

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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number 001-39982

ENERGY VAULT HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)
4165 East Thousand Oaks Blvd., Suite 100
Westlake Village, California
(Address of Principal Executive Offices)

85-3230987
(I.R.S. Employer Identification No.)
91362
(Zip Code)

(805) 852-0000
Registrant's telephone number, including area code

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	NRGV	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The registrant had 178,246,198 shares of common stock, par value \$0.0001 per share, outstanding as of May 15, 2026.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our future results of operations or financial condition, business strategy and plans and objectives of management for future operations are forward-looking statements. These statements involve known and unknown risks, uncertainties, and other important factors that are in some cases beyond our control and may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will” or “would” or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- 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 macroeconomic uncertainty, including with respect to uncertainty about the future relationship between the United States and other countries with respect to trade policies and tariffs;
- changes in tax laws and government regulations and the impact of those changes on us, including as a result of the One Big Beautiful Bill Act and its changes to the Internal Revenue Code of 1986, as amended and the clean-energy tax credits established under the Inflation Reduction Act of 2022;
- investment in development projects that may not achieve commercial operations in our predicted timeframe or at all;
- our efforts to diversify our supply chain to lessen the impact of tariffs and global disruptions to maritime traffic;
- 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 Jumpstart Our Business Startups Act of 2012;
- our future capital requirements and sources and uses of cash;
- the international nature of our operations and the impact of war or other hostilities on our business and global markets;
- our ability to obtain funding for our operations and future growth; and
- our business, expansion plans and opportunities, including our expansion into owned and operated projects.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described in the section titled “Risk Factors” in our 2025 Annual Report on Form 10-K and elsewhere in this Quarterly Report on Form 10-Q. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. Additionally, our discussions of environmental, social, and governance (“ESG”) assessments, goals and relevant issues herein or in other locations, including our corporate website, are informed by various ESG standards and frameworks (including standards for the measurement of underlying data), and the interests of various stakeholders. References to “materiality” in the context of such discussions and any related assessment of ESG “materiality” may differ from the definition of “materiality” under the federal securities laws for SEC reporting purposes. Furthermore, much of this information is subject to assumptions, estimates or third-party information that is still evolving and subject to change. For example, we note that standards and expectations regarding greenhouse gas (“GHG”) accounting and the process for measuring and counting GHG emissions and GHG emissions

reductions are evolving, and it is possible that our approaches both to measuring our emissions and any reductions may be at some point, either currently or in the future, considered not in keeping with best practices. In addition, our disclosures based on any standards may change due to revisions in framework requirements, availability or quality of information, changes in our business or applicable government policies, or other factors, some of which may be beyond our control.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements. Any forward-looking statements only speak as of the date of this document, and we undertake no obligation to update any forward-looking information or statements, whether written or oral, to reflect any change, except as required by law. All forward-looking statements attributable to us are expressly qualified by these cautionary statements.

Part I-Financial Information
Item 1. Financial Statements

ENERGY VAULT HOLDINGS, INC.
Condensed Consolidated Balance Sheets
(Unaudited)
(In thousands except par value)

	March 31, 2026	December 31, 2025
Assets		
Current Assets		
Cash and cash equivalents	\$ 55,243	\$ 58,260
Restricted cash, current portion	13,505	4,717
Accounts receivable, net of allowance for credit losses of \$1,188 and \$1,236 as of March 31, 2026 and December 31, 2025, respectively	4,941	25,938
Contract assets, net of allowance for credit losses of \$25,174 and \$25,101 as of March 31, 2026 and December 31, 2025, respectively	18,073	20,631
Inventory	126	139
Advances to suppliers	3,819	6,318
Prepaid expenses and other current assets	8,081	5,067
Total current assets	103,788	121,070
Property and equipment, net	101,454	96,064
Intangible assets, net	7,057	8,277
Operating lease right-of-use assets, net	2,166	2,242
Investments, long-term portion	3,366	3,366
Restricted cash, long-term portion	48,379	40,466
Deferred income taxes, net	28,743	40,508
Other assets	3,084	883
Total Assets	\$ 298,037	\$ 312,876
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$ 9,083	\$ 30,838
Accrued expenses	25,820	70,389
Debt, current portion (including \$6,235 and \$50,250 measured at fair value as of March 31, 2026 and December 31, 2025, respectively)	21,145	56,628
Contract liabilities	15,380	6,610
Other current liabilities	603	552
Total current liabilities	72,031	165,017
Long-term debt (including \$— and \$16,427 measured at fair value as of March 31, 2026 and December 31, 2025, respectively)	150,531	37,970
Warrant liabilities	15,350	15,050
Deferred pension obligation	1,968	1,837
Other long-term liabilities	4,381	4,386
Total liabilities	244,261	224,260
Commitments and contingencies		
Mezzanine Equity		
Redeemable non-controlling interest	23,318	21,156
Stockholders' Equity		
Preferred stock, \$0.0001 par value; 5,000 shares authorized, none issued	—	—
Common stock, \$0.0001 par value; 500,000 shares authorized, 174,147 and 168,969 issued and outstanding at March 31, 2026 and December 31, 2025, respectively	17	17
Additional paid-in capital	551,026	555,873
Accumulated deficit	(519,918)	(487,433)
Accumulated other comprehensive loss	(636)	(966)
Non-controlling interest	(31)	(31)
Total stockholders' equity	30,458	67,460
Total Liabilities, Mezzanine Equity, and Stockholders' Equity	\$ 298,037	\$ 312,876

The accompanying notes are an integral part of these condensed consolidated financial statements.

ENERGY VAULT HOLDINGS, INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(Unaudited)
(In thousands except per share data)

	Three Months Ended March 31,	
	2026	2025
Revenue	\$ 21,879	\$ 8,534
Cost of revenue	17,091	3,658
Gross profit	4,788	4,876
Operating expenses:		
Sales and marketing	2,910	4,145
Research and development	2,590	3,824
General and administrative	21,241	17,506
Provision for (benefit from) credit losses	25	(11)
Depreciation, amortization, and accretion (excluding amounts included in cost of revenue)	2,223	305
Total operating expenses	28,989	25,769
Loss from operations	(24,201)	(20,893)
Other income (expense):		
Interest expense	(3,466)	(95)
Interest income	568	315
Change in fair value of financial instruments carried at fair value	(134)	—
Other expense, net	(5,251)	(118)
Loss before income taxes	(32,484)	(20,791)
Provision for income taxes	1	383
Net loss	(32,485)	(21,174)
Net loss attributable to non-controlling interest	—	(38)
Net loss attributable to Energy Vault Holdings, Inc.	\$ (32,485)	\$ (21,136)
Net loss per share attributable to common stockholders — basic and diluted	\$ (0.20)	\$ (0.14)
Weighted average shares outstanding — basic and diluted	171,867	153,723
Other comprehensive income (loss) — net of tax		
Actuarial gain (loss) on pension	\$ (116)	\$ 511
Foreign currency translation gain	446	20
Total other comprehensive income attributable to Energy Vault Holdings, Inc.	330	531
Total comprehensive loss attributable to Energy Vault Holdings, Inc.	\$ (32,155)	\$ (20,605)

The accompanying notes are an integral part of these condensed consolidated financial statements.

ENERGY VAULT HOLDINGS, INC.
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)
(In thousands)

Three Months Ended March 31, 2026							
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-Controlling Interest	Total Stockholders' Equity
	Shares	Amount					
Balance at December 31, 2025	168,969	\$ 17	\$ 555,873	\$ (487,433)	\$ (966)	\$ (31)	\$ 67,460
Exercise of stock options	43	—	34	—	—	—	34
Exercise of warrants	340	—	—	—	—	—	—
Stock-based compensation	—	—	7,053	—	—	—	7,053
Vesting of restricted stock units ("RSUs")	2,141	—	(1,749)	—	—	—	(1,749)
Shares issued per Convertible Debentures	2,654	—	12,437	—	—	—	12,437
Purchase of capped calls	—	—	(20,460)	—	—	—	(20,460)
Paid-in-kind distributions ("PIK") to redeemable non-controlling interest	—	—	(1,076)	—	—	—	(1,076)
Accretion of redeemable non-controlling interest to redemption value	—	—	(1,086)	—	—	—	(1,086)
Net loss	—	—	—	(32,485)	—	—	(32,485)
Actuarial loss on pension	—	—	—	—	(116)	—	(116)
Foreign currency translation gain	—	—	—	—	446	—	446
Balance at March 31, 2026	174,147	\$ 17	\$ 551,026	\$ (519,918)	\$ (636)	\$ (31)	\$ 30,458

Three Months Ended March 31, 2025							
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-Controlling Interest	Total Stockholders' Equity
	Shares	Amount					
Balance at December 31, 2024	153,206	\$ 15	\$ 512,022	\$ (383,822)	\$ (1,896)	\$ (63)	\$ 126,256
Stock-based compensation	—	—	9,276	—	—	—	9,276
Vesting of RSUs	1,037	—	—	—	—	—	—
Short-swing profit recovery	—	—	24	—	—	—	24
Net loss	—	—	—	(21,136)	—	(38)	(21,174)
Actuarial gain on pension	—	—	—	—	511	—	511
Foreign currency translation gain	—	—	—	—	20	—	20
Balance at March 31, 2025	154,243	\$ 15	\$ 521,322	\$ (404,958)	\$ (1,365)	\$ (101)	\$ 114,913

The accompanying notes are an integral part of these condensed consolidated financial statements.

