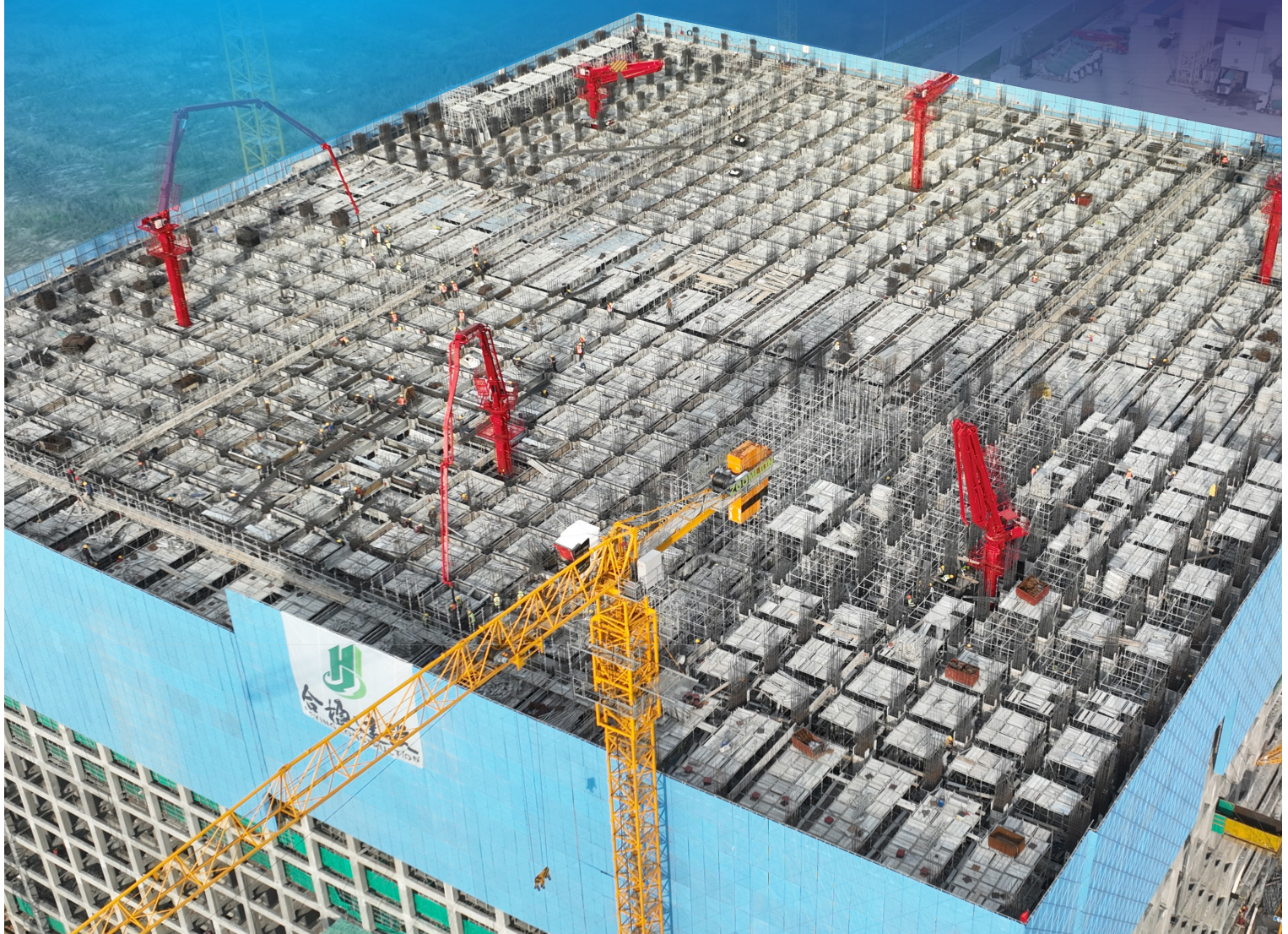


From Rudong to Beijing to Mongolia:

My insights from Energy Vault's recent trip to China and the site of the first EVx gravity energy storage system.

Rob Piconi
Chairman, Co-Founder & CEO
Energy Vault



Dear Fellow Shareholders,

I am pleased to provide you with a comprehensive update after my recent trip to Rudong and Beijing, China, where I visited the deployment site of our first EVx™ gravity energy storage system (GESS), and had the privilege of engaging with a host of key stakeholders, including political, investment, and corporate officials. Throughout my travels and engagement, my discussions centered on Energy Vault's mission and value proposition, as well as the critical global need for decarbonization through the development and implementation of sustainable energy storage solutions.

