. He serves as Chair of the Compensation Committee and is a member of the Corporate Governance and Nominating Committee. John is Executive Director of Rivet360, a company that he founded and served as CEO for 10 years until 2023. Rivet360 is a digital media and technology company that combines content, location technologies and artificial intelligence (AI). It produces award-winning podcasts and video content for brands and publishers and developed proprietary IP for delivering content to cars, mobile phones, and businesses. Prior to Rivet, John was Executive Vice President (C-Suite) at NAVTEQ, the global leader in GPS navigation data. He led global product, marketing, sales and strategy teams and championed its expansion into software, traffic, and China. Over an eleven-year period, he helped revolutionize how people traveled from point A to point B by delivering the world's best digital map and traffic data. He became a recognized leader in GPS location services and was integral to NAVTEQ's 600% revenue growth through organic sales, partnerships, and acquisitions. NAVTEQ went public on NYSE at $2.1 billion value and sold to NOKIA for $8.1 billion. Prior to NAVTEQ, John spent nearly 20 years working for The Walt Disney Company and Sony Corporation in senior finance and development roles to develop new global entertainment offerings, including theme parks, retail centers and hotels. Major projects include Disney's Epcot Center, Disneyland Paris and Sony Entertainment Centers in San Francisco, New York, Berlin and Tokyo. John earned a B.A., with honors, from Harvard University, concentrating in Economics. He has an MBA from Stanford University. He has been awarded four patents addressing location technologies and content.

Named Executive Officers

The following table sets forth the name, age, province and country of residence, positions held with SEA, principal occupations and duration of service with SEA for each current names executive officer of SEA. Additional biographical information for each individual is provided below.

Name, Province and Country of Residence	Age	Position with SEA	Years with SEA
Tony Fairweather, Florida, USA	52	Chief Executive Officer and Director	12
Phil Tighe. Michigan, USA	70	Chief Financial Officer	2
Dave Whelan, Indiana, USA	51	Chief Operating Office	2
Mike Menyhart, Illinois, USA	48	Chief Commercial Officer	2
Syed Rahman, Michigan, USA	43	Senior Vice President Finance and Strategy	2

Tony Fairweather

See "- Board of Directors" above.

Phil Tighe

Phil spent 35 years with Ford Motor Company in finance leadership roles in Australia, the U.S., Venezuela, Japan, Germany, Mexico, Thailand and China. The majority of Phil's career was spent as Chief Financial Officer of affiliate companies or internal divisions. Phil was also the Executive Director of Strategy for Ford's operations in the Asia-Pacific Region and this included leadership of major expansion programs in China and India. In 2012, Phil joined the Blue Bird Corporation as Chief Financial Officer and spent 9 years in that position, including helping to take the company public in 2014. Phil has a BCom degree in economics from the University of Melbourne and an MBA from the Royal Melbourne Institute of Technology in Australia.

Dave Whelan

Accomplished business leader with 26 years of experience leading operational transformations, maximizing bottom-line savings, and driving profitability. Currently, leveraging operational experience from well-established heavy equipment, bus, and truck companies to help transform the class 5 through 7 truck space through electrification at an early growth EV company. Drawing from a diverse set of skills in all facets of operations to develop the manufacturing strategy and product offerings for the company at the same time identifying and implementing key processes and systems along with KPIs to support the operations going forward. Daily, leading the operations team in US and Australia across multiple manufacturing and engineering centers of excellence to drive safety, quality, profitability, and growth.

Mike Menyhart

Mike Menyhart is Chief Commercial Officer at SEA Electric. Mike leads the Americas business, as well as sales, marketing, and business development. He is part of the team charged with executing two major OEM commercial contracts (Mack and Hino). During his career, Mike has developed deep expertise in strategy, corporate development, P&L management, and change management. He has worked with start-ups, a strategy consulting firm, and Fortune 500 environments to create, build and drive strategies to grow revenue, enhance shareholder value, and drive market leadership. He joined SEA Electric from Genpact, where he spent more than three years as the Global Growth Leader for the financials services business. Prior to that, Mike worked with the Accenture, Fifth Third Bank and SunTrust (now Truist). He also has a long record of multi-cultural experiences, having worked across the United States, Europe, India and Australia. Mike earned a B.A. from Miami University (Oxford, OH) and is an alum of the Harvard Business School.

Syed Rahman

Syed is the Senior Vice President of Finance and Strategy at SEA Electric. Syed plays a critical role at SEA in both Finance and in helping to develop new growth initiatives. Syed commenced working at Ford Motor Company and had a successful career both in the U.S. and in Asia (Thailand and China). After leaving Ford, Syed worked at Delphi and several major EV start-ups (both in China and the U.S,) where he gained significant knowledge about the EV business and a deep understanding of the business issues faced by start-up operations. Prior to joining SEA, Syed was the co-founder of a company that was focused on reducing the emissions on ocean-going cargo ships. Since joining SEA, Syed has been involved in all of the major accomplishments at the firm. Syed has a B.S. in Mechanical Engineering and a B.B.A. in Finance from the University of Michigan.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of SEA, no director or executive officer of SEA is, or has been within 10 years before the date of the Circular, a director, chief executive officer or chief financial officer of any company that:

(i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was issued while the director or executive officer was acting in the capacity as a director, chief executive officer or chief financial officer; or

(ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was issued after the proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while he was acting in the capacity of a director, chief executive officer or chief financial officer.

To the knowledge of SEA, other than as disclosed below, no director or executive officer of SEA or shareholder holding a sufficient number of securities of SEA to affect materially the control of SEA:

(i) is, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including SEA) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(ii) has, within 10 years before the date of the Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or its assets.

To the knowledge of SEA, no director or executive officer of SEA or shareholder holding a sufficient number of securities of SEA to affect materially the control of SEA has been subject to:

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in making an investment decision.

Conflicts of interest

Except as described in the Circular and this Appendix B, there are no existing material conflicts of interest between SEA and any of its directors or officers.