ENERGY VAULT HOLDINGS, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Three Months Ended March 31,	
	2026	2025
Cash Flows From Operating Activities		
Net loss	\$ (32,485)	\$ (21,174)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation, amortization, and accretion	3,546	305
Non-cash debt and financing costs	802	74
Loss on debt extinguishment	5,191	—
Non-cash interest income	—	(178)
Stock-based compensation	7,053	9,276
Provision for (benefit from) credit losses	25	(11)
Change in fair value of financial instruments carried at fair value	134	—
Foreign exchange losses	61	133
Change in operating assets and liabilities		
Accounts receivable	21,017	10,597
Inventory	14	—
Contract assets	2,902	(128)
Prepaid expenses and other current assets	(2,987)	(1,715)
Advances to suppliers	2,668	(5,638)
Other assets	(2,578)	(501)
Accounts payable and accrued expenses	(67,698)	(9,936)
Contract liabilities	8,594	1,596
Customer deposit	—	15,001
Other long-term liabilities	(56)	(431)
Net cash used in operating activities	(53,797)	(2,730)
Cash Flows From Investing Activities		
Purchase of property and equipment	(7,058)	(6,783)
Investment in note receivable	—	(530)
Investment tax credit proceeds	11,765	—
Net cash provided by (used in) investing activities	4,707	(7,313)
Cash Flows From Financing Activities		
Proceeds from issuance of debt	150,000	26,826
Repayment of debt	(56,478)	—
Payment of debt issuance costs	(9,835)	(709)
Purchase of capped calls	(20,460)	—
Proceeds from insurance premium financings	—	1,473
Repayment of insurance premium financings	(343)	(545)
Short-swing profit recovery	—	24
Proceeds from exercise of stock options	34	—
Payment of finance lease obligations	(16)	(9)
Payment of taxes related to net settlement of equity awards	(1,749)	—
Net cash provided by financing activities	61,153	27,060
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	1,621	65
Net increase in cash, cash equivalents, and restricted cash	13,684	17,082
Cash, cash equivalents, and restricted cash – beginning of the period	103,443	30,073
Cash, cash equivalents, and restricted cash – end of the period	117,127	47,155
Less: restricted cash at end of period	61,884	29,333
Cash and cash equivalents - end of period	\$ 55,243	\$ 17,822

ENERGY VAULT HOLDINGS, INC.
Condensed Consolidated Statements of Cash Flows (Continued)
(Unaudited)
(In thousands)

	Three Months Ended March 31,	
	2026	2025
Supplemental Disclosures of Cash Flow Information:		
Cash paid (refunded) for income taxes	\$ (8)	\$ —
Cash paid for interest	2,805	13
Supplemental Disclosures of Non-Cash Investing and Financing Information:		
Actuarial gain (loss) on pension	(116)	511
Property and equipment financed through accounts payable and accrued expenses	—	10,530
Assets acquired on finance lease	1	—

The accompanying notes are an integral part of these condensed consolidated financial statements.

ENERGY VAULT HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

NOTE 1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Energy Vault Holdings, Inc., which together with its subsidiaries is referred to herein as “Energy Vault” or the “Company,” is an integrated power infrastructure platform that builds, owns and operates flexible, reliable energy systems designed to accelerate time-to-power for utilities, independent power producers, industrial customers and the artificial intelligence and data center market. At the core of our platform is a technology-agnostic, software-enabled architecture that is designed to accelerate project delivery, optimize performance and drive faster time-to-revenue. Energy Vault’s integrated solutions combine energy storage, generation, and advanced energy management to deliver scalable infrastructure tailored to customer needs. Our portfolio spans short-, long-, and multi-day duration storage, engineered to enable reliability, flexibility and cost efficiency across applications.

Through this integrated model, we offer utilities, independent power producers, and large energy users solutions that may include standalone energy storage, integrated generation and storage configurations, and related power infrastructure. We manage projects across the lifecycle, from sourcing and development through permitting and interconnection, engineering and construction management, commissioning, and operations, and we provide software enabled monitoring, controls, and services intended to support asset availability, operational efficiency, and lifecycle performance.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited interim condensed consolidated financial statements have been prepared on an accrual basis of accounting in accordance with United States Generally Accepted Accounting Principles (“GAAP”) and applicable rules and regulations of the Securities and Exchange Commission (“SEC”) regarding interim financial reporting. Certain information and disclosures normally included in consolidated financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2025. The condensed consolidated balance sheet as of December 31, 2025, included herein, was derived from the consolidated financial statements of the Company as of that date.

These unaudited interim condensed consolidated financial statements, in the opinion of management, reflect all adjustments necessary to present fairly the Company’s financial position as of March 31, 2026 and results of operations and comprehensive loss, stockholders’ equity activities, and cash flows for the three months ended March 31, 2026. The results for the three months ended March 31, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026 or for any interim period or for any other future year.

Principles of Consolidation

These unaudited interim condensed consolidated financial statements include Energy Vault Holdings, Inc., its wholly owned subsidiaries, and majority owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Emerging Growth Company

Section 102(b)(1) of the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”) exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that an emerging growth company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period, which means that when a standard is issued or revised, and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard.

This may make comparison of the Company’s consolidated financial statements with another public company that is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Use of Estimates

The preparation of the condensed consolidated financial statements, in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the unaudited interim condensed consolidated financial

ENERGY VAULT HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

statements and accompanying notes. The Company evaluates its assumptions on an ongoing basis. The Company's management believes that the estimates, judgment, and assumptions used are reasonable based upon information available at the time they are made. Estimates made by management include, among others, revenue recognition, debt measured at fair value, provision for credit losses, warranty accruals, and stock-based compensation. Due to the inherent uncertainty involved in making assumptions and estimates, changes in circumstances could result in actual results differing from those estimates, and such differences could be material to the Company's consolidated financial condition and results of operations.

Liquidity

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and the satisfaction of liabilities and commitments in the normal course of business.

Since our inception in October 2017, we have incurred significant net losses and have used significant cash in our business. As of March 31, 2026 and December 31, 2025, we had accumulated deficits of \$519.9 million and \$487.4 million, respectively, and net losses of \$32.5 million and \$21.1 million, respectively, for the three months ended March 31, 2026 and 2025. We anticipate that we will incur net losses for the foreseeable future and there is no guarantee that we will achieve or maintain profitability.

Management believes that its cash, cash equivalents, and restricted cash on hand as of the filing date of this Quarterly Report will be sufficient to fund the Company's operating activities and meet its obligations as they become due for at least the next twelve months. This assessment reflects the Company's expected operating cash requirements and the subsequent payments and commitments described in Notes 19 and 20. The condensed consolidated financial statements do not reflect any adjustments that would be necessary if the Company becomes unable to continue as a going concern.

Restricted Cash

Restricted cash primarily consists of cash deposits held in segregated accounts as collateral for certain debt financing requirements and for guarantees and bonds issued in connection with our customer projects. Under the terms of our senior notes, cash proceeds are restricted until pre-agreed milestones are achieved.

Additionally, our contractual arrangements with customers often require us to issue letters of credit, bank guarantees, and performance and payment bonds to secure our performance under those contracts. To collateralize these instruments, we deposit cash in restricted accounts that cannot be used for general corporate purposes until the underlying obligations are settled or the guarantees expire.

The following table summarizes restricted cash balances (amounts in thousands):

	March 31, 2026	December 31, 2025
Restricted cash, current portion	\$ 13,505	\$ 4,717
Restricted cash, long-term portion	48,379	40,466
Total restricted cash	<u>\$ 61,884</u>	<u>\$ 45,183</u>
Restricted cash related to debt financing	\$ 10,286	\$ 9,489
Restricted cash related to customer and owned projects	49,147	33,002
Other	2,451	2,692
Total restricted cash	<u>\$ 61,884</u>	<u>\$ 45,183</u>

Concentration of Credit and Other Risks

Financial instruments that subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, restricted cash, accounts receivable, and customer financings receivable.

ENERGY VAULT HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Risks associated with cash and cash equivalents and restricted cash are mitigated by banking with creditworthy institutions. Such balances with any one institution may, at times, be in excess of federally insured amounts.

As of March 31, 2026, one customer accounted for 82% of accounts receivable. As of December 31, 2025, one customer accounted for 93% of accounts receivable.

Revenue from one customer accounted for 81% of total revenue for the three months ended March 31, 2026 and revenue from two customers accounted for 55% and 38% of total revenue, respectively, for the three months ended March 31, 2025.

Summary of Significant Accounting Policies

The Company's significant accounting policies are discussed in Note 2 of the notes to the consolidated financial statements included in the Company's 2025 Annual Report on Form 10-K filed with the SEC on March 18, 2026. There have not been any significant changes to these policies other than as described below during the three months ended March 31, 2026.

Capitalized Software Development Costs

Effective January 1, 2026, the Company changed its accounting policy for capitalized software development costs from Accounting Standards Codification ("ASC") 985-20, *Costs of Software to Be Sold, Leased, or Marketed* ("ASC 985-20"), to ASC 350-40, *Internal-Use Software* ("ASC 350-40") due to a change in facts and circumstances. The Company originally applied ASC 985-20 because it initially intended to allow customers to take possession of the software. The Company no longer offers the software in a manner that permits customers to take possession and instead uses the software solely in hosted software-as-a-service arrangements and in its own operations, including Company-owned energy storage systems. As a result, the Company concluded that ASC 350-40 is the appropriate accounting model beginning January 1, 2026 and applied the change prospectively. Immediately prior to the change, the Company performed an impairment assessment of its capitalized software costs as of December 31, 2025 under ASC 985-20 and determined that no impairment was required. The remaining carrying value was reclassified to internal-use software on January 1, 2026. The change in accounting policy had no impact on the Company's condensed consolidated financial statements.

Recently Adopted Accounting Standards

In July 2025, the Financial Accounting Standards Board ("FASB") issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. This ASU addresses the complexity and cost associated with estimating expected credit losses for current accounts receivable and current contract assets that arise from revenue contracts under ASC 606. The main provision applicable to all entities is a new practical expedient which, if elected, permits an entity to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset when developing reasonable and supportable forecasts. The Company elected the practical expedient on January 1, 2026 and the adoption of this standard did not have a material impact on the Company's consolidated balance sheets, results of operations and comprehensive loss, or cash flows.

