



**Tuscan Holdings Corp. and Microvast, Inc.
Conference Call Script
February 1, 2021**

Operator

Welcome to today's conference call announcing the business combination of Microvast, Inc. and Tuscan Holdings Corp. Joining us on the call are Stephen Vogel, Chairman and CEO of Tuscan, Ahmed Fattouh the CEO of InterPrivate, Microvast founder and CEO/President Mr. Yang Wu, and Microvast Executive Vice President Shane Smith.

We would first like to remind everyone that this call contains forward-looking statements including, but not limited to, Microvast's and Tuscan's expectations or predictions of financial and business performance and conditions, competitive and industry outlook; the cash resources, plans and prospects of the combined entity; expected valuations of the combined entity; and the timing and completion of the transaction. Commentary on these topics constitutes forward-looking statements within the meaning of the Safe Harbor provisions of the Private Securities Litigation Reform Act. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. We encourage you to read the press release issued today, the accompanying presentation, and Tuscan's public filings with the SEC, including a proxy statement that will be filed in the coming days and available on the SEC's website, and, in particular, to the section or sections titled Risk Factors and Forward-Looking Statements, for a discussion of the risks that can affect the transaction, Microvast's and Tuscan's businesses, and the outlook of the combined company.

Microvast and Tuscan are under no obligation and expressly disclaim any obligation to update, alter or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This communication is for informational purposes only and is not intended to and shall not constitute an offer sell or the solicitation of an offer to sell or the solicitation of an offer to buy or subscribe for any securities or a solicitation of any vote of approval, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.



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And now, I would like to introduce Stephen Vogel, CEO of Tuscan Holdings Corp.

Stephen Vogel, Tuscan Holdings Corp.

Good morning, everyone. Tuscan Holdings Corp. is a special purpose acquisition company with approximately \$282 million in trust. Together with InterPrivate, our co-sponsor, our management team is comprised of highly experienced, entrepreneurial investors and advisors, with a breadth of experience in technology, capital markets and energy.

Tuscan and InterPrivate had three primary criteria for selecting the optimal partner. First, we wanted to find a company with a proven track record of successfully operating in a large market, with a long runway of future growth. Second, we wanted a highly capable management team that had the experience necessary to execute that opportunity. And finally, and perhaps most critically, we wanted a company that had, and that we believe, would continue to build, long-term competitive advantages.

As Mr. Wu and Shane will walk through in greater detail, Microvast designs, develops, and manufactures ultra-fast charging, long-life battery power systems with superior safety for commercial electric vehicles. Microvast also built a significant IP portfolio with over 550 patents and patent applications, a substantial revenue base of over \$100 million, and a marquee customer base consisting of global OEMs, with expected revenue provided by signed contracts with total value of approximately \$1.5 billion.

The commercial vehicle market is attractive because it is poised to undergo rapid electrification, creating a once-in-a century-opportunity to overhaul the global vehicle fleet. We believe Microvast is uniquely positioned to capitalize on this opportunity, with its differentiated focus on battery systems for commercial electric vehicles, which contrasts with the rest of the industry's focus on passenger EVs. We believe that Microvast's cross-disciplinary management team, with its impressive track record commercializing innovative technologies, has the



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experience needed to make Microvast a market leader. We believe the company's vertically integrated business model provides a considerable competitive advantage, enabling faster product development, greater customization and higher margins. And now I would like to introduce my co-sponsor and partner, Ahmed Fattouh, InterPrivate's CEO.

Ahmed Fattouh, InterPrivate

Thanks, Stephen. Before I get into the transaction details, I want to highlight that over the past few months as InterPrivate conducted its due diligence on the company, Microvast's business experienced tremendous customer momentum and saw acceleration in Western markets.

