



NEWS RELEASE

# Energy Vault Responds to Inaccurate and Misleading Short Seller Report

12/8/2022

LUGANO, Switzerland & WESTLAKE VILLAGE, Calif.--(BUSINESS WIRE)-- Energy Vault Holdings, Inc. (NYSE: NRGV) ("Energy Vault" or the "Company"), a leader in sustainable, grid-scale energy storage solutions, today provided the following response to the recent short seller report issued by Bleecker Street Research who has a disclosed economic incentive to negatively influence the Company's stock price. The report, issued on December 2, 2022, contains factual inaccuracies, mischaracterizations and misinformation. Key statements from the short report are addressed below:

## Statement #1:

"440 MWh Deal With A Large Western Public Utility: We Think This Is Cancelled"

The 440MWh project with a large western utility announced by Energy Vault has not been cancelled and in fact Energy Vault intends to publicly announce the specifics of the project while naming the public utility in the coming days. The short seller's error appears to stem from their confusion of megawatts (MW) with megawatt hours (MWh) – conflating units of demand and capacity with units of storage and demonstrating the short seller's lack of familiarity with the energy storage industry. Confusing MW with MWh has led the short seller to make incorrect assumptions regarding Energy Vault's awarded projects – conflating projects announced by third parties that reflect capacity (MW), including the project identified in the short report, with Energy Vault's announcements of awarded projects for energy storage (MWh).

## Statement #2:

"More Red Flags: 820MW System In Poland"

The project in Poland identified by the short seller is not the project previously disclosed by Energy Vault. The short seller is incorrect in both technical characterization and location of the project (as with the project referenced above) and Energy Vault has been awarded an 820MWh short duration battery storage project in an altogether different European country. Energy Vault intends to publicly announce the specifics of this project with our customer at the appropriate time. The short seller once again evidences their misunderstanding of the energy storage market by confusing MW with MWh.

Statement #3:

“2.2 GWh With DG Fuels: Half Of Energy Vault’s Backlog Is Riding On This Louisiana SAF Plant”

The short seller makes an incorrect assumption that DG Fuels makes up “half of Energy Vault’s backlog.” As per our latest 10-Q filed in November 2022, backlog is defined as the amount of revenue we expect to realize in the future on uncompleted construction contracts, including new contracts under which work has not yet begun. DG Fuels is categorized as an Award and as previously stated publicly, Energy Vault’s 2023 revenue forecast does not assume any project revenue from DG Fuels. In addition, the short seller incorrectly states that this is a “battery storage project” despite it clearly being a gravity energy storage project. The short seller also asserts that DG Fuels “is not a serious company.” However, both Delta Airlines and Air France-KLM have publicly announced sustainable aviation fuel (SAF) offtake agreements with DG Fuels. DG Fuels has also recently announced the signing of a lease in Maine for one of its SAF facilities. Energy Vault’s EVx gravity energy storage technology will support DG Fuels’ production of green hydrogen for SAF.

Statement #4:

“Energy Vault Announces An Award From An Australian Solar Farm That Doesn’t Yet Exist”

The short seller’s argument about the Meadow Creek project attempts to create a controversy where none exists. The short seller implies that the October 2022 announcement does not disclose that project is in a developmental stage. However, the announcement clearly states: “The Meadow Creek Solar Farm has completed extensive work on project feasibility, including grid capacity, and is currently progressing through detailed environmental and technical assessments to support the development application process. The BESS, being co-located with solar PV, is expected provide the resiliency and flexibility of charge and discharge, essential to shoring up renewable energy supply across the network as Australia adopts the Australian Energy Market Operator’s Integrated System Plan.”