Recent Accounting Standards Issued, But Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)—Disaggregation of Income Statement Expenses*. The ASU requires the disclosure of additional information about specific costs and expense categories in the notes to the consolidated financial statements. The standard is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The standard should be applied on a prospective basis with the option to apply the standard retrospectively. We are currently evaluating the impact this ASU would have on our consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. ASU 2025-06 updates the accounting for internal use software by removing the existing project stage framework and requiring capitalization of qualifying software costs when management has authorized and committed to funding the software project and it is probable that the project will be completed and the software will be used to perform its intended function. The amendments also apply to website development costs currently accounted for under Subtopic 350-50. The standard is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted. The amendments may be adopted on a prospective, modified transition, or retrospective basis. The Company is currently evaluating the effect that adoption of ASU 2025-06 will have on its consolidated financial statements and related disclosures.

ENERGY VAULT HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which is intended to improve navigability of the guidance in Topic 270, *Interim Reporting*, and clarify when it applies. The ASU also addresses the form and content of such financial statements and interim disclosure requirements, and establishes a principle under which an entity must disclose events since the end of the last annual reporting period that have a material impact on the entity. This ASU is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, with early adoption permitted. The Company is currently evaluating the impact that ASU 2025-11 will have on its consolidated financial statements and related disclosures.

NOTE 3. REVENUE RECOGNITION

The Company recognized revenue for the product and service categories as follows for the three months ended March 31, 2026 and 2025 (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Sale of energy storage products	\$ 19,710	\$ 4,891
Tolling and power purchase agreement (“PPA”) revenue ⁽¹⁾	1,528	—
Operation and maintenance services	444	276
Software licensing	182	112
Intellectual property (“IP”) licensing	15	3,255
Total revenue	<u>\$ 21,879</u>	<u>\$ 8,534</u>

⁽¹⁾ Revenue from the arrangement accounted for as an operating lease was \$0.6 million for the three months ended March 31, 2026.

Remaining Performance Obligations

Remaining performance obligations represent the amount of unearned transaction price for contracts accounted for under ASC 606, *Revenue from Contracts with Customers* (“ASC 606”). As of March 31, 2026, the amount of the Company’s remaining performance obligations was \$142.4 million, of which approximately 32% related to domestic projects and approximately 68% related to international projects. The Company expects to recognize approximately 68% of the remaining performance obligations as revenue over the next 12 months and the remainder more than 12 months from March 31, 2026.

Contract Balances

The following table provides information about contract assets and contract liabilities from contracts with customers accounted for under ASC 606 (amounts in thousands):

	March 31, 2026	December 31, 2025
Refundable contribution	\$ 25,000	\$ 25,000
Unbilled receivables	18,247	20,732
Less allowance for credit losses	(25,174)	(25,101)
Contract assets, net of allowance for credit losses	<u>\$ 18,073</u>	<u>\$ 20,631</u>
Contract liabilities	\$ 15,380	\$ 6,610

Contract assets consist of a refundable contribution and unbilled receivables. The refundable contribution was initially payable to the Company upon the customer’s first gravity energy storage system achieving substantial completion, subject to potential downward adjustment for liquidated damages if specified performance metrics were not met. In 2024, the customer agreed to remove the substantial completion condition and committed to repay the refundable contribution in the second half of 2024. However, the customer did not remit payment, and during 2024 the Company increased its allowance for credit losses to fully reserve this receivable.

Unbilled receivables represent the estimated value of unbilled work for projects with performance obligations recognized over time.

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Contract liabilities consist of deferred revenue. Under certain contracts, the Company may be entitled to invoice the customer and receive payments in advance of performing the related contract work. In those instances, the Company recognizes a liability for advance billings in excess of revenue recognized, which is referred to as deferred revenue. Deferred revenue is not considered to be a significant financing component because it is generally used to meet working capital demands that can be higher in the early stages of a contract. For the three months ended March 31, 2026 and 2025, the Company recognized revenue of \$0.6 million and \$5.2 million, respectively, related to amounts that were included in the deferred revenue balance as of the beginning of each period.

Lease Revenue

The Company has one tolling agreement that is accounted for as a lease under ASC 842, *Leases* (“ASC 842”). The agreement is accounted for as a lease because the customer (the “lessee”) has the right to obtain substantially all of the economic benefits from the use of the energy storage system and has the right to direct its use throughout the agreement's term. The Company, as lessor, is entitled to receive monthly lease payments based on a contractual floor amount (the “Monthly Floor”), which is subject to reduction each month based on the availability and round-trip efficiency of the energy storage system (the “Effective Monthly Floor”). Lease income is recognized monthly based on a straight-line allocation of the Monthly Floor over the term of the contract, to the extent it represents fixed or in-substance fixed consideration. Any difference between the recognized lease income and the Effective Monthly Floor earned in a given period is recorded as an adjustment to lease income in that period.

At the end of each contract year, if cumulative lease payments received during the year are less than the sum of the twelve Effective Monthly Floors, the lessee is required to make a true-up payment for the shortfall. The Company is also entitled to variable lease payments equal to a specified percentage of the net market revenue generated by the lessee that exceeds the cumulative Effective Monthly Floors for that contract year.

The lease does not contain an option for the lessee to extend the term or purchase the asset. The agreement may be terminated early by either party under certain conditions, including for prolonged force majeure events, or by the non-defaulting party upon an event of default.

The aggregate remaining Monthly Floor payments as of March 31, 2026 presented in the table below do not reflect potential reductions due to performance-based adjustments that may occur throughout the contract term (amounts in thousands) ⁽¹⁾:

2026	2027	2028	2029	2030	Thereafter	Total
\$ 3,904	\$ 4,788	\$ 4,788	\$ 4,788	\$ 4,446	\$ 18,468	\$ 41,182

⁽¹⁾ The table reflects contractual Monthly Floor payments due under the lease agreement for each fiscal year. These amounts represent the stated floor amounts prior to any performance-based adjustments. Actual lease payments may be lower in any given period based on the lessee's achievement of availability and round-trip efficiency thresholds. Additionally, the timing of cash receipts within a year may vary, as monthly payments are dependent on the lessee's net market revenue. Pursuant to the agreement, if cumulative lease payments for the contract year are less than the aggregate Effective Monthly Floors earned, the lessee is required to pay the shortfall to the Company in an annual true-up following the end of each contract year in May.

NOTE 4. INVESTMENTS

The following table provides a reconciliation of investments to the Company's condensed consolidated balance sheets (amounts in thousands):

	March 31, 2026		December 31, 2025	
	Current ⁽¹⁾	Long-Term	Current ⁽¹⁾	Long-Term
Investment in equity securities	\$ —	\$ 3,270	\$ —	\$ 3,270
Other	333	96	325	96
	<u>\$ 333</u>	<u>\$ 3,366</u>	<u>\$ 325</u>	<u>\$ 3,366</u>

⁽¹⁾ Presented within prepaid expenses and other current assets on the condensed consolidated balance sheets.

Investment in Equity Securities

In 2022 and 2023, the Company purchased equity securities in KORE Power, Inc. (“KORE”), a U.S. manufacturer of battery cells and modules. These equity securities do not have a readily determinable fair value and are recorded at cost, less any impairment, plus or minus adjustments for observable price changes in orderly transactions for the same or similar

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securities, with unrealized gains and losses recognized in earnings. The cost basis of the KORE equity securities is \$15.0 million, and cumulative impairment recorded as of March 31, 2026 and December 31, 2025 was \$11.7 million.

NOTE 5. ALLOWANCE FOR CREDIT LOSSES

Activity in the allowance for credit losses was as follows for the three months ended March 31, 2026 and 2025 (amounts in thousands):

Three Months Ended March 31, 2026					
	Accounts Receivable	Contract Assets	Customer Financing Receivable	Convertible Note Receivable	Total
Allowance for credit losses, beginning of period	\$ 1,236	\$ 25,101	\$ 11,474	\$ 3,836	\$ 41,647
Provision for (benefit from) credit losses	(48)	73	—	—	25
Allowance for credit losses, end of period	<u>\$ 1,188</u>	<u>\$ 25,174</u>	<u>\$ 11,474</u>	<u>\$ 3,836</u>	<u>\$ 41,672</u>

Three Months Ended March 31, 2025					
	Accounts Receivable	Contract Assets	Customer Financing Receivable	Other	Total
Allowance for credit losses, beginning of period	\$ 1,211	\$ 25,030	\$ 5,997	\$ —	\$ 32,238
Provision for (benefit from) credit losses	(32)	(1)	—	22	(11)
Allowance for credit losses, end of period	<u>\$ 1,179</u>	<u>\$ 25,029</u>	<u>\$ 5,997</u>	<u>\$ 22</u>	<u>\$ 32,227</u>

The Company estimates expected uncollectible amounts related to its accounts receivable, contract assets, customer financing receivable, and other notes receivable as of the end of each reporting period, and presents those financial asset balances net of an allowance for expected credit losses in the consolidated balance sheets. The Company generally utilizes a probability-of-default (“PD”) and loss-given-default (“LGD”) methodology to calculate the allowance for credit losses for each customer by type of financial asset. The Company derives its PD and LGD rates using historical rates for corporate bonds as published by Moody’s. The Company uses PD and LGD rates that correspond to the customer’s credit rating and period of time in which the financial asset is expected to remain outstanding.

For significantly past due receivables, contract assets, or the customer financing receivable, the Company determines specific allowances for these assets.

NOTE 6. RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2026 and 2025, the Company paid \$0.2 million and \$0.3 million, respectively, in marketing and sales costs to a company owned by an immediate family member of an officer of the Company. At March 31, 2026 and December 31, 2025, the Company had \$0.1 million in payables due to this related party.