During my visit, I took the opportunity to meet with a broad cross-section of industry and local political leaders, as well as other stakeholders, to discuss our mission and the vital importance of sustainable energy solutions. I am delighted to report that the meetings were highly productive, and am energized by the level of interest and support for our work. Already one of the top three regions for energy storage globally, China will become the largest market for renewables and energy storage by 2030, deploying almost 800GWh of storage by 2030 alone to support over a TerraWatt of wind and solar. Energy Vault will be the first to deploy a non-lithium, long duration energy storage technology that can also economically support applications for shorter duration, as we are doing for the 25 MW, 100MWh system for Atlas Renewable, a system designed for 4-hour duration storage.

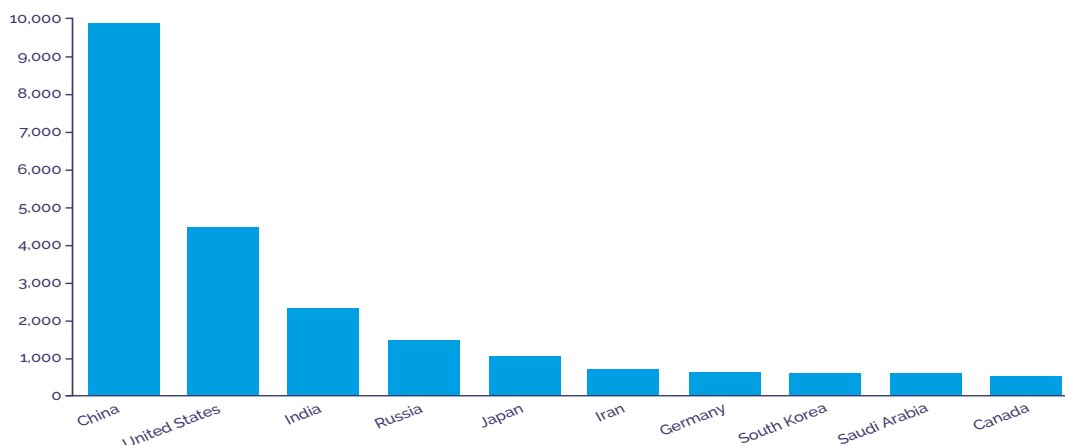
As the leader of Energy Vault, it is my firm belief that we must continue to innovate and drive progress in the development of a renewable world, and I am committed to working tirelessly with our partners to achieve our goals. Rest assured that we will continue to advance our mission with passion and determination, always guided by our unwavering commitment to sustainable energy storage and a decarbonized future for our planet. CO2 emissions know no borders and political rules of engagement do not apply. With that in mind, where better to launch the first EVx system than China – a country that produces more CO2 emissions than the next 6 countries combined, and is estimated to further increase GHG's (greenhouse gas emissions) for the next 7 years until 2030. We must accelerate the timelines for renewable deployments and energy storage to better meet China's growing demand for electricity.

**800
GWh**

China will become the largest market for renewables and energy storage by 2030

Top ten most polluting countries 2022

In 2020, global carbon emissions reached **32 billion tonnes of CO2 in the atmosphere**, a record that is unlikely to be quickly overtaken, as the projected trajectory of future emissions doesn't predict any decrease.



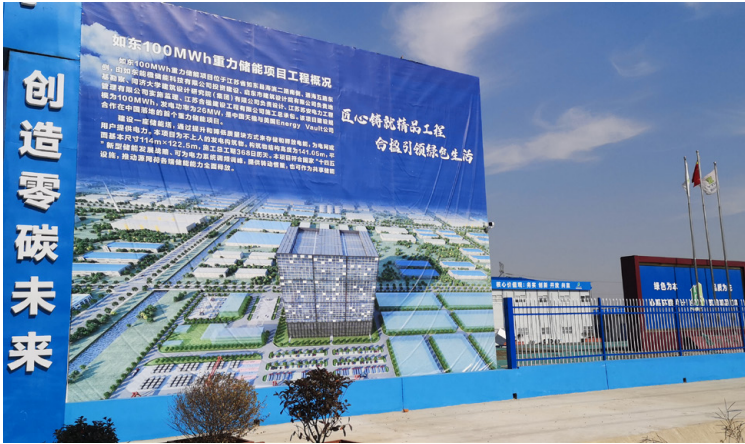
Site Visit of the First Global Gravity Storage Deployment in Rudong, China (Nantong)

At the beginning of my trip, I visited the site of our groundbreaking EVx project, a game-changing innovation in sustainable energy storage solutions. Witnessing firsthand (and for the first time) the remarkable progress being made on this project was inspirational, especially recognizing the dedication and resilience of the construction efforts of China Tianying (CNTY), our partner in China and a leading environmental and remediation services company that is publicly traded and part of the top China Fortune 500 companies. CNTY has been able to successfully progress the construction of the EVx, despite working through two separate COVID-related work stops (mid-2022 and early 2023). The EVx is set to become the world's first gravity-based energy storage system (GESS) at utility scale that is not a pumped hydro electric facility, and the first long duration technology deployed at this scale globally. With the tireless efforts of our dedicated team on the ground and local partners from CNTY, we are well on our way to achieving what we originally set out to do on this first project.

EVx
RUDONG

is set to become
the world's first
gravity-based
energy storage
system





Entry rendering at the entrance of the Rudong site of Energy Vault's first EVx system

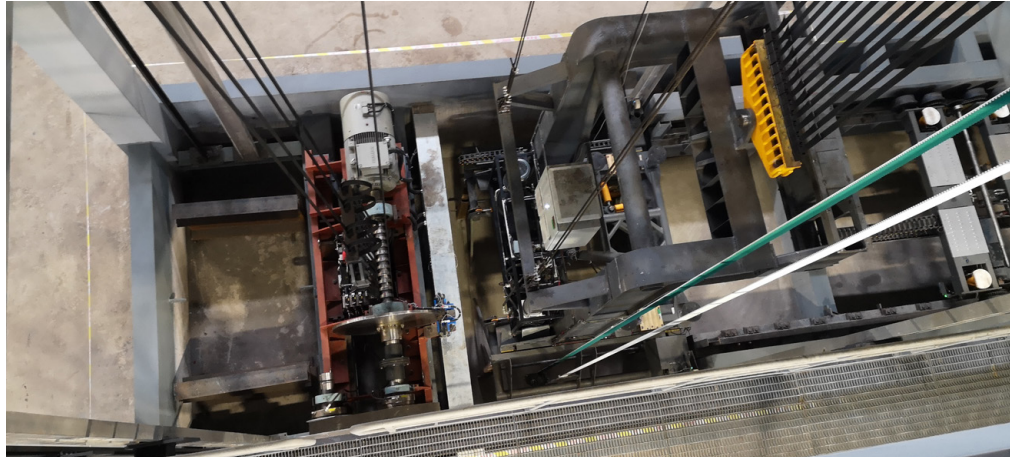
The scale of this project is truly monumental, and the sheer magnitude and power of the EVx is awe-inspiring. The EVx has already established a significant footprint in Rudong, China, and we continue to make rapid progress on its vertical development. We are building at a pace of approximately one level per week. The excitement on the ground was palpable, and I was struck by the passion and commitment of everyone involved.

**BUILDING
1 LEVEL
PER WEEK**

We also visited the headquarters of CNTY, led by Chairman Yen, which are headquartered in Hiaan City, about 60 kilometers from the Rudong EVx site. We visited their sprawling 40-hectare campus which includes their internal manufacturing facilities for the majority of the steel fabrication for the trolleys, cradle cages for the composite eco-bricks, and the new "ribbon" based lifting systems for maximum energy efficiency.

Robert Piconi and Chairman Yan outside the China Tianying headquarters





Main system mechanical components, all fabricated locally on the China Tianying Campus in Hiaan City

We also visited with the Party Secretary and Mayor of Nantong, Mr. Wu Xinming, which encompasses Rudong where the EVx system is being built. There is quite a lot of focus and buzz in the government and the city about the new "tower of power" being constructed in the region with multi-national and global visibility. Specifically, the Premier called out this collaboration as a model for other companies to follow, where a new and disruptive U.S. technology is being deployed in China first, leveraging the strengths of Chinese know-how in efficient and reliable construction at scale, with a strong focus on extending technical life and reducing maintenance cost. There are high expectations locally for the project to be the first example of bi-lateral collaboration and a showcase of efficient technology implementation across the private sector.

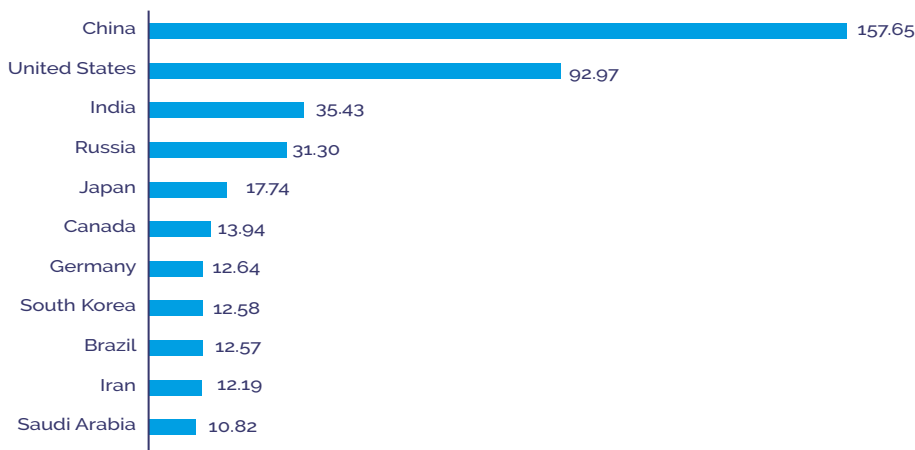
Robert Piconi and the local Energy Vault team members

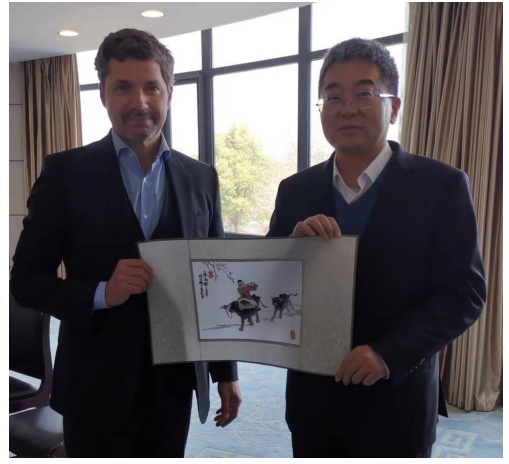




As we move forward, we remain focused on supporting our local partners at China Tianying with our engineering team, and I am pleased to report that we are on track to achieve mechanical completion and commissioning start of all electronic and power generation components in the second quarter of 2023 as planned. When fully commissioned later this year, the 25 MW, 100 MWh EVx system will be integrated into China's national energy grid to provide critical storage and delivery of clean renewable energy generated by the adjacent wind farm. This is a significant milestone that brings us one step closer to realizing our mission of decarbonization through the deployment of sustainable energy solutions in the largest energy consumption market in the world.

Primary energy consumption worldwide in 2021, by country (in exajoules)

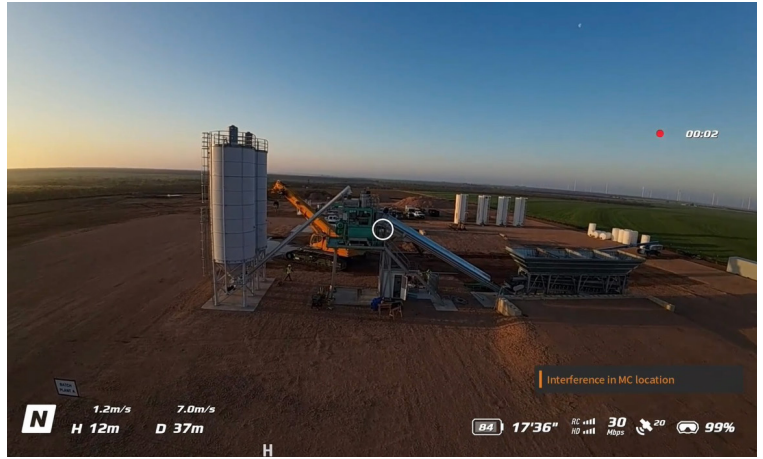


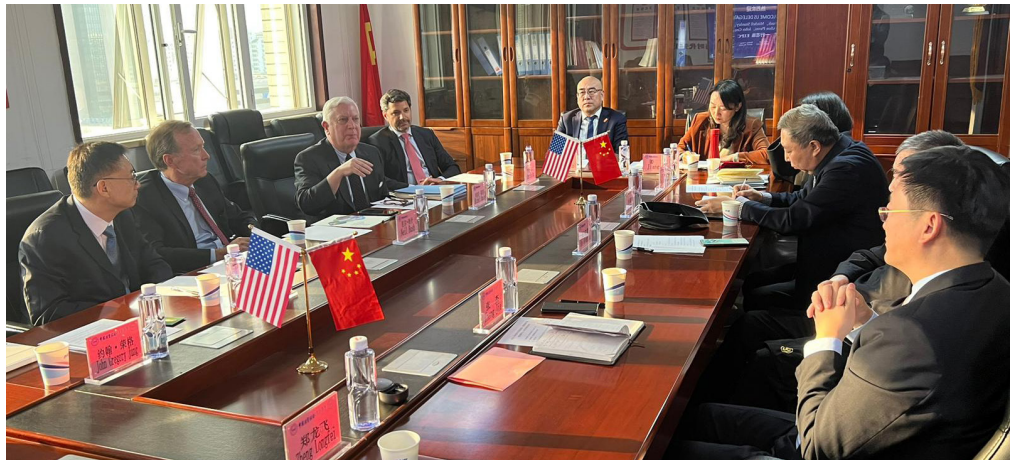


Rob w/Chairman Yen

Meanwhile, on the other side of the world, our team in Snyder, Texas, continues to advance site progress on the civil activities for our second planned EVx system. This is the first project of its kind in the United States, and we are proud to be working in collaboration with Enel Green Power. Together, we are pioneering new frontiers in renewable energy, and we remain steadfast in our commitment to a cleaner, greener future for all.

EVx construction Snyder, Texas





The 2nd Sino-US Carbon Neutrality Technology Exchange Conference

I had the great honor of participating in the second annual Sino-US Carbon Neutrality Technology Exchange Conference, which took place on March 30, 2023, in Beijing, China. The conference brought together a distinguished group of executives and leaders from around the world, including representatives from The Investment Associate of China (IAC) and its Energy Investment Professional Committee (EIPC), The National Center for Sustainable Development (NCSD), the George H.W. Bush Foundation for US-China Relations, China Tianying, Inc., Atlas Renewable LLC, Charhar Institute, Tsinghua University, Asian Development Bank, Future Energy Research and Design Institute, and other notable guests and political leaders.

At the conference, John Jung, who is supporting business development initiatives in the region, and I had the privilege of presenting on various energy storage technologies and solutions for short, long and ultra-long (multi-day) storage solutions. This was not a theoretical discussion, as we highlighted these energy storage solutions across Energy Vault's multi-gigawatt hour customer announcements and project wins over the last nine months alone at some of the largest public utilities and IPP's (Independent Power Producers) in the world which included Li-ion based short duration, gravity-based long duration, and multi-day storage solutions with green hydrogen. John Jung also presented a technology deep-dive and discussion on Energy Vault's all-encompassing Energy Management System, our innovative software platform capable of concurrently managing multiple power generation sources (wind, solar, fossil-based) and energy storage platforms to economically dispatch electricity. At the conclusion of the conference, we were also proud to participate in the launch ceremony of the China U.S. Zero Carbon Joint Innovation Laboratory.

The conference provided a forum for fruitful discussions on future cooperation and development for carbon neutrality between the U.S. and China broadly while enabling detailed planning and development discussions toward near term deployment of Energy Vault's portfolio of energy storage hardware and software solutions. I was impressed by the shared vision of innovating and driving progress on enabling and developing cleaner and more sustainable forms of energy. The event was a testament to the power of collaboration and a strong commitment to the goal of a carbon-neutral future, uniting as a global community to solve a critical problem across borders and political complexities.

The Exchange Conference of Inner Mongolia Energy Innovation Technology

On March 31, 2023, we attended the Exchange Conference of Inner Mongolia Energy Innovation Technology in Inner Mongolia, China. The conference brought together leading industry executives and other key stakeholders to discuss the prospects for the new energy industry in Inner Mongolia, including aspects related to business development, innovation construction, consulting, and software. John Jung continued with the joint delegation to visit the central planning headquarters as well as some of the renewable generation sites in the cities of Tongliao and Hohhot. Further during John Jung's visit of the renewable site located in Hohhot, Inner Mongolia, which has 0.5GW of wind generation and 288MWh of energy storage system (ESS), is entirely managed by Three Gorges and supplied to the national Chinese grid. The project aims to expand its wind and solar generation capacity to 2GW by the end of this year, along with a significant increase in ESS capacity. This vast region in the Gobi desert holds a substantial portion of China's renewable energy potential, given that its electrical grid is more than double the size of that in the US.

The visit to Inner Mongolia was prioritized given the recent announcements of EVx gravity energy storage deployments with partners CNTY, Atlas Renewable, EIPC and China Three Gorges Corporation. There will be massive deployments of renewable energy with a mandated 20% attachment of energy storage power. Specifically, they are planning to deploy a full Terawatt of renewable energy generation which would imply 200 GW of storage power and 4 hours duration, or 800 GWh of storage capacity, by 2030 – with numbers of this magnitude, you can see why we prioritized the time here and are planning sessions on beginning deployments as early as the second half of 2023.

Additionally, on March 16, CNTY issued an announcement that it signed a strategic cooperation agreement with the People's Government of Urat Zhongqi, Inner Mongolia Autonomous Region to deploy Energy Vault's EVx GESS. The gravity energy storage projects are expected to total installed capacity of not less than 2GWh in Urat Zhongqi, with a total investment of about 8 billion yuan comprised of three tranches. The first of which is 100 MWh, and the second phase and the third phase are 1 GWh respectively. The gravity energy storage projects will serve the construction of the new energy base in Urat Zhongqi. In addition, CNTY will also invest in the development of equipment manufacturing industry related to gravity energy storage. The People's Government of Urat Zhongqi, Inner Mongolia Autonomous Region will provide comprehensive support and help in the investment process of CNTY.

This is another strategic cooperation with local governments involving gravity energy storage projects following CNTY's strategic agreement with the Guizhou Bijie Municipal People's Government and Tongliao Municipal People's Government, which was signed last year. This announcement signaled the accelerated deployment of Energy Vault's EVx GESS as the core energy storage technology for five national zero carbon industrial parks, some of which will be built in previously underserved economic regions throughout China. The first announced site has been confirmed for a 2 GWh system supporting the local industrial development in association with the Tongliao Municipal People's Government located in Inner Mongolia, which has a significant indigenous minority population. This

2GW

Hohhot wind & solar generation capacity by end 2023

1TW

of renewable energy generation

agreement is a major step forward to support China's new Gobi Desert Renewable initiative announced in March 2022 and broad economic development goals, including enabling economic prosperity in underserved areas in alignment with China's energy and economic policy in the Gobi Desert.

Overall, the conference was an excellent opportunity to connect with other industry leaders and share our portfolio of energy storage solutions and innovations. I was inspired by the level of enthusiasm and dedication of all those in attendance while contemplating the magnitude of the volume of storage required in the next five to ten years.

After the conference concluded, John Jung traveled to outer Mongolia to participate in additional events with political and energy industry participants. On April 14th, the delegation had a discussion with Mongolian Minister of Finance Zayabal Batjargal in how to implement and further enhance the development of renewable energy in Mongolia through fiscal policies. Zayabal Batjargal expressed full support for the implementation of additional investment and the deployment of innovative technologies in Mongolia between China and the United States.

On the morning of April 15th, John and others met with Tuvshinchuluun Erdenechuluun, chairman of the Energy Regulatory Commission (ERC) in Mongolia. The ERC is responsible for regulating energy matters and ensuring reliable energy supply while promoting investment and energy-saving policies. Mongolia has passed laws to encourage and support renewable energy development. Thus far, Mongolia has invested millions in renewable energy and has planned projects worth over \$25 billion. The delegation discussed specific suggestions on power system establishment, energy storage, and grid reliability solutions with Mr. Erdenechuluun.

Finally, on April 16th, John had a meeting with Mongolian Minister of Finance to discuss supporting the development of renewable energy in Mongolia from the perspective of fiscal and taxation policies, investment, and finance. Overall, the committee gained an intuitive and in-depth understanding of Mongolia's energy status and development, while plans to strengthen communication for opportunities to deliver on renewable energy projects.

We are excited about the future cooperation with Mongolia and believe there is significant opportunity for us to develop and deploy our proprietary energy storage solutions throughout the region in support of decarbonizing the world.

My Takeaways and Conclusions

In summary, the trip was a resounding success, and I returned to Energy Vault's headquarters in California with a deep sense of purpose and determination to achieve our goals. This is just the beginning for Energy Vault in China as we continue to build upon the momentum we have achieved with the development of the first 100 MWh EVx system in Rudong and the initial 2 GWh build-out to support the planned zero carbon industrial parks to advance China's decarbonization goals. We remain committed to providing sustainable energy storage solutions, and I am confident that our team will continue to make a meaningful impact in China and beyond.

I am grateful for your continued support of Energy Vault, and I look forward to keeping you updated on our progress.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Piconi". The signature is fluid and cursive, with a prominent initial "R" and a long, sweeping underline.

Chairman, Co-Founder & CEO – Energy Vault

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