Statement #5:

“Energy Vault Is Conspicuously Absent From All Major Department of Energy Renewable Projects”

The information provided by the Department of Energy's list cited by the short report only relies on publicly available data and for competitive reasons, many projects under discussion or development with our customers are precluded from the list. It is worth noting that the short seller should have clearly understood with any minimal research and due diligence that the Department of Energy listing would typically name only the Project Owner and thus not list any of the project partners or suppliers that may be contracted by the Project Owner. Additionally, there may be lags between when we begin development and construction until the project is reflected in the database. Therefore, it should be expected that Energy Vault, and all of the other companies associated with the listed projects, would not be included in the report.

#### Additional Comments on Short Seller Report

In addition to the above statements and factual inaccuracies, many of the short seller's claims and commentary focus on Energy Vault's prior rotating crane technology from 2020 versus its current modular EVx technology, which is the only GESS platform being globally deployed today, highlighting the short seller's failure to utilize the most current information in its "research" process. The report also confuses GESS projects with BESS deployments, further exposing a fundamental lack of understanding of Energy Vault's business mix and energy storage more generally.

In addition, the short report questions the Company's two-year aggregate revenue guidance as an "inflated claim." During its November Q3 2022 earnings call, Energy Vault reiterated its aggregate revenue projections for 2022 and 2023 of approximately \$680 million, as had been previously reiterated during the August Q2 2022 earnings call. The Company has clear line of sight to our guidance targets based on our contracted backlog and commercial pipeline.

Energy Vault stands by its project awards and we are excited to continue to partner with our world-class customers to decarbonize the world. The Company remains focused on executing its growth plan and looks forward to updating the market on its continued progress.

## About Energy Vault

Energy Vault® develops and deploys utility-scale energy storage solutions designed to transform the world's approach to sustainable energy storage. The company's comprehensive offerings include proprietary gravity-based storage, battery storage, and green hydrogen energy storage technologies. Each storage solution is supported by the Company's hardware technology-agnostic energy management system software and integration platform. Unique to the industry, Energy Vault's innovative technology portfolio delivers customized short-and-long-duration energy storage solutions to help utilities, independent power producers, and large industrial energy users significantly reduce levelized energy costs while maintaining power reliability. Utilizing eco-friendly materials with the ability to integrate waste materials for beneficial reuse, Energy Vault's EVx™ gravity-based energy storage technology is facilitating the shift to a circular economy while accelerating the global clean energy transition for its customers. Please visit [www.energyvault.com](http://www.energyvault.com) for more information.

## Forward-Looking Statements

This press release includes forward-looking statements that reflect the Company's current views with respect to, among other things, the Company's operations and financial performance. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These statements often include words such as "anticipate," "expect," "suggest," "plan," "believe," "intend," "project," "forecast," "estimates," "targets," "projections," "should," "could," "would," "may," "might," "will" and other similar expressions. We base these forward-looking statements or projections on our current expectations, plans and assumptions, which we have made in light of our experience in our industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances at the time. These forward-looking statements are based on our beliefs, assumptions and expectations of future performance, taking into account the information currently available to us. These forward-looking statements are only predictions based upon our current expectations and projections about future events. These forward-looking statements involve significant risks and uncertainties that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including changes in our strategy, expansion plans, customer opportunities, future operations, future financial position, estimated revenues and losses, projected costs, prospects and plans; the implementation, market acceptance and success of our business model and growth strategy; our ability to develop and maintain our brand and reputation; developments and projections relating to our business, our competitors, and industry; the impact of health epidemics, including the COVID-19 pandemic, on our business and the actions we may take in response thereto; our expectations regarding our ability to obtain and maintain intellectual property protection and not infringe on the rights of others; expectations regarding the time during which we will be an emerging growth company under the JOBS Act; our future capital requirements and sources and uses of cash; our ability to obtain funding for our operations and future growth; our business, expansion plans and opportunities and other important factors discussed under the caption "Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2022, as such factors may be updated from time to time in its other filings with the SEC, accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). New risks emerge from time to time and it is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. Any forward-looking statement made by us in this press release speaks only as of the date of this press release and is expressly qualified in its entirety by the cautionary statements included in this press release. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable laws. You should not place undue reliance on our forward-looking statements.

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