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NOTE 7. PROPERTY AND EQUIPMENT, NET

As of March 31, 2026 and December 31, 2025, property and equipment, net consisted of the following (amounts in thousands):

	March 31, 2026	December 31, 2025
Land	\$ 302	\$ 302
Buildings	774	774
Energy storage systems	50,354	50,354
Commercial demonstration unit (“Snyder CDU”)	32,075	32,075
Machinery and equipment	12,255	12,086
Finance lease right-of-use assets – vehicles	198	200
Furniture and IT equipment	1,717	1,477
Leasehold improvements	126	127
Construction in progress	16,346	8,187
Total property and equipment	114,147	105,582
Less: accumulated depreciation and amortization	(12,693)	(9,518)
Property and equipment, net	<u>\$ 101,454</u>	<u>\$ 96,064</u>

Depreciation and amortization expense related to property and equipment was \$3.2 million for the three months ended March 31, 2026, of which \$1.0 million was included in cost of revenue and the remaining \$2.2 million was included in depreciation, amortization, and accretion in the condensed consolidated statement of operations and comprehensive loss.

Depreciation and amortization expense related to property and equipment was \$0.1 million for the three months ended March 31, 2025, which was included in depreciation, amortization, and accretion in the condensed consolidated statement of operations and comprehensive loss.

The increase in depreciation and amortization expense related to property and equipment primarily reflects depreciation recognized after the Company placed its owned energy storage systems and the Snyder CDU into service in the second half of 2025.

NOTE 8. INTANGIBLE ASSETS, NET

Intangible assets are stated at amortized cost and consist of the following (amounts in thousands):

	March 31, 2026			December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Internal-use software	\$ 8,498	\$ (1,633)	\$ 6,865	\$ 7,942	\$ (1,291)	\$ 6,651
Favorable acquired contracts	192	—	192	1,626	—	1,626
	<u>\$ 8,690</u>	<u>\$ (1,633)</u>	<u>\$ 7,057</u>	<u>\$ 9,568</u>	<u>\$ (1,291)</u>	<u>\$ 8,277</u>

Once a software application is placed in service, the Company amortizes its internal-use software by software application on a straight-line basis over its estimated economic life. The useful life for the Company’s internal-use software is five years.

During the three months ended March 31, 2026, the Company reclassified \$1.4 million from favorable acquired contracts, included in intangible assets, net, to construction in progress, included in property and equipment, net, upon receipt of the related equipment because the favorable contract terms were realized through delivery of that equipment.

Amortization expense for the three months ended March 31, 2026 was \$0.3 million, which was included in cost of revenue in the condensed consolidated statement of operations and comprehensive loss.

Amortization expense for the three months ended March 31, 2025 was \$0.2 million, all of which was included in depreciation, amortization, and accretion in the condensed consolidated statement of operations and comprehensive loss.

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Future amortization expense for internal-use software is estimated as follows (amounts in thousands):

	Amount
Remainder of 2026	\$ 1,025
2027	1,367
2028	1,367
2029	1,004
2030	439
Thereafter	—
Subtotal	5,202
Software projects in process	1,663
Total	\$ 6,865

NOTE 9. DEBT

A summary of the Company's debt is as follows (amounts in thousands):

	March 31, 2026	December 31, 2025
CRC Senior Notes	\$ 14,523	\$ 14,919
Cross Trails Senior Note	16,678	17,806
Sale of future receipts	1,142	3,058
Senior Convertible Notes	150,000	—
Convertible Debentures	5,900	63,800
Total outstanding principal	188,243	99,583
Unamortized discount and issuance costs	(16,902)	(7,862)
Fair value adjustment for Convertible Debentures	335	2,877
Debt, current portion	(21,145)	(56,628)
Long-term debt	\$ 150,531	\$ 37,970

Interest Expense

The line item, interest expense, on the condensed consolidated statements of operations and comprehensive loss for the three months ended March 31, 2026 and 2025, consists of the following (amounts in thousands):

	Three Months Ended March 31, 2026	2025
Contractual interest expense	\$ 2,662	\$ 18
Amortization of debt issuance costs	641	43
Amortization of debt discount	161	31
Interest expense on finance leases	2	3
Total	\$ 3,466	\$ 95

CRC Senior Notes

On April 4, 2025, Calistoga Resiliency Center, LLC ("CRC"), a subsidiary of the Company, issued \$27.8 million of senior notes ("CRC Senior Notes"), with Eagle Point Credit as lender and Jefferies serving as agent for the transaction.

The CRC Senior Notes bear interest at 9.5% per annum and are senior secured obligations of CRC, backed by a first-priority pledge of all CRC assets and equity interests. The CRC Senior Notes include customary affirmative and negative covenants, including minimum cash reserves and a minimum debt service coverage ratio.

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Principal and interest are payable semi-annually, with installments due each February 28 and August 31. A final balloon payment of \$7.0 million is due at maturity on April 4, 2032.

Cross Trails Senior Note

On July 23, 2025, Cross Trails Energy Storage Project, LLC (“Cross Trails”), a subsidiary of the Company (the “Cross Trails Borrower”), entered into a credit agreement (the “Cross Trails Senior Note”) with Wilmington Trust, National Association, as administrative agent and collateral agent, and Jefferies Capital Services, LLC, as initial lender.

The Cross Trails Senior Note provides for a senior secured term loan facility in an aggregate principal amount of approximately \$17.8 million. The Cross Trails Senior Note is structured as a single-draw term loan, with the full amount funded on July 23, 2025. The borrowing bears interest, at the Company’s election, at (i) the alternate base rate (“ABR”) plus 5.00% or (ii) the term secured overnight financing rate (“SOFR”) plus 6.00%. As of March 31, 2026, the Company was utilizing a SOFR of 3.6%, resulting in an interest rate of 9.6%.

Principal and interest are payable semi-annually, with installments due each February 28 and August 31, beginning on February 28, 2026. The Cross Trails Senior Note matures on July 23, 2032.

Reflecting performance within the ERCOT market since operations commenced at the Cross Trails BESS Project on May 31, 2025, the Company has not satisfied the current minimum Cross Trails Senior Note debt service coverage ratio under the covenant calculation for the quarter ended March 31, 2026. Under the terms of the Cross Trails Senior Note, the applicable reporting period has not yet occurred; the delivery date for the financial statements for the quarter ended March 31, 2026 is June 29, 2026. Also, the lender has informed the Company that an event of default has not occurred as of the date of this Quarterly Report. The Company intends to work with the lender between now and the delivery date to remedy this issue through a series of options, including but not limited to the receipt of waivers, project equity investments, and/or partial or full repayment in the appropriate time frame. As of March 31, 2026, the Company has classified the outstanding balance under the Cross Trails Senior Note as current as a result of the noncompliance.

Sale of Future Receipts

On August 29, 2025, the Company, together with Energy Vault, Inc., its wholly-owned subsidiary (collectively with the Company, the “Sellers”) entered into an agreement of sale of future receipts (the “Cedar Arrangement”) with Cedar Advance LLC (“Cedar”). Cedar paid a purchase price of \$5.0 million, from which \$0.5 million of origination fees were deducted, resulting in net proceeds of \$4.5 million. Under the agreement, the Sellers remit to Cedar \$0.2 million per week, or approximately 27.0% of future receivables collections, until Cedar has received an aggregate amount equal to (i) \$5.1 million if fully repaid within 30 days of funding, (ii) \$5.2 million if fully repaid after 30 days but within 60 days of funding, or (iii) \$6.3 million if not fully repaid within 60 days of funding.

The Company did not fully repay the Cedar Arrangement within 60 days of funding, therefore the applicable aggregate amount to be remitted to Cedar will be \$6.3 million. Through March 31, 2026, the Company had remitted \$5.1 million to Cedar, with \$1.2 million remaining to be paid to Cedar.

Senior Convertible Notes

On February 17, 2026, the Company completed a private offering of \$140.0 million aggregate principal amount of Senior Convertible Notes due 2031 (the “Senior Convertible Notes”). On February 27, 2026, the Company issued an additional \$10.0 million aggregate principal amount of Senior Convertible Notes pursuant to the initial purchasers’ option. The Senior Convertible Notes bear interest at 5.250% per annum, payable in cash semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2026, and mature on March 1, 2031, unless earlier converted, redeemed or repurchased. After deducting the 3.25% initial purchasers’ discount, which was accounted for as debt issuance costs, the Company received net proceeds of \$145.1 million from the issuance of the Senior Convertible Notes.

The Senior Convertible Notes are convertible prior to the close of business on the business day immediately preceding September 1, 2030 only upon the occurrence of specified events and during certain periods set forth in the indenture. On or after September 1, 2030, the Senior Convertible Notes are convertible at any time until the close of business on the second trading day immediately preceding the maturity date. The Senior Convertible Notes initially are convertible at a rate of 193.1807 shares of the Company’s common stock per \$1,000 principal amount of Senior Convertible Notes, which is equivalent to an initial conversion price of approximately \$5.18 per share, subject to customary anti-dilution and other adjustments. Upon conversion, the Company may settle the conversion obligation in cash, shares of common stock, or a combination of cash and shares, at its election. In addition, holders who convert their Senior Convertible Notes in

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connection with certain make-whole fundamental changes or notices of redemption may be entitled to an increase in the conversion rate, subject to a maximum conversion rate of 246.3054 shares per \$1,000 principal amount.

