

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

FORM 8-K  
CURRENT REPORT

Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 1, 2024

Microvast Holdings, Inc.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation)

001-38826  
(Commission File Number)

83-2530757  
(IRS. Employer  
Identification No.)

12603 Southwest Freeway, Suite 300  
Stafford, Texas, 77477  
(Address of principal executive offices, including zip code)

281-491-9505  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, 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 provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.0001 per share	MVST	The NASDAQ Stock Market LLC
Redeemable warrants, exercisable for shares of common stock at an exercise price of \$11.50 per share	MVSTW	The NASDAQ Stock Market LLC

**Item 2.02 Results of Operations and Financial Condition.**

On April 1, 2024, Microvast Holdings, Inc. issued a press release announcing its consolidated financial results for the fourth quarter and year ended December 31, 2023. A copy of the press release and the slideshow is furnished herewith as Exhibit 99.1 and 99.2, respectively to this Current Report on Form 8-K and each is incorporated herein by reference.

The information furnished in this Current Report on Form 8-K and the accompanying Exhibit 99.1 and 99.2 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, unless expressly incorporated by reference in such a filing.

**Item 9.01 Financial Statements and Exhibits**

**(d) Exhibits**

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release dated April 1, 2024</a>
99.2	<a href="#">Presentation dated April 1, 2024</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 1, 2024

**MICROVAST HOLDINGS, INC.**

By: /s/ Craig Webster  
Name: Craig Webster  
Title: Chief Financial Officer

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## Microvast Reports 2023 Financial Results

- Revenue increased 49.9% year over year to \$306.6 million in FY 2023
- Record quarterly revenue of \$104.6 million, up 61.4% year over year in Q4 2023
- Gross margin increased from 4.4% to 18.7%, a 14.3 percentage point improvement year over year, with Q4 2023 gross margin of 22.0% compared to 3.4% in Q4 2022

STAFFORD, Texas, USA, April 1, 2024 – Microvast Holdings, Inc. (NASDAQ:MVST) (“Microvast” or the “Company”), a technology innovator that designs, develops and manufactures lithium-ion battery solutions, announced today its consolidated financial results for the fourth quarter and full fiscal year ended December 31, 2023 (“Q4 2023” and “FY 2023,” respectively).

“We achieved record revenue in the fourth quarter of 2023 bringing our full year revenue growth to 49.9% and we delivered these revenues at a gross margin close to our targeted level. The revenue growth achieved in EMEA is really encouraging and we would expect this to continue into 2024, with the possibility of this region also hitting breakeven this year.” said Yang Wu, Microvast’s Founder, Chairman, and Chief Executive Officer. “In APAC, with the Huzhou Phase 3.1 expansion now in full operation since Q3 of last year, we anticipate another year of steady revenue growth from mature operations that are now self funding and profitable. To get the U.S. to the same mature and steady state requires us to secure financing to complete Clarksville Phase 1A. This remains a key initiative that we hope to bring to a successful close as early as possible.”

“The combination of growing revenues, gross margin improvement of 14.3 percentage points, and keeping our adjusted operating costs increase to 11% allowed us to achieve a meaningful reduction in our adjusted net loss this year.” said Craig Webster, Microvast’s Chief Financial Officer. “Maintaining the strong revenue growth and gross margin profiles generated by our APAC and EMEA operations will be a key focus for us in 2024, whilst also providing the foundations to improve our overall liquidity position and make further headway in reducing our operating losses.”

### Full Year 2023 Highlights

- Record revenue of \$306.6 million, compared to \$204.5 million in 2022, an increase of 49.9%
- Gross margin increased to 18.7% from 4.4% in 2022; Non-GAAP adjusted gross margin increased to 20.7%, up from 8.2% in 2022
- Operating expenses of \$165.9 million, compared to \$170.7 million in 2022; Adjusted operating expenses of \$107.1 million, compared to \$96.5 million in 2022
- Net loss of \$106.4 million, compared to net loss of \$158.2 million in 2022; Non-GAAP adjusted net loss of \$41.6 million, compared to non-GAAP adjusted net loss of \$77.3 million in 2022
- Net loss per share of \$0.34 compared to net loss per share of \$0.52 in 2022; Non-GAAP adjusted net loss per share of \$0.13, compared to non-GAAP adjusted net loss per share of \$0.25 in 2022
- Adjusted EBITDA of negative \$19.6 million, compared to adjusted EBITDA of negative \$56.7 million in 2022
- Capital expenditures of \$186.8 million, compared to \$150.9 million in 2022, and were driven by investments in manufacturing capacity expansions in Huzhou, China and Clarksville, Tennessee
- Cash, cash equivalents, restricted cash and short-term investment of \$93.8 million as of December 31, 2023, compared to \$327.7 million as of December 31, 2022; decrease largely due to significant capital expenditure towards PP&E in the U.S. and Huzhou, China.