Now I'll add a few words about the parameters of the deal: the implied equity value of the business combination is approximately \$3.0 billion, with a \$2.4 billion post money enterprise value. That implies a compelling valuation multiple of 1x projected 2025 revenue. Tuscan's PIPE was oversubscribed and total proceeds are \$540 million, which includes bridge financing of \$58 million. The PIPE includes strategic partner and leading specialty vehicle OEM Oshkosh Corporation, highlighting the strength of Microvast's commercial partnerships. Other anchor investors include BlackRock, Koch Industries and our own fund, InterPrivate Investment Partners, among other leading institutional shareholders. We expect that the transaction will result in over \$800 million in cash to the combined company before expenses, assuming no redemptions by Tuscan stockholders. Importantly, Microvast's shareholders and management are rolling over 100% of their equity into the transaction, showing both their commitment and belief in the company's long-term growth potential.

With that, I would now like to turn the call over to the founder and CEO of Microvast, Mr. Yang Wu to tell you more about the company.



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Mr. Yang Wu, Microvast, Inc.

Thanks, Ahmed. Good morning everybody. I am excited to tell you more about the company I have been building over the last 14 years.

In 2008, we set out to build battery technologies to power a mobility revolution. We sought to alter the commercial vehicle landscape by building a disruptive battery that would allow electric vehicles to compete with combustion engine vehicles. At the time, batteries were an obstacle to wider adoption of electric vehicles in the commercial vehicle space. It took 6 or more hours to fully charge a battery, the range was not great, and they presented safety issues due to their flammability. Further, the relatively high cost of the battery coupled with the fact that batteries are generally not repairable, made electrification of commercial fleets a risky investment proposition.

We decided to view these obstacles as an opportunity. We determined that we could pave the way for mass adoption of electric vehicles if we developed a lower cost battery that had high energy density and that was safe, fast-charging and where the life of the battery would match that of the vehicle. A battery with those qualities would allow electric vehicles to compete with combustion engine vehicles. In 2010, our first ultra-fast charge batteries were integrated into public transit buses in Chong Qing, China.

Unlike our peers who redesigned existing battery products to adapt to EVs, we started from scratch and specifically designed our products to address the critical constraints that faced commercial electric vehicle development. We believe this approach created the foundation of our superior battery technology.

Today, we believe Microvast has developed the world's leading battery cells. A comparison of Microvast's battery cell capabilities to those of its leading competitors shows that our high energy density cells have best-in-class energy density, resulting in 10-20% greater range on a single charge; best-in-class life cycles, which is 2 to 3 times as long as a leading competitor; and best-in-class charging times, fully charging in 30 minutes and reaching a 70% SOC in 12 minutes. Our exceptional battery solutions are market-validated, both through customer wins and extensive third-party testing. Our batteries are integrated in almost



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30,000 vehicles, running in 160 cities in 19 countries, for a total of over 3.8 billion miles traveled on our batteries to date.

We believe that not only are Microvast's existing battery cells best in class, but our technology pipeline is equally impressive. We are very excited about our next-generation, silicon-containing anode battery cell that features an outstanding 320 Wh/kg energy density and still offers fast charging and long cycle life capabilities. This technology has already been validated and won an R&D100 award in 2019.

Our technology portfolio has empowered us to build significant and accelerating commercial traction. We are proud to work with leading OEMs and Tier 1 suppliers, including FPT Industrial S.p.A., the global powertrain brand of CNH Industrial Group, ZF Friedrichshafen AG, Oshkosh Corporation and Dana Incorporated. The merger with Tuscan will allow Microvast to finance the buildout of world-class manufacturing facilities with 9 gigawatt hours of capacity by 2022 and convert our substantial backlog into revenue.

Shane Smith, Microvast, Inc.

Thank you Mr. Wu. As Mr. Wu mentioned, Microvast's primary focus is on the commercial vehicle market, specifically on developing and producing batteries for a range of commercial EVs, such as light, medium and heavy duty trucks; buses, trains, mining trucks and specialty vehicles.

The global commercial vehicle market is large and rapidly growing, with annual volumes of over 10 million vehicles and over \$1 trillion in sales. By 2025, Bloomberg NEF estimates the total addressable market for commercial EV batteries at \$30 billion. While only 1.5% of 2020 commercial vehicle sales were EVs, this number is forecasted to grow to almost 9% in 2025, representing a compound annual growth rate of 55%. Battery developers play a critical role in the EV value chain, with 30 to 40% of the EV value residing in the battery itself. We believe that Microvast is the best positioned company in this space for several reasons.