The Company may redeem the Senior Convertible Notes for cash, in whole or in part, at its option on or after March 5, 2029, but only if a liquidity condition is satisfied and the last reported sale price of the Company's common stock has been at least 130% of the conversion price then in effect for at least 20 trading days during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption. The redemption price is equal to 100% of the principal amount of the Senior Convertible Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. Upon the occurrence of a fundamental change, holders may require the Company to repurchase all or any portion of their Senior Convertible Notes for cash at a price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The Company evaluated the accounting for the Senior Convertible Notes under ASC 470-20, *Debt—Debt with Conversion and Other Options*, and ASC 815, *Derivatives and Hedging*. The Company concluded that the embedded conversion feature qualifies for the scope exception in ASC 815-40 and therefore does not require separate accounting as a derivative. Accordingly, the Company accounts for the Senior Convertible Notes as a single debt instrument at amortized cost. The Company also identified certain additional-interest provisions that are required to be bifurcated from the host contract as those features are not clearly and closely related to the host convertible debt contract. The fair value of these additional-interest features was determined to be de minimis; therefore, the Company did not recognize a separate derivative asset or liability in connection with this transaction.

In connection with the issuance of the Senior Convertible Notes, the Company also entered into capped call transactions with certain option counterparties. The capped call transactions have an initial strike price of approximately \$5.18 per share, consistent with the initial conversion price of the Senior Convertible Notes, and an initial cap price of \$8.12 per share, which represents a premium of 100% above the \$4.06 closing price of the Company's common stock on February 11, 2026. The capped call transactions are intended to reduce potential dilution to the Company's common stock upon any conversion of the Senior Convertible Notes, and/or offset any cash payments the Company is required to make in excess of the principal amount upon conversion, with such reduction and/or offset subject to a cap based on the cap price.

The capped call transactions are separate freestanding instruments and are accounted for independently from the Senior Convertible Notes. The \$20.5 million in premiums paid for the capped call transactions were recorded as a reduction to additional paid-in capital and were not included in the carrying amount of the Senior Convertible Notes.

As of March 31, 2026, the Senior Convertible Notes had unamortized debt issuance costs of \$9.6 million, and the net carrying amount was \$140.4 million. Total interest expense related to the Senior Convertible Notes was \$1.1 million for the three months ended March 31, 2026, consisting of \$0.9 million of contractual interest and \$0.2 million of amortization of debt issuance costs. The effective interest rate for the Senior Convertible Notes was 6.9%.

Convertible Debentures

On September 22, 2025, the Company entered into a Securities Purchase Agreement with YA II PN, Ltd. (the "Investor"), pursuant to which the Company agreed to issue senior unsecured convertible debentures in multiple tranches. On December 30, 2025, the agreement was amended to increase the aggregate principal amount available under the facility from \$50.0 million to \$65.0 million (collectively, the "Convertible Debentures"). The initial tranche of \$30.0 million ("Tranche 1") was funded on September 22, 2025, the second tranche of \$20.0 million ("Tranche 2") was funded on December 16, 2025, and the third tranche of \$15.0 million ("Tranche 3") was funded on December 30, 2025.

All three tranches bear or bore interest at 7.0% per annum. Installment payments of principal and interest are due monthly (each, a "Payment Date," beginning on the applicable payment commencement date). For each installment, the Company may (i) pay cash plus a payment premium equal to 7.0% for Tranches 1 and 2 or 4.0% for Tranche 3 of the principal portion paid ("Payment Premium"), (ii) elect to allow the Investor to convert the unpaid installment at a price equal to the lower of (A) the Applicable Fixed Price (defined below) or (B) 97% of the lowest daily VWAP during the four trading days immediately preceding the conversion date, but not below the Floor Price (equal to \$0.60 per share), or (iii) satisfy the installment through a combination of cash and conversion. The fixed conversion price is \$4.50 per share for Tranche 1, \$7.53 per share for Tranche 2, and \$7.41 per share for Tranche 3.

Tranche 1 matures on March 22, 2027, Tranche 2 was to mature on March 22, 2027, and Tranche 3 was to mature on August 30, 2027. During the three months ended March 31, 2026, Tranche 1 was partially repaid and Tranches 2 and 3 were fully repaid. As of March 31, 2026, \$5.9 million of principal remained outstanding under Tranche 1. Of this amount,

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\$1.6 million was subject to a conversion notice issued to the Investor that had not yet been converted into shares of the Company's common stock as of March 31, 2026.

The Company elected the fair value option afforded by ASC 825 with respect to the Convertible Debentures because they include features that meet the definition of embedded derivatives. The Company initially recognized the Convertible Debentures at fair value and subsequently remeasures them at fair value, with changes in fair value recognized in the consolidated statements of operations and comprehensive loss. The Convertible Debentures are measured at fair value on a recurring basis and are classified within Level 3 of the fair value hierarchy due to the use of significant unobservable inputs.

The following table presents a rollforward of the fair value of the Convertible Debentures for the periods presented, including issuances, cash settlements, and the components of earnings that impacted the fair value during the period.

	Three Months Ended March 31,	
	2026	2025
Convertible Debentures, beginning balance	\$ 66,677	\$ —
Change in fair value ⁽¹⁾	(166)	—
Interest expense (stated interest rate) ⁽²⁾	597	—
Loss on partial debt extinguishment - cash settlements ⁽³⁾	3,808	—
Loss on partial debt extinguishment - installment conversions ⁽³⁾	1,383	—
Cash settlements (inclusive of accrued interest and cash payment premium)	(53,627)	—
Fair value of common shares issued for installment conversions	(12,437)	—
Convertible Debentures, ending balance	<u>\$ 6,235</u>	<u>\$ —</u>

⁽¹⁾ Recognized within the line item, change in fair value of financial instruments carried at fair value, in the condensed consolidated statement of operations and comprehensive loss.

⁽²⁾ Recognized within the line item, interest expense, in the condensed consolidated statement of operations and comprehensive loss.

⁽³⁾ Recognized within the line item, other expense, net, in the condensed consolidated statement of operations and comprehensive loss.

Debt Maturity

The following table summarizes the cash maturities of the Company's debt instruments as of March 31, 2026 (amounts in thousands):

	2026	2027	2028	2029	2030	Thereafter	Total
CRC Senior Notes	\$ 271	\$ 917	\$ 1,074	\$ 1,261	\$ 1,430	\$ 9,570	\$ 14,523
Cross Trails Senior Note ⁽¹⁾	1,692	2,941	1,541	1,967	1,699	6,838	16,678
Sale of future receipts	1,142	—	—	—	—	—	1,142
Senior Convertible Notes	—	—	—	—	—	150,000	150,000
Convertible Debentures	5,900	—	—	—	—	—	5,900
	<u>\$ 9,005</u>	<u>\$ 3,858</u>	<u>\$ 2,615</u>	<u>\$ 3,228</u>	<u>\$ 3,129</u>	<u>\$ 166,408</u>	<u>\$ 188,243</u>

⁽¹⁾ Reflects contractual principal maturity and does not reflect the balance sheet classification as current as of March 31, 2026, as described above.

Insurance Premium Financings

In June 2025, the Company entered into a financing agreement related to premiums under certain insurance policies. The Company is obligated to repay the lender an aggregate sum of AUD 0.3 million (or \$0.2 million) through ten equal monthly payments of AUD 31 thousand (or \$21 thousand), at an annual interest rate of 8.7%, commencing on June 15, 2025.

In July 2025, the Company entered into a financing agreement related to premiums under certain insurance policies. The Company is obligated to repay the lender an aggregate sum of \$0.9 million through ten equal monthly payments, at an annual interest rate of 7.1%, commencing on July 15, 2025. This financing was fully repaid in March 2026.

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As of March 31, 2026 and December 31, 2025, the carrying value of the Company's insurance premium financings was \$0.1 million and \$0.4 million, respectively, and is included in the line item, accrued expenses, in the condensed consolidated balance sheets.

NOTE 10. PENSION

The components of net periodic pension benefit cost for the Company's defined benefit pension plan were as follows (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Employer service costs	\$ 106	\$ 87
Interest cost	21	17
Expected return on plan assets	(53)	(60)
Amortization of net prior service credit	10	9
Amortization of net loss	12	25
Net periodic benefit cost	<u>\$ 96</u>	<u>\$ 78</u>

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NOTE 11. SUPPLEMENTAL BALANCE SHEETS DETAIL

<i>(amounts in thousands)</i>	March 31, 2026	December 31, 2025
Prepaid expenses and other current assets:		
Prepaid expenses	\$ 5,967	\$ 3,918
Tax refund receivable	1,270	813
Project acquisition deposit	500	—
Investments, current	333	325
Other	11	11
Total	\$ 8,081	\$ 5,067
Other assets:		
Deposit for long-term supply agreement	\$ 2,850	\$ —
Other	234	883
Total	\$ 3,084	\$ 883
Accrued expenses:		
Professional fees	\$ 2,736	\$ 1,487
Accrued project costs	15,101	49,889
Employee costs	3,982	12,321
Insurance premium financings	94	434
Taxes payable	2,393	4,572
Warranty liabilities	338	241
Accrued interest	1,176	1,445
Total	\$ 25,820	\$ 70,389
Other current liabilities:		
Operating leases	\$ 565	\$ 511
Finance leases	38	41
Total	\$ 603	\$ 552
Other long-term liabilities:		
Operating leases	\$ 1,409	\$ 1,501
Finance leases	61	75
Deferred SOSA acquisition payment	911	891
Derivative liability - Asset Vault	458	458
Unearned lease revenue - tolling arrangements	285	200
Asset retirement obligation	1,061	1,035
Warranty liabilities	196	226
Total	\$ 4,381	\$ 4,386

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NOTE 12. REDEEMABLE NON-CONTROLLING INTEREST

On October 9, 2025, Energy Vault, Inc. (“EV Inc.”) and OIC Structured Equity Fund I, L.P. and affiliated funds (collectively, “OIC”) completed the Asset Vault transaction previously described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

Asset Vault is a variable interest entity (“VIE”) for which the Company is the primary beneficiary because the Company has (i) the power to direct the activities that most significantly affect Asset Vault’s economic performance, including project development, financing, and operational decisions, and (ii) the obligation to absorb losses and the right to receive benefits that could potentially be significant to Asset Vault through its ownership of common units and related support arrangements. Accordingly, Asset Vault is consolidated and OIC’s interest is presented as redeemable non-controlling interest in the mezzanine section of the condensed consolidated balance sheets. As of March 31, 2026, management continued to consider redemption of the Series A Preferred Units to be probable and recognized accretion to redemption value for the period using the effective interest method based on the then-estimated redemption value and earliest probable redemption date.

The following table presents, on an aggregated basis, the carrying amounts and classification of the consolidated assets and liabilities of Asset Vault included in the Company’s condensed consolidated balance sheets. The table excludes intercompany balances between Asset Vault and other consolidated subsidiaries of the Company, which are eliminated in consolidation (amounts in thousands):

	March 31, 2026	December 31, 2025
Assets		
Cash and cash equivalents	\$ 5,318	\$ 8,512
Restricted cash, current portion	8,755	—
Accounts receivable, net	549	234
Contract assets	1,750	820
Advances to suppliers	577	577
Prepaid expenses and other current assets	1,213	1,462
Property and equipment, net	72,308	64,786
Intangible assets, net	192	1,626
Operating lease right-of-use assets, net	656	703
Restricted cash, long-term portion	14,467	22,377
Deferred income taxes, net	15,411	27,176
Total assets of Asset Vault	<u>\$ 121,196</u>	<u>\$ 128,273</u>
Liabilities		
Accounts payable	\$ 2,260	\$ 2,050
Accrued expenses	6,946	5,861
Debt, current portion	13,800	3,490
Contract liabilities	258	—
Other current liabilities	45	50
Long-term debt	10,148	21,543
Other long-term liabilities	3,261	3,145
Total liabilities of Asset Vault	<u>\$ 36,718</u>	<u>\$ 36,139</u>

Asset Vault is financed in part by redeemable preferred equity units classified in mezzanine equity of \$23.3 million and \$21.2 million as of March 31, 2026 and December 31, 2025, respectively. This balance is not included in the assets and liabilities table above because it is not a liability under GAAP. Creditors of Asset Vault do not have recourse to the general credit of Energy Vault Holdings, Inc. or its other wholly-owned subsidiaries. The assets of Asset Vault are not available to settle the obligations of the Company’s other subsidiaries. Certain of Asset Vault’s debt obligations are secured by substantially all of the assets of Asset Vault and its project subsidiaries, including project-level cash flows, and are subject to customary covenants and restrictions on distributions.

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The following table presents a roll-forward of the redeemable non-controlling interest for the three months ended March 31, 2026 (amounts in thousands):

Redeemable non-controlling interest, balance at beginning of period	\$	21,156
Net income (loss) attributable to redeemable non-controlling interest ⁽¹⁾		—
PIK distributions to redeemable non-controlling interest holder		1,076
Accretion to redemption value ⁽²⁾		1,086
Redeemable non-controlling interest, balance at end of period	\$	<u>23,318</u>

⁽¹⁾ Net income (loss) attributable to redeemable non-controlling interest is determined using the hypothetical liquidation at book value (“HLBV”) methodology based on each party’s contractual rights. Under the HLBV method, income is allocated based on the change in each party’s claim on the net assets of Asset Vault under a hypothetical liquidation scenario at the beginning and end of each reporting period. This allocation may differ significantly from the non-controlling interest’s nominal percentage of total units outstanding.

⁽²⁾ Accretion represents the increase in the carrying amount of the redeemable non-controlling interest toward its estimated redemption value, calculated using the effective interest method over the period to the earliest probable redemption date. Accretion is recorded as an adjustment to additional paid-in-capital. Although accretion does not affect total net loss, it is treated as a deemed dividend and therefore as an adjustment to net loss attributable to common stockholders for purposes of computing net loss per share.

NOTE 13. WARRANTS

Roll-Forward of Warrants

The following table presents a roll-forward of the Company’s warrants for the three months ended March 31, 2026 and 2025 (amounts in thousands):

	Three Months Ended March 31, 2026			
	OIC Warrants	Novus Warrants	Dorado Goose Warrants	Total
Warrants outstanding at beginning of period	5,572	5,167	4,500	15,239
Warrants exercised ⁽¹⁾	—	—	(500)	(500)
Warrants outstanding at end of period	<u>5,572</u>	<u>5,167</u>	<u>4,000</u>	<u>14,739</u>

⁽¹⁾ Dorado Goose Warrants with an exercise price of \$1.50 per warrant were exercised on a cashless basis in exchange for 0.3 million shares of common stock.

	Three Months Ended March 31, 2025			
	OIC Warrants	Novus Warrants	Dorado Goose Warrants	Total
Warrants outstanding at beginning and end of period	—	5,167	—	5,167

Roll-Forward of Warrant Liabilities

The following table presents a roll-forward of the Company’s warrant liabilities for the three months ended March 31, 2026 and 2025 (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Warrant liabilities at beginning of period	\$ 15,050	\$ 2
Change in fair value ⁽¹⁾	300	—
Warrant liabilities at end of period	<u>\$ 15,350</u>	<u>\$ 2</u>

⁽¹⁾ Recognized within the line item, change in fair value of financial instruments carried at fair value, in the condensed consolidated statements of operations and comprehensive loss.

Fair Value Measurement - Liability Classified Warrants

The Company measures the fair value of the OIC and Novus Warrant liabilities using a Black-Scholes option pricing model, both of which require the use of significant judgments and the use of unobservable inputs. As such, the Company’s warrant liabilities are classified within Level 3 of the fair value hierarchy. The key unobservable inputs used to value the

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OIC Warrants include the expected volatility and the Company's estimated future EBITDA. The key unobservable input used to value the Novus Warrants is expected volatility. A significant increase in the expected volatility in isolation would result in a significantly higher fair value measurement.

The following table provides the assumptions used to estimate the fair value of the Company's liability classified warrants as of March 31, 2026 and December 31, 2025:

	OIC Warrants		Novus Warrants	
	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025
Exercise price	\$ 4.24	\$ 4.24	\$ 11.50	\$ 11.50
Expected term (in years)	4.53	4.78	0.87	1.12
Expected volatility	75.0 %	80.0 %	104.3 %	70.0 %
Risk-free interest rate	3.9 %	3.7 %	3.7 %	3.7 %
Expected dividend yield	— %	— %	— %	— %

NOTE 14. FAIR VALUE MEASUREMENTS

Carrying amounts of certain financial instruments, including cash, cash equivalents, restricted cash, accounts payable, and accrued expenses approximate their fair value due to their relatively short maturities and market interest rates, if applicable.

The Company categorizes assets and liabilities recorded or disclosed at fair value on the consolidated balance sheet based upon the level of judgment associated with inputs used to measure their fair value. The categories are as follows:

- *Level 1*—Inputs which included quoted prices in active markets for identical assets and liabilities.
- *Level 2*—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- *Level 3*—Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company's financial assets and liabilities measured at fair value on a recurring basis are as follows (amounts in thousands):

	Fair Value Hierarchy	Fair Value at	
		March 31, 2026	December 31, 2025
Assets (Liabilities):			
Convertible Debentures ⁽¹⁾	Level 3	\$ (6,235)	\$ (66,677)
Warrant liabilities ⁽²⁾	Level 3	(15,350)	(15,050)
Derivative liability - Asset Vault ⁽³⁾	Level 3	(458)	(458)

⁽¹⁾ The Company has elected to measure the Convertible Debentures at fair value (see Note 9, *Debt*). The Company uses a Monte Carlo simulation to value the Convertible Debentures that models potential settlement outcomes under the contractual terms. The significant assumptions used in the model

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include the volatility of the Company's common stock (100.0%) and a discount rate of 28.6%, which was derived from market yields for comparable CCC- rated debt. The model also incorporates the instrument's contractual term, redemption features, and conversion mechanics.

⁽²⁾ The warrants are not publicly traded and the Company uses a Black-Scholes model to determine the fair value of the warrants. See Note 13, *Warrants*, for additional information.

⁽³⁾ The derivative liability relates to certain redemption and settlement features in the Contribution and Purchase Agreement with OIC. The Company utilized an income approach using a probability weighted expected present value method to value the derivative liability. Significant assumptions include a discount rate of 22.8% and estimated probabilities and timing associated with the occurrence of various mandatory redemption events.

The carrying amount and estimated fair value of the Company's financial instruments not measured at fair value are as follows (amounts in thousands):

	Fair Value Hierarchy	March 31, 2026		December 31, 2025	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets (Liabilities):					
Debt ⁽¹⁾	Level 3	\$ (165,441)	\$ (176,368)	\$ (27,921)	\$ (29,758)

⁽¹⁾ Includes short-term portion of long-term debt and excludes debt measured at fair value. The Company estimates the fair value using a discounted cash flow model which utilizes the Company's incremental borrowing rate, which is estimated based on the Company's assumptions. The estimated fair value of the Company's Senior Convertible Notes was \$151.3 million as of March 31, 2026.

NOTE 15. STOCK-BASED COMPENSATION

2022 Equity Incentive Plan

In 2022, the Company adopted its 2022 Equity Incentive Plan (the "2022 Incentive Plan"). The 2022 Incentive Plan provides for the granting of stock options, stock appreciation rights ("SARs"), restricted shares, RSUs, and other awards to employees, non-employee directors, and consultants of the Company. Shares of common stock underlying awards that expire or are forfeited or canceled will again be available for issuance under the 2022 Incentive Plan.

The initial number of shares of the Company's common stock reserved for issuance under the 2022 Incentive Plan was approximately 15.5 million, plus up to approximately 8.3 million shares subject to awards granted under the 2017 and 2020 Stock Incentive Plans that may become available for issuance under the 2022 Incentive Plan to the extent such awards are forfeited, expired, unexercised, or otherwise unsettled. Annually, beginning in March 2022 and ending in (and including) March 1, 2031, the number of shares of the Company's common stock that may be issued under the 2022 Incentive Plan increases automatically by a number of shares equal to the lesser of (i) 4.0% of the outstanding shares on the last day of the immediately preceding month or (ii) such lesser number of shares (including zero) that the Company's Board determines for the purposes of the annual increase for that fiscal year.

2022 Inducement Plan

In 2022, the Company adopted its 2022 Employment Inducement Award Plan (the "2022 Inducement Plan"), which provides for the granting of stock options, SARs, restricted shares, RSUs, and other awards to individuals who were not previously employees of the Company, or following a bona fide period of non-employment, as inducement material to such individuals entering into employment with the Company. Shares of common stock underlying awards that expire or are forfeited or canceled will again be available for issuance under the 2022 Inducement Plan. 8.0 million shares of the Company's common stock are reserved for issuance under the 2022 Inducement Plan.

2025 Inducement Plan

In February 2025, the Board approved the Company's 2025 Employment Inducement Award Plan (the "2025 Inducement Plan"), which provides for the granting of stock options, SARs, restricted shares, RSUs, and other awards to individuals who were not previously employees of the Company, or following a bona fide period of non-employment, as inducement material to such individuals entering into employment with the Company. Shares of common stock underlying awards that expire or are forfeited or canceled will again be available for issuance under the 2025 Inducement Plan. 8.0 million shares of the Company's common stock are reserved for issuance under the 2025 Inducement Plan.

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Stock Option Activity

The following table summarizes stock option activity for the three months ended March 31, 2026 (amounts in thousands, except per share data):

	Options Outstanding			
	Number of Options	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance as of December 31, 2025	5,723	\$ 1.66	4.8	\$ 16,891
Stock options granted	—	—	—	—
Stock options exercised	(43)	0.80	—	197
Stock options forfeited, canceled, or expired	—	—	—	—
Balance as of March 31, 2026	5,680	1.67	4.6	9,286
Options exercisable as of March 31, 2026	3,730	1.65	4.4	6,167
Options vested and expected to vest as of March 31, 2026	5,680	\$ 1.67	4.6	\$ 9,286

As of March 31, 2026, total unrecognized stock-based compensation expense related to unvested option awards that are expected to vest was \$0.6 million. The weighted-average period over which such stock-based compensation expense will be recognized is approximately 1.4 years.

The aggregate intrinsic values of options outstanding, exercisable, vested and expected to vest were calculated as the difference between the exercise price of the options and the closing stock price of the Company's common stock on the New York Stock Exchange ("NYSE") as of March 31, 2026.

Restricted Stock Units

During the three months ended March 31, 2026, pursuant to the 2022 Inducement Plan, the Company granted RSUs to employees that vest based on market-based conditions. These market-based RSUs will vest and convert to common stock if the Company's stock price reaches certain price targets for 20 days in any 30 day trading window, subject to the applicable employee's continued service. The fair value of market-based RSUs is recognized as expense over the requisite service period regardless of whether or not the RSUs ultimately vest and convert to common stock. The fair value of these market-based RSUs was measured on their grant date, using a Monte Carlo simulation model based on the following assumptions:

Expected term (in years)	4.0
Expected volatility	80%
Risk-free interest rate	3.7%
Expected dividend yield	—

The following table summarizes activity for all RSUs, including time-based and market-based awards, for the three months ended March 31, 2026 (amounts in thousands, except per share data):

	Number of RSUs	Weighted Average Grant Date Fair Value per Share
Non-vested balance as of December 31, 2025	20,349	\$ 1.66
RSUs granted	4,808	3.21
RSUs forfeited	(424)	1.07
RSUs vested	(4,343)	2.13
Non-vested balance as of March 31, 2026	20,390	\$ 1.94

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As of March 31, 2026, unrecognized stock-based compensation expense related to these RSUs was \$27.1 million which is expected to be recognized over the remaining weighted-average vesting period of approximately 2.5 years.

Stock-Based Compensation Expense

Total stock-based compensation expense for the three months ended March 31, 2026 and 2025 was as follows (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Sales and marketing	\$ 688	\$ 1,045
Research and development	964	1,368
General and administrative	5,401	6,863
Total stock-based compensation expense	<u>\$ 7,053</u>	<u>\$ 9,276</u>

NOTE 16. SEGMENT REPORTING

As a single reportable segment entity, the Company's Chief Executive Officer, who is the chief operating decision maker ("CODM") uses the profit measure of net loss to allocate resources and assess performance of our business by comparing actual results to historical results and previously forecasted financial information. The measure of segment assets is reported on the condensed consolidated balance sheets as total assets.

See Note 3 for the Company's revenue disaggregated by product line.

The following table presents revenue, significant segment expenses provided to the CODM, and net loss for our consolidated segment (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Revenue	\$ 21,879	\$ 8,534
Cost of revenue ⁽¹⁾	17,091	3,658
Gross profit	4,788	4,876
Non-personnel operating costs ⁽²⁾	9,946	7,290
Salaries and wages ⁽³⁾	9,742	8,909
Stock-based compensation	7,053	9,276
Depreciation, amortization, and accretion (excluding amounts included in cost of revenue)	2,223	305
Interest expense	3,466	95
Interest income	(568)	(315)
Provision for income taxes	1	383
Other segment items ⁽⁴⁾	5,410	107
Net loss	<u>\$ (32,485)</u>	<u>\$ (21,174)</u>

⁽¹⁾ Includes \$1.3 million of depreciation and amortization expense for the three months ended March 31, 2026.

⁽²⁾ Represents sales and marketing, research and development, and general and administrative expenses, excluding personnel related costs.

⁽³⁾ Represents the costs of employees' salaries, benefits, and payroll taxes that are reported within sales and marketing, research and development, and general and administrative expenses in the condensed consolidated statements of operations and comprehensive loss. This amount excludes stock-based compensation expense.

⁽⁴⁾ Represents certain other segment items that are not deemed significant segment expenses and primarily consists of provision for credit losses, loss on financial instruments carried at fair value, and other income/expense items.

NOTE 17. INCOME TAXES

The Company recognized a tax provision of \$1 thousand for the three months ended March 31, 2026 and a tax provision of \$0.4 million for the three months ended March 31, 2025.

During 2025, the Company generated \$47.7 million of investment tax credits ("ITC"). On March 28, 2025, the Company entered into a Tax Credit Transfer Commitment, on behalf of its majority and wholly-owned subsidiary companies, with a

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third-party purchaser pursuant to which the Company agreed to sell these ITCs at a price equal to 85% of the value of the credits. The Company has recorded a valuation allowance for the 15% discount to reflect the expected net sale proceeds.

On February 26, 2026, the Company collected \$11.8 million in proceeds from the transfer of the Cross Trails ITC to the third-party purchaser. As of the date of the Quarterly Report, the sales of the eligible ITCs generated by CRC and the Snyder CDU are expected to close following the satisfaction of certain customary closing conditions.

The Company has recorded a full valuation allowance against substantially all of the Company's deferred tax assets, except for the deferred tax assets associated with the ITCs that the Company intends to sell. The Company provides for a valuation allowance when it is more likely than not that some portion of, or all of the Company's deferred tax assets will not be realized. Due to the Company's history of losses, the Company determined that it is not more likely than not to realize its deferred tax assets, with the exception of deferred tax assets associated with the ITCs that the Company intends to sell.

NOTE 18. NET LOSS PER SHARE OF COMMON STOCK

Basic and diluted net loss per share attributable to common stockholders are calculated as follows (amounts in thousands, except per share amounts):

	Three Months Ended March 31,	
	2026	2025
Net loss attributable to Energy Vault Holdings, Inc.	\$ (32,485)	\$ (21,136)
Less: accretion of redeemable non-controlling interest	1,086	—
Net loss attributable to common stockholders	<u>(33,571)</u>	<u>(21,136)</u>
Weighted-average shares outstanding – basic and diluted	171,867	153,723
Net loss per share attributable to common stockholders – basic and diluted	\$ (0.20)	\$ (0.14)

There were no common share equivalents that were dilutive for the three months ended March 31, 2026 and 2025. Due to net losses during those periods, basic and diluted net loss per common share were the same, as the effect of potentially dilutive securities would have been anti-dilutive.

The following outstanding balances of common share equivalent securities have been excluded from the calculation of diluted weighted-average common shares outstanding because the effect is anti-dilutive for the three months ended March 31, 2026 and 2025 (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Warrants	14,739	5,167
Stock options	5,680	6,429
RSUs	20,390	25,662
Senior Convertible Notes	28,977	—
Convertible Debentures	1,843	—
Total	<u>71,629</u>	<u>37,258</u>

NOTE 19. COMMITMENTS AND CONTINGENCIES

Our principal commitments as of March 31, 2026 consisted primarily of obligations under operating leases, finance leases, a deferred pension, warranty liabilities, and issued purchase orders. Our non-cancelable purchase obligations as of March 31, 2026 totaled approximately \$5.0 million, which is all expected to be paid in the next twelve months.

Loss Contingencies:

In the ordinary course of business, the Company is regularly subject to various legal proceedings. The Company records a loss contingency accrual when a loss is both probable and reasonably estimable. As of March 31, 2026, the Company had not recorded any material loss contingency accruals related to legal proceedings. Although the Company currently believes that resolving claims against the Company, including claims where an unfavorable outcome is reasonably possible, will not

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have a material impact on the Company's business, financial position, results of operations, or cash flows, these matters are subject to inherent uncertainties and the Company's view of these matters may change in the future.

Warranty Liabilities:

The Company provides a limited warranty to its battery energy storage system ("BESS") customers assuring that the BESSs are free from defects. The Company's limited warranties are generally for a period of two or three years after the substantial completion date of the applicable project. These warranties are considered assurance-type warranties, which provide a guarantee of quality of the products. For assurance-type warranties in engineering, procurement, and construction ("EPC") contracts, the Company records an estimate of future warranty costs over the period of construction. For assurance-type warranties in engineered equipment ("EEQ") contracts, the Company records an estimate of future warranty costs upon the transfer of the equipment to the customer. Warranty costs are recorded as a component of cost of revenue in the Company's condensed consolidated statements of operations and comprehensive loss.

As of March 31, 2026 and 2025, the Company accrued the below estimated warranty liabilities, respectively (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Warranty liabilities, balance at beginning of period	\$ 467	\$ 1,391
Accruals for warranties issued	—	—
Change in estimates	84	—
Costs paid or settled	(17)	(630)
Warranty liabilities, balance at end of period	<u>\$ 534</u>	<u>\$ 761</u>

The key inputs and assumptions used in calculating the estimated warranty liabilities are reviewed by management each reporting period. The Company may make additional adjustments to the estimated warranty liability based on a comparison of actual warranty results to expected results for significant differences or based on performance trends or other qualitative factors. If actual failure rates or replacement costs differ from our estimates in future periods, changes to these estimates may be required, resulting in increases or decreases in the estimated warranty liability, which may be material.

Letters of Credit and Bank Guarantees:

In the ordinary course of business and under certain contracts, the Company is required to post letters of credit or bank guarantees for its customers, for project performance, and for its vendors for payment guarantees. Such letters of credit or bank guarantees are generally issued by a bank or a similar financial institution. The letter of credit or bank guarantee commits the issuer to pay specified amounts to the holder of the letter of credit or bank guarantee under certain conditions. As of March 31, 2026, the Company had \$29.3 million in outstanding letters of credit and \$17.5 million in bank guarantees issued through the Company's credit relationships. The Company is not aware of any material claims relating to its outstanding letters of credit or bank guarantees.

Performance and Payment Bonds:

In the ordinary course of business, Energy Vault is required by certain customers to provide performance and payment bonds for contractual commitments related to its projects. These bonds provide a guarantee that the Company will perform under the terms of a contract and that the Company will pay its subcontractors and vendors. If the Company fails to perform under a contract or to pay its subcontractors and vendors, the customer may demand that the surety make payments or provide services under the bond. The Company must reimburse the surety for expenses or outlays it incurs. As of March 31, 2026, the Company had \$88.6 million in outstanding performance and payment bonds.

Other Bonds:

In the ordinary course of business, Energy Vault is required to obtain other bonds, such as for insurance and government payments. These bonds provide a guarantee that the Company will post the necessary reserves as required by banks and tax or licensing authorities. Additionally, bonds are issued to banks as support for letters of credit provided by those banks. As of March 31, 2026, the Company had \$12.5 million in outstanding other bonds.

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Asset Retirement Obligation

In connection with the acquisition or development of energy storage systems, the Company may have the legal requirement to remove long-lived assets constructed on leased property and to restore the leased property to its condition prior to the construction of the long-lived asset. This legal requirement is referred to as an asset retirement obligation ("ARO"). If the Company determines that an ARO is necessary for a specific energy storage system, the Company records the present value of the estimated future liability when the energy storage system is placed in service as an ARO liability. The Company accretes the ARO liability to its future value over the energy storage system's useful life in the condensed consolidated statements of operations and comprehensive loss. The initial ARO is recorded as part of the carrying value of the related long-lived asset and depreciated over the energy storage system's useful life. The CRC energy storage system is the only energy storage system currently subject to an ARO. The initial ARO for the CRC energy storage system was \$1.0 million.

The Company measured the ARO for the CRC energy storage system at fair value (level 3) using an expected present value technique. This approach estimates the cash flows a market participant would require to perform the retirement activities and discounts those cash flows using a credit-adjusted risk-free rate (10.8% at initial recognition).

As of March 31, 2026, the carrying value of the Company's ARO was \$1.1 million. For the three months ended March 31, 2026, the Company recognized accretion expense of \$26 thousand.

McMurtre Project

On March 24, 2026, the Company acquired rights to the McMurtre BESS, a 175 MW / 350 MWh BESS project to be located near Dallas, Texas. The Company paid \$0.3 million for the rights to the project and will owe the seller an additional \$5.6 million if the project reaches the notice to proceed milestone and \$1.4 million if the project reaches commercial operation.

Mesa Del Sol Project

In March 2026, the Company entered into a reimbursement agreement with Public Service Company of New Mexico ("PNM") to advance preliminary work related to electrical interconnection and related infrastructure planning activities in connection with the Company's potential development of a battery energy storage, power generation, and data center project in Albuquerque, New Mexico. Under the reimbursement agreement, the Company authorized PNM to undertake certain preliminary work, including engineering and design work, permitting, surveys, studies, environmental review, initial equipment orders, land rights, easements, public outreach and other related work. The estimated cost of the preliminary work is \$7.5 million, which the Company is required to fund in advance as prepaid development costs upon invoice by PNM. Amounts funded by the Company will be applied against reimbursable development costs as such costs are incurred or otherwise fully committed to third parties. Any amounts paid to PNM that are not actually incurred or otherwise fully committed to third parties in the performance of the preliminary work are required to be returned to the Company. In connection with the reimbursement agreement, the Company was required to provide a letter of credit in the amount of \$7.5 million. Subsequent to March 31, 2026, PNM released the letter of credit and consented to its cancellation in connection with the Company's funding of the \$7.5 million in April 2026.

In addition, in March 2026, the Company entered into a deposit agreement with PNM pursuant to which PNM agreed to perform the next phase of engineering studies required to assess the requirements for PNM to provide electric service to the project. Subsequent to March 31, 2026, the Company paid the non-refundable deposit of \$0.5 million. If the Company enters into a reimbursement agreement or electric facilities agreement with PNM, any portion of the deposit not used to fund the services under the deposit agreement, other than certain administrative and overhead costs, will be applied toward costs properly incurred under such agreement.

Subsequent to March 31, 2026, the Company, through its subsidiary Mesa Del Sol Energy Campus, LLC, completed the assignment of certain real estate purchase rights relating to approximately 486 acres of land in Albuquerque, New Mexico for the potential development of a battery energy storage, power generation, and data center project. In connection with the assignment, the Company agreed to pay a nonrefundable assignment fee of \$0.8 million, which included \$0.5 million paid on February 18, 2026 for the exclusive right to negotiate with the assignor that was credited toward the assignment fee upon completion of the assignment subsequent to March 31, 2026. The underlying purchase agreement provides for an aggregate purchase price of approximately \$120.1 million for all land tracts, with an initial closing requirement for certain tracts representing approximately \$57.4 million of the aggregate purchase price by December 18, 2026, and an outside closing date for the remaining tracts of December 18, 2027. If the Company does not satisfy the initial acquisition requirement, the Company may terminate the arrangement without incurring liability in excess of the nonrefundable

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assignment fee. The Company is also required to pay a contingent service fee equal to 7% of the gross purchase price of each acquired tract, payable only upon the closing of each applicable tract. Also subsequent to March 31, 2026, the Company entered into a term sheet with Clean AI, LLC related to the development of the project. The term sheet is non-binding, except for certain binding provisions, including a \$0.5 million start fee, exclusivity and confidentiality provisions, and a land purchase participation right in favor of Clean AI, LLC for up to a 35% undivided interest in any land tract purchased by the Company.

Also subsequent to March 31, 2026, the Company, through Mesa Del Sol Energy Campus, LLC, entered into a production slots reservation agreement with 2G Energy Inc. to reserve manufacturing capacity for certain power generation equipment for the Mesa Del Sol project. Under the agreement, the Company paid a reservation fee of \$10.0 million. The reservation fee is generally non-refundable, except in limited circumstances, and will be credited toward future milestone payments if the parties execute a separate sales contract by the applicable deadline. The reservation agreement does not obligate either party to execute the sales contract, and the production and delivery of the equipment would be governed by the separate sales contract, if executed.

NOTE 20. SUBSEQUENT EVENTS

BayWa r.e. Japan Development Portfolio

Subsequent to March 31, 2026, the Company entered into an agreement with BayWa r.e. Japan K.K. to acquire certain development-stage assets and project rights related to a portfolio of battery energy storage system projects in Japan. The assets to be acquired include certain land rights, transferred agreements, grid connection applications and related project development rights. The closing of the transaction is subject to certain conditions, including the incorporation of a Japanese subsidiary, satisfaction of applicable regulatory notification and waiting period requirements in Japan and receipt of required corporate approvals. Under the agreement, the Company is required to pay initial consideration of approximately \$0.3 million and a working capital payment of \$0.5 million, excluding applicable consumption tax. The agreement also provides for additional milestone payments based on the achievement of specified project development milestones, including ready-to-build status, final investment decision, financial close or a project sale, subject to an aggregate milestone payment cap of approximately \$4.9 million, excluding applicable consumption tax.

Sale of Equipment

Subsequent to March 31, 2026, the Company entered into an agreement with a third-party for the sale, supply and delivery of certain equipment. The transaction is expected to be accounted for as a sale of property and equipment rather than as a revenue contract. The total contract price is approximately \$10.3 million. Under the agreement, the Company is required to provide a performance bond equal to 6% of the contract price.

Issuance of Senior Secured Convertible Debentures

Subsequent to March 31, 2026, on May 18, 2026, the Company entered into a Securities Purchase Agreement (the "Purchase Agreement") with YA II PN, Ltd. (the "Investor"), pursuant to which the Company agreed to issue senior secured convertible debentures (the "Senior Secured