#### Fourth Quarter 2023 Highlights

- Record quarterly revenue of \$104.6 million, compared to \$64.8 million in the fourth quarter of 2022, an increase of 61.4%
- Gross margin increased to 22.0% from 3.4% in Q4 2022; Non-GAAP adjusted gross margin increased to 23.5%, up from 6.4% in Q4 2022
- Operating expenses of \$46.0 million, compared to \$37.3 million in Q4 2022; Adjusted operating expenses of \$34.3 million, compared to \$21.4 million in Q4 2022
- Net loss of \$24.6 million, compared to net loss of \$33.7 million in Q4 2022; Non-GAAP adjusted net loss of \$11.4 million, compared to non-GAAP adjusted net loss of \$15.9 million in Q4 2022
- Net loss per share of \$0.08 compared to net loss per share of \$0.11 in Q4 2022; Non-GAAP adjusted net loss per share of \$0.04, compared to non-GAAP adjusted net loss per share of \$0.05 in Q4 2022
- Adjusted EBITDA of negative \$2.6 million, compared to adjusted EBITDA of negative \$11.8 million in Q4 2022

Please refer to the tables at the end of this press release for reconciliations of gross profit to non-GAAP adjusted gross profit, net loss to non-GAAP adjusted net loss, non-GAAP EBITDA to non-GAAP adjusted EBITDA.

#### Q1 2024 Outlook

- For Q1 2024, the Company is targeting a revenue growth of 40% to 60% year over year and revenue guidance of \$65 million to \$75 million
- Continued regional efficiencies and utilization increases, providing a Company gross margin target of 20% to 25%
- Targeting financing solutions to complete Clarksville Phase 1A and bringing in long term domestic customer contracts
- New customer wins in APAC and EMEA that expand our presence in differentiated commercial vehicle markets as OEM product lines and segments continue to electrify

#### Webcast Information

Company management will host a conference call and webcast on April 1, 2024, at 4:00 p.m. Central Time, to discuss the Company's financial results. The live webcast and accompanying slide presentation will be accessible from the Events & Presentations section of Microvast's investor relations website (<https://ir.microvast.com/events-presentations/events>). A replay will be available following the conclusion of the event.

#### About Microvast

Microvast is a global leader in providing battery technologies for electric vehicles and energy storage solutions. With a legacy of over 17 years, Microvast has consistently delivered cutting-edge battery systems that empower a cleaner and more sustainable future. The company's innovative approach and dedication to excellence have positioned it as a trusted partner for customers around the world. Microvast was founded in 2006 and is headquartered in Stafford, Texas.

For more information, please visit [www.microvast.com](http://www.microvast.com) or follow us on LinkedIn or Twitter (@microvast).

**Contact:**

Investor Relations  
ir@microvast.com

**Cautionary Statement Regarding Forward-Looking Statements**

This communication contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future financial and operating results, our objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “objective,” “plan,” “project,” “predict,” “outlook,” “should,” “will,” “would,” or the negative of these terms, or other comparable terminology intended to identify statements about the future. These forward-looking statements include, but are not limited to, statements regarding our industry and market sizes, and future opportunities for us. Such forward-looking statements are based upon the current beliefs and expectations of management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond our control. Actual results and the timing of events may differ materially from the results anticipated in these forward-looking statements.

Many factors could cause actual results and the timing of events to differ materially from the anticipated results or other expectations expressed in the forward-looking statements, including, among others: (1) our ability to remain a going concern; (2) risk that we may not be able to execute our growth strategies or achieve profitability; (3) risk that we will be unable to raise additional capital to execute our business plan or pay our debts as they come due, which may not be available on acceptable terms or at all; (4) restrictions in our existing and any future credit facilities; (5) risks of operations in China; (6) the effects of mechanics liens filed by contractors that we do not have sufficient funds to pay; (7) the effects of existing and future litigation; (8) changes in general economic conditions, including increases in interest rates and associated Federal Reserve policies, a potential economic recession, and the impact of inflation on our business; (9) changes in the highly competitive market in which we compete, including with respect to our competitive landscape, technology evolution or regulatory changes; (10) changes in availability and price of raw materials; (11) labor relations, including the ability to attract, hire and retain key employees and contract personnel; (12) heightened awareness of environmental issues and concern about global warming and climate change; (13) risk that we are unable to secure or protect our intellectual property; (14) risk that our customers or third-party suppliers are unable to meet their obligations fully or in a timely manner; (15) risk that our customers will adjust, cancel or suspend their orders for our products; (16) risk of product liability or regulatory lawsuits or proceedings relating to our products or services; (17) the effectiveness of our information technology and operational technology systems and practices to detect and defend against evolving cyberattacks; (18) changing laws regarding cybersecurity and data privacy, and any cybersecurity threat or event; (19) the effects and associated cost of compliance with existing and future laws and governmental regulations, such as the Inflation Reduction Act; (20) economic, financial and other impacts such as a pandemic, including global supply chain disruptions; and (21) the impacts of geopolitical events, including the ongoing conflicts between Russia and Ukraine and between Israel and Hamas. Microvast’s annual, quarterly and other filings with the U.S. Securities and Exchange Commission identify, address and discuss these and other factors in the sections entitled “Risk Factors.”

Actual results, performance or achievements may differ materially, and potentially adversely, from any forward-looking statements and the assumptions on which those forward-looking statements are based. There can be no assurance that the data contained herein is reflective of future performance to any degree. You are cautioned not to place undue reliance on forward-looking statements as a predictor of future performance as forward-looking statements are based on estimates and assumptions that are inherently subject to various significant risks, uncertainties and other factors, many of which are beyond our control. All information set forth herein speaks only as of the date hereof, and we disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date hereof except as may be required under applicable securities laws. Forecasts and estimates regarding our industry and end markets are based on sources we believe to be reliable, however, there can be no assurance these forecasts and estimates will prove accurate in whole or in part.

**Non-GAAP Financial Measures**

To provide investors with additional information regarding our financial results, Microvast has disclosed in this earnings release non-GAAP financial measures, including non-GAAP adjusted gross profit (loss), non-GAAP adjusted EBITDA and non-GAAP adjusted net loss, which are non-GAAP financial measures as defined under the rules of the SEC. These are

intended as supplemental measures of our financial performance that are not required by, or presented in accordance with U.S. generally accepted accounting principles ("GAAP").

Reconciliations to the most comparable GAAP measures, gross profit (loss) and net income (loss), are contained in tabular form in the unaudited financial statements below. Non-GAAP adjusted gross profit (loss) is GAAP gross profit (loss) as adjusted for non-cash stock-based compensation expense included in cost of revenues. Non-GAAP adjusted net loss is GAAP net loss as adjusted for non-cash stock-based compensation expense and change in valuation of warrant liabilities. Non-GAAP adjusted net loss per common share is GAAP net loss per common share as adjusted for non-cash stock-based compensation expense and change in valuation of warrant liabilities per common share. Non-GAAP adjusted EBITDA is defined as net loss excluding depreciation and amortization, non-cash settled share-based compensation expense, interest expense, interest income, changes in fair value of our warrant liability and income tax expense or benefit.

We use non-GAAP adjusted gross profit (loss), non-GAAP adjusted EBITDA and non-GAAP adjusted net loss for financial and operational decision-making and as a means to evaluate period-to-period comparisons. We consider them to be important measures because they help illustrate underlying trends in our business and our historical operating performance on a more consistent basis. We believe that these non-GAAP financial measures, when taken together with their most directly comparable GAAP measures, gross profit (loss) and net income (loss), provide meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our recurring core business operating results.

We believe that both management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when planning, forecasting, and analyzing future periods. These non-GAAP financial measures also facilitate management's internal comparisons to our historical performance. We believe these non-GAAP financial measures are useful to investors both because (1) they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making and (2) they are used by our institutional investors and the analyst community to help them analyze the health of our business. Accordingly, we believe that these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team and board of directors.

Non-GAAP financial measures have limitations as an analytical tool, and you should not consider them in isolation, or as a substitute for, financial information prepared in accordance with GAAP. For example, our calculation of non-GAAP adjusted EBITDA may differ from similarly titled non-GAAP measures, if any, reported by our peer companies, or our peer companies may use other measures to calculate their financial performance, and therefore our use of non-GAAP adjusted EBITDA may not be directly comparable to similarly titled measures of other companies. The principal limitation of non-GAAP adjusted EBITDA is that it excludes significant expenses and income that are required by GAAP to be recorded in our financial statements. In addition, it is subject to inherent limitations as it reflects the exercise of judgments by management about which expense and income are excluded or included in determining this non-GAAP financial measure. In order to compensate for these limitations, management presents non-GAAP financial measures in connection with GAAP results. In addition, such financial information is unaudited and does not conform to SEC Regulation S-X and, as a result, such information may be presented differently in our future filings with the SEC. For example, with respect to the warrant liability resulting from the merger, we now exclude changes in fair value from net loss in our non-GAAP adjusted EBITDA and non-GAAP adjusted net loss calculation, which had not been done in prior periods.

**MICROVAST HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands of U.S. dollars, except share and per share data, or as otherwise noted)

	December 31, 2022	December 31, 2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 231,420	\$ 44,541
Restricted cash, current	70,732	37,477
Short-term investments	25,070	5,634
Accounts receivable (net of allowance for credit losses of \$4,407 and \$4,571 as of December 31, 2022 and 2023, respectively)	119,304	138,717
Notes receivable	2,196	23,736
Inventories, net	84,252	149,749
Prepaid expenses and other current assets	12,093	25,752
<b>Total Current Assets</b>	<b>545,067</b>	<b>425,606</b>
Restricted cash, non-current	465	6,171
Property, plant and equipment, net	335,140	620,667
Land use rights, net	12,639	11,984
Acquired intangible assets, net	1,636	3,136
Operating lease right-of-use assets	16,368	19,507
Other non-current assets	73,642	9,661
<b>Total Assets</b>	<b>\$ 984,957</b>	<b>\$ 1,096,732</b>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 44,985	\$ 112,618
Advance from customers	54,207	43,087
Accrued expenses and other current liabilities	66,720	148,284
Income tax payables	658	655
Short-term bank borrowings	17,398	35,392
Notes payable	68,441	63,374
<b>Total Current Liabilities</b>	<b>252,409</b>	<b>403,410</b>
Long-term bank borrowings	28,997	43,761
Long-term bonds payable	43,888	43,157
Warrant liability	126	67
Share-based compensation liability	131	199
Operating lease liabilities	14,347	17,087
Other non-current liabilities	32,082	24,861
<b>Total Liabilities</b>	<b>\$ 371,980</b>	<b>\$ 532,542</b>
<b>Total Equity</b>	<b>\$ 612,977</b>	<b>\$ 564,190</b>
<b>Total Liabilities and Equity</b>	<b>\$ 984,957</b>	<b>\$ 1,096,732</b>



MICROVAST HOLDINGS, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands of U.S. dollars, except share and per share data, or as otherwise noted)

	Year Ended December 31,	
	2022	2023
Revenues	\$ 204,495	\$ 306,617
Cost of revenues	(195,422)	(249,390)
<b>Gross profit</b>	<b>9,073</b>	<b>57,227</b>
<b>Operating expenses:</b>		
General and administrative expenses	(104,572)	(97,291)
Research and development expenses	(43,508)	(45,004)
Selling and marketing expenses	(22,611)	(23,614)
<b>Total operating expenses</b>	<b>(170,691)</b>	<b>(165,909)</b>
Subsidy income	1,672	1,953
<b>Loss from operations</b>	<b>(159,946)</b>	<b>(106,729)</b>
<b>Other income and expenses:</b>		
Interest income	3,179	3,609
Interest expense	(3,323)	(2,628)
Gain on changes in fair value of warrant liability	979	59
Other income (expense), net	944	(713)
<b>Loss before provision for income tax</b>	<b>(158,167)</b>	<b>(106,402)</b>
Income tax expense	(33)	(10)
<b>Net loss</b>	<b>\$ (158,200)</b>	<b>\$ (106,412)</b>
Less: net loss attributable to noncontrolling interests	—	(76)
<b>Net loss attributable to Microvast Holdings, Inc.'s shareholders</b>	<b>(158,200)</b>	<b>(106,336)</b>
<b>Net loss per common share</b>		
Basic and diluted	\$ (0.52)	\$ (0.34)
Weighted average shares used in calculating net loss per share of common stock:		
Basic and diluted	303,279,188	310,909,379

MICROVAST HOLDINGS, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited, in thousands of U.S. dollars, except share and per share data, or as otherwise noted)

	Three Months Ended December 31,	
	2022	2023
Revenues	\$ 64,797	\$ 104,575
Cost of revenues	(62,571)	(81,551)
<b>Gross profit</b>	<b>2,226</b>	<b>23,024</b>
<b>Operating expenses:</b>		
General and administrative expenses	(21,551)	(27,944)
Research and development expenses	(10,498)	(11,395)
Selling and marketing expenses	(5,242)	(6,698)
<b>Total operating expenses</b>	<b>(37,291)</b>	<b>(46,037)</b>
Subsidy income	439	797
<b>Loss from operations</b>	<b>(34,626)</b>	<b>(22,216)</b>
<b>Other income and expenses:</b>		
Interest income	1,575	128
Interest expense	(858)	(1,191)
Gain on changes in fair value of warrant liability	58	84
Other income (expense), net	186	(1,386)
<b>Loss before provision for income tax</b>	<b>(33,665)</b>	<b>(24,581)</b>
Income tax expense	(33)	(10)
<b>Net loss</b>	<b>\$ (33,698)</b>	<b>\$ (24,591)</b>
Less: Net loss attributable to noncontrolling interest	—	(55)
<b>Net loss attributable to Microvast Holdings, Inc.'s shareholders</b>	<b>\$ (33,698)</b>	<b>\$ (24,536)</b>
<b>Net loss per common share</b>		
Basic and diluted	(0.11)	(0.08)
Weighted average shares used in calculating net loss per share of common stock	307,604,827	314,966,888
Basic and diluted		

**MICROVAST HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands of U.S. dollars, except share and per share data, or as otherwise noted)

	Year Ended December 31,	
	2022	2023
Cash flows from operating activities		
Net loss	\$ (158,200)	\$ (106,412)
Adjustments to reconcile net loss to net cash used in operating activities:		
(Gain)/loss on disposal of property, plant and equipment	(14)	1,947
Depreciation of property, plant and equipment	19,811	22,141
Amortization of land use rights and intangible assets	554	787
Noncash lease expenses	2,214	2,764
Share-based compensation	90,808	64,971
Changes in fair value of warrant liability	(979)	(59)
Allowance of credit losses	1,640	236
Provision for obsolete inventories	4,789	3,613
Impairment loss from property, plant and equipment	1,798	504
Product warranty	14,097	12,688
Changes in operating assets and liabilities:		
Notes receivable	3,187	(25,338)
Accounts receivable	(38,924)	(21,759)
Inventories	(43,694)	(74,406)
Prepaid expenses and other current assets	3,628	(14,291)
Amounts due from/to related parties	85	—
Operating lease right-of-use assets	(19,375)	(5,446)
Other non-current assets	(282)	(547)
Notes payable	13,490	(3,507)
Accounts payable	7,146	68,576
Advance from customers	53,022	(10,949)
Accrued expenses and other liabilities	(24,674)	6,602
Operating lease liabilities	14,999	2,266
Other non-current liabilities	946	316
<b>Net cash used in operating activities</b>	<b>(53,928)</b>	<b>(75,303)</b>
Cash flows from investing activities		
Purchases of property, plant and equipment	(150,880)	(186,788)
Proceeds on disposal of property, plant and equipment	5	1,649
Purchase of short-term investments	(25,070)	(5,966)
Proceeds from maturity of short-term investments	—	25,500
<b>Net cash used in investing activities</b>	<b>(175,945)</b>	<b>(165,605)</b>
Cash flows from financing activities		
Proceeds from bank borrowings	58,708	47,852
Repayment of bonds payable	(29,259)	(692)
Repayment of bank borrowings	(24,482)	(14,119)
<b>Net cash generated from financing activities</b>	<b>4,967</b>	<b>33,041</b>
Effect of exchange rate changes	(8,586)	(6,561)
Decrease in cash, cash equivalents and restricted cash	(233,492)	(214,428)
Cash, cash equivalents and restricted cash at beginning of the year	536,109	302,617
Cash, cash equivalents and restricted cash at end of the year	<b>\$ 302,617</b>	<b>\$ 88,189</b>

MICROVAST HOLDINGS, INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS - continued  
(In thousands of U.S. dollars, except share and per share data, or as otherwise noted)

	Year Ended December 31,	
	2022	2023
Reconciliation to amounts on consolidated balance sheets		
Cash and cash equivalents	\$ 231,420	\$ 44,541
Restricted cash	71,197	43,648
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 302,617</b>	<b>\$ 88,189</b>

MICROVAST HOLDINGS, INC.  
**RECONCILIATION OF GROSS PROFIT (LOSS) TO ADJUSTED GROSS PROFIT (LOSS)**  
(In thousands of U.S. dollars, except share and per share data, or as otherwise noted)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2023	2022	2023
Revenues	\$ 64,797	\$ 104,575	\$ 204,495	\$ 306,617
Cost of revenues	(62,571)	(81,551)	(195,422)	(249,390)
<b>Gross profit (GAAP)</b>	<b>\$ 2,226</b>	<b>\$ 23,024</b>	<b>\$ 9,073</b>	<b>\$ 57,227</b>
Gross margin	3.4 %	22.0 %	4.4 %	18.7 %
Non-cash settled share-based compensation (included in cost of revenues)	1,932	1,532	7,677	6,091
<b>Adjusted gross profit (non-GAAP)</b>	<b>\$ 4,158</b>	<b>\$ 24,556</b>	<b>\$ 16,750</b>	<b>\$ 63,318</b>
Adjusted gross margin (non-GAAP)	6.4 %	23.5 %	8.2 %	20.7 %

**MICROVAST HOLDINGS, INC.**  
**RECONCILIATION OF NET LOSS TO ADJUSTED NET LOSS**  
(In thousands of U.S. dollars, except share and per share data, or as otherwise noted)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2023	2022	2023
<b>Net loss (GAAP)</b>	<b>\$ (33,698)</b>	<b>\$ (24,591)</b>	<b>\$ (158,200)</b>	<b>\$ (106,412)</b>
Gain on changes in fair value of warrant liability*	(58)	(84)	(979)	(59)
Non-cash settled share-based compensation*	17,867	13,318	81,906	64,920
<b>Adjusted Net Loss (non-GAAP)</b>	<b>\$ (15,889)</b>	<b>\$ (11,357)</b>	<b>\$ (77,273)</b>	<b>\$ (41,551)</b>

\*The tax effect of the adjustments was nil.

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2023	2022	2023
<b>Net loss per common share-Basic and diluted (GAAP)</b>	<b>\$ (0.11)</b>	<b>\$ (0.08)</b>	<b>\$ (0.52)</b>	<b>\$ (0.34)</b>
Gain on changes in fair value of warranty liability per common share	—	—	—	—
Non-cash settled share-based compensation per common share	0.06	0.04	0.27	0.21
<b>Adjusted net loss per common share-Basic and diluted (non-GAAP)</b>	<b>\$ (0.05)</b>	<b>\$ (0.04)</b>	<b>\$ (0.25)</b>	<b>\$ (0.13)</b>

MICROVAST HOLDINGS, INC.  
**RECONCILIATION OF NET LOSS TO EBITDA AND ADJUSTED EBITDA**  
(In thousands of U.S. dollars, except share and per share data, or as otherwise noted)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2023	2022	2023
<b>Net loss (GAAP)</b>	\$ (33,698)	\$ (24,591)	\$ (158,200)	\$ (106,412)
Interest expense, net	(717)	1,063	144	(981)
Income tax expense	33	10	33	10
Depreciation and amortization	4,784	7,692	20,365	22,928
<b>EBITDA (non-GAAP)</b>	<b>\$ (29,598)</b>	<b>\$ (15,826)</b>	<b>\$ (137,658)</b>	<b>\$ (84,455)</b>
Gain on changes in fair value of warrant liability	(58)	(84)	(979)	(59)
Non-cash settled share-based compensation	17,867	13,318	81,906	64,920
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$ (11,789)</b>	<b>\$ (2,592)</b>	<b>\$ (56,731)</b>	<b>\$ (19,594)</b>

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# — Disclaimer

## Forward-Looking Statements

This communication contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future financial and operating results, our plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimated,” “believe,” “intend,” “plan,” “projection,” “guidance,” “outlook” or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond our control.

Actual results, performance or achievements may differ materially, and potentially adversely, from any projections and forward-looking statements and the assumptions on which those forward-looking statements are based. All information set forth herein speaks only as of the date hereof and we disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication. Forecasts and estimates regarding Microvast’s industry and end markets are based on sources we believe to be reliable, however there can be no assurance these forecasts and estimates will prove accurate in whole or in part.

Microvast’s annual, quarterly and other filings with the U.S. Securities and Exchange Commission identify, address and discuss these and other factors in the sections entitled “Risk Factors.”

## Non-GAAP Financial Measures

This presentation contains adjusted gross profit, adjusted operating loss and adjusted net loss, which are non-GAAP financial measures. Adjusted gross profit is GAAP gross profit as adjusted for non-cash stock-based compensation expense included in cost of revenues. Adjusted operating loss is GAAP operating loss as adjusted for non-cash stock-based compensation expense included in cost of revenues and operating expense. Adjusted net loss is GAAP net loss as adjusted for non-cash stock-based compensation expense and change in on valuation of warrant liabilities and convertible notes. In addition to Microvast’s results determined in accordance with GAAP, Microvast’s management uses these non-GAAP financial metrics to evaluate the company’s ongoing operations and for internal planning and forecasting purposes. We believe that this non-GAAP financial information, when taken collectively, may be helpful to investors in assessing Microvast’s operating performance. We believe that the use of these non-GAAP metrics provides an additional tool for investors to use in evaluating ongoing operating results and trends because it eliminates the effect of financing, non-recurring items, capital expenditures, and non-cash expenses.

In addition, our presentation of adjusted gross profit, adjusted operating loss and adjusted net loss should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of non-GAAP financial metrics may not be comparable to other similarly titled measures computed by other companies because not all companies calculate these measures in the same fashion. Because of these limitations, these non-GAAP financial metrics should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using non-GAAP financial metrics on a supplemental basis. Investors should review the reconciliations in this presentation and not rely on any single financial measure to evaluate our business.



# 2023 Overview

Steady Growth, Narrowing Losses



FY23 Revenue  
**\$307M**

EMEA Revenues  
**\$84M**

>400% increase Y/Y



Gross Margin

**18.7%**

Adj. GM 20.7%



Top Line

50% increase Y/Y



Adj. GM

+12.5 percentage points Y/Y

**2GWh**

Huzhou Phase 3.1

- ✔ Automated line for 53.5Ah
- ✔ Successful industrialization
- ✔ Delivering qualified products

**2GWh**

Clarksville Phase 1A

- 🌀 Construction phase nearly complete
- 🌀 Requires funding to cross finish line
- 🌀 Deliver cells to CV & ESS customers



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Q4 2023 HIGHLIGHTS



# Record Revenue Quarter

Expanding Commercial Vehicle Segment

Successes	Challenges	Q4 2023 Key Stats	
<ul style="list-style-type: none"><li>Preparing to kick off serial delivery to major U.S. specialty vehicle OEM</li><li>Additional projects testing Microvast products for 2025</li><li>Expanding CV business in different vehicle segments</li></ul>	<ul style="list-style-type: none"><li>Higher rate environment and demanding underwriting presented financing challenges for Clarksville project</li><li>Company reached a mutual resolution with customer for ESS business that reduced contract award and revenues</li><li>Short seller report and overall market sentiment for clean energy technology and growth companies</li></ul>	<b>\$104.6M</b> Revenue	<b>\$276.4M</b> Backlog
		<b>61%</b> YY Revenue Growth	<b>23.5%</b> Adj. Gross Margin

## HIGHLIGHTS



Entry into European marine market with prototype order from Evoy



Serial orders from European eShuttle OEM eVersum











Engaged in new general purchase agreement with OEM for ~0.6 GWh of delivered products in 2024/2025



# Commercial Vehicle Developments

Growing Our Footprint

OEM				
Vehicle	e-Shuttle	e-Boat	Hybrid Mining Truck	e-Mining Truck
Battery Type	MpCO-37Ah F3 low floor pack	HpCO-53.5Ah Gen4 MV-I pack	MpCO-48Ah Gen 4 pack MpCO-17.5Ah Gen 3 pack	MpCO-17.5Ah Gen3 pack/module/cell
Highlights	Order received; delivery of packs in 2024	Prototype underway & order received	23.3 MWh delivered in Q4 2023	72.8 MWh delivered in Q4 2023
				

# — APAC Update

Key Driver of Gross Margin Improvement

## Production

- Huzhou Phase 3.1 automated cell, module, and pack line completed and delivering 53.5Ah cells
- No further significant CAPEX requirements on Phase 3.1 expected in 2024

## Financials & Outlook

- 2023 Revenues of \$219M, up 18% Y/Y
- 2023 Gross Margin expansion generated from Huzhou operations
- 2024 Anticipated revenue growth Y/Y
- 2024 Gross Margin target of 20-25%, operations now mature and self-funding



## 2024 APAC Catalysts:

- ✓ China Market – Stable e-Bus revenues from established base of OEMs. Promising expansion in electrified mining truck and earth moving segments, where high power batteries like our 48Ah offer performance advantages.
- ✓ India Market – e-Bus segment supported by local govt. incentives, with our main OEM partners expected to benefit.



# — EMEA Update

Electrifying Revenue Growth in 2023

## Production

- Localized production of VDA modules, with expected increase in volumes

## Financials & Outlook

- 2023 Revenues of \$84M, >400% increase Y/Y
- 2024 Expected revenue expansion Y/Y
- Narrowed losses in 2023, breakeven possible in 2024 with higher sales volumes
- New and exciting CV customers and vehicle segments



## 2024 EMEA Catalysts:

- ✓ e-Bus & LCVs – Higher volumes expected on these platforms from continuing segment expansion.
- ✓ Specialty CVs – Working with leading European OEM for refuse trucks, demo truck at IAA 2024.



# U.S. Update

## Clarksville Phase 1A Delay

### Challenging Financing Environment

- Clarksville Phase 1A has been funded to date from balance sheet, pending securing project financing.
- Due to challenges in the current U.S. financing environment, we have been delayed in securing the financing needed.
- The impact of this on project progress started to be felt towards the end of Q4. Project completion is dependent on securing financing.
- Not expected to generate material production volumes or U.S. revenues in 2024.

### Outlook

- The pace of expanding our U.S. operations depends on timing to secure funds.
- On close of financing, we expect to need approx. 8 months to bring Clarksville Phase 1A to SOP. Majority of this time is allocated to installation of our production equipment.
- Slowed CAPEX and OPEX spend in the U.S. while we work on financing solutions.
- Post SOP, IRA credits and delivering qualified cells to CV and ESS customers in the U.S.
- Lack of funding in U.S. has contributed to substantial doubt as a going concern. Ongoing financing and customer activities to address this urgently.

### 2025 U.S. Catalysts:

- ✓ Energy Storage – This continues to be a large opportunity for us due to IRA. Strong demand from customers due to their desire for domestic content. Potential to secure multi-year high volume contracts once operational/funding secured.
- ✓ Commercial Vehicle – U.S. OEMs increasingly electrifying their vehicle line-ups and we have numerous projects underway this year that we anticipate will create demand for Clarksville Phase 1A in 2025.





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Q4 2023 FINANCIALS



# Q4 2023 P&L

(\$ in thousands)



## GAAP Income Statement

	Three-Months Ended Dec. 31			Twelve-Months Ended Dec. 31		
	2022	2023	Y/Y (%)	2022	2023	Y/Y (%)
Revenue	64,797	104,575	61%	204,495	306,617	50%
Cost of revenues	(62,571)	(81,551)	30%	(195,422)	(249,390)	28%
Gross Profit	2,226	23,024	934%	9,073	57,227	531%
Gross Margin	3.4%	22.0%	541%	4.4%	18.7%	321%
General and administrative expenses	(21,551)	(27,944)	30%	(104,572)	(97,291)	-7%
Research and development expenses	(10,498)	(11,395)	9%	(43,508)	(45,004)	3%
Selling and marketing expenses	(5,242)	(6,698)	28%	(22,611)	(23,614)	4%
Operating expense	(37,291)	(46,037)	23%	(170,691)	(165,909)	-3%
Subsidy Income	439	797	82%	1,672	1,953	17%
Operating loss	(34,626)	(22,216)	-36%	(159,946)	(106,729)	-33%
Change in fair value of warrant liability	58	84	45%	979	59	-94%
Others	903	(2,449)	-371%	800	268	-67%
Loss before income tax	(33,665)	(24,581)	-27%	(158,167)	(106,402)	-33%
Income tax	(33)	(10)	-70%	(33)	(10)	-70%
Net loss	(33,698)	(24,591)	-27%	(158,200)	(106,412)	-33%
Less: net income attributable to noncontrolling interests	-	(55)		-	(76)	
Net loss attributable shareholders	(33,698)	(24,536)	-27%	(158,200)	(106,336)	-33%

# Q4 2023 Adjusted Financials – Non-GAAP

(\$ in thousands)

	Three-Months Ended Dec. 31		Twelve-Months Ended Dec. 31	
	2022	2023	2022	2023
Revenue	64,797	104,575	204,495	306,617
Adjusted Cost of sales (non-GAAP)	(60,639)	(80,019)	(187,745)	(243,299)
Adjusted gross (loss) / profit (non-GAAP)	4,158	24,556	16,750	63,318
Adjusted gross margin (non-GAAP)	6.4%	23.5%	8.2%	20.7%
Adjusted Operating Expense	(21,356)	(34,251)	(96,462)	(107,080)
Adjusted Operating Loss (non-GAAP)	(16,759)	(8,898)	(78,040)	(41,809)
Adjusted Net Loss (non-GAAP)	(15,889)	(11,357)	(77,273)	(41,551)

Cost of Sales Adjustments				
	Three-Months Ended Dec. 31		Twelve-Months Ended Dec. 31	
	2022	2023	2022	2023
Non-Cash Settled SBC	1,932	1,532	7,677	6,091

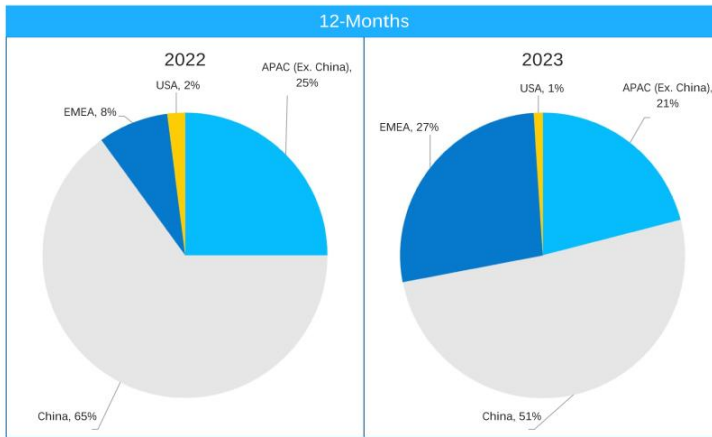
Operating Expense Adjustments				
	Three-Months Ended Dec. 31		Twelve-Months Ended Dec. 31	
	2022	2023	2022	2023
Non-Cash Settled SBC	15,935	11,786	74,229	58,829

Net Loss Adjustments				
	Three-Months Ended Dec. 31		Twelve-Months Ended Dec. 31	
	2022	2023	2022	2023
Fair Value Changes	(58)	(84)	(979)	(59)

# 2023 Revenue by Region

(\$ in thousands)



Revenue by region	Twelve-Months Ended Dec. 31		
	2022	2023	Y/Y %
APAC (Ex. China)	52,566	62,653	19%
China	132,469	156,480	18%
EMEA	15,809	84,358	434%
USA	3,651	3,126	-14%
<b>Total</b>	<b>204,495</b>	<b>306,617</b>	<b>50%</b>

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OUTLOOK



## — 2024 Outlook

**40-60%**  
Targeted Q1 Revenue  
Growth Y/Y

»» **\$65-75M**  
Q1 Revenue Guidance

»» **20-25%**  
Targeted Q1 Gross  
Margin

### APAC

- ✔ Huzhou Phases 1, 2, & 3 delivering qualified products.
- ⊕ Targeting increased utilization and R&D progress on upcoming new products.

### EMEA

- ✔ Germany facility delivering qualified products.
- ⊕ Targeting high revenue growth year and new customer wins for specialty CV.

### U.S.

- »» Clarksville facility slowing CAPEX & OPEX until funding secured.
- ⊕ Targeting financing solutions to complete Clarksville along with long term customer contracts.

## Company

- ✔ Profitability focus driving regional efficiency and future growth.
- ⊕ Targeting positive adjusted EBITDA contributions from APAC and EMEA in 2024.

2024 Core Focus – Maintain revenue growth and margin profile as catalysts to improved liquidity and route to breakeven.