First, Microvast's vertically integrated supply chain model is highly differentiated and enables faster product development, greater customization to client needs,



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tighter cost control and ultimately, higher margins. We also believe Microvast is the only battery company with a highly vertically integrated R&D and industrialization system. We manage every aspect of the process from initial concept development to final system manufacturing across the entire battery system. This gives us complete control which can drastically reduce trial production time, lower production costs and ensure adherence to quality control. It also provides more flexibility, allowing us to easily and affordably provide high levels of customization to our customers. We believe this has been a critical factor in our recent wins with leading global customers.

Second, Microvast is uniquely positioned because of its focus on commercial vehicles. Our battery products are designed to meet the high-performance requirements needed to power commercial vehicles, where continuous operations and longer lifetime are essential. We believe our technology developed for commercial vehicles can be adapted for the passenger EV market to outperform existing passenger EV technologies.

Third, our technology is powered by our own broad, proprietary IP portfolio, which is comprised of differentiated, innovative, third-party-validated battery technologies down to the battery cell components. Battery performance is fundamentally dependent on the battery materials used. In Microvast's 10+ years of R&D, it has developed its own proprietary technology across all battery components. We believe that the innovations of the battery cell components are going to provide a long-term competitive advantage for us since no one else can use our patented materials and technologies without a license.

Finally, we believe the adaptability of our battery technology allows us to easily expand into other adjacent high-growth market segments, thereby insulating us from the risks of a single market strategy. The technologies in our CV product portfolio provide innovative solutions to customers in the passenger vehicle, energy storage and consumer electronics markets, providing an additional TAM of approximately \$45 billion.



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We believe our unique and strategic positioning is validated by an estimated \$4.1 billion probability weighted pipeline through 2025, which includes signed contracts with a value of up to approximately \$1 billion. In 2020, we signed a cooperation agreement with FPT Industrial S.p.A., the global powertrain brand of CNH Industrial Group, for an industrial and commercial cooperation to enable FPT Industrial S.p.A. to design and assemble battery packs in-house, at its facility in Turin, Italy, to be offered on CNH Industrial vehicles and to third-party customers. Under this agreement, Microvast shall supply to FPT Industrial S.p.A. the battery modules.

Microvast is also in advanced discussions with two other marquee global customers which, if executed, could provide an additional \$3 billion in contracted revenue through 2028.

Turning to our financial outlook, we believe Microvast has a highly attractive financial profile with potential for accelerating growth and stable margins. Specifically, over the course of the next five years, we project that our top line will grow at an 87% compound annual growth rate to \$2.3 billion dollars. At the same time, we are planning to increase R&D investments to sustain our technology advantages and capitalize on the inflection in demand for commercial and passenger EVs. Accordingly, we expect to generate approximately 20% contribution margins over the forecast period. We believe these forecasts are conservative with potential for greater margins as the industry transitions to commercial EVs.

In summary, we believe our combination with Tuscan will enable us to capitalize on our existing pipeline, expand Microvast's product reach, drive scale and outpace our competitors in capturing market share.

And by strategically deploying the proceeds from the transaction, we intend to accelerate our growth plans and, most importantly, maximize shareholder value.

To that end, today represents a major step for our company and we couldn't be more excited as we take Microvast to the next level.



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In closing:

- Microvast has helped drive electrification of commercial vehicles since launching its first CV-focused battery solution in 2010
- Today, electrification of the commercial vehicle industry is being driven by powerful structural factors and is approaching an inflection point
- Our highly vertically-integrated supply chain enables solution breadth and high margins
- Recent business wins with marquis global customers validate our innovative products and their ability to take advantage of the favorable industry conditions, especially in the US and Europe, where we plan to build our world class facilities to capitalize on this demand.
- We expect proceeds of the transaction will fund the buildout of our global manufacturing facilities and allow Microvast to fulfill contracted demand

Thank you again for joining us. We look forward to updating you on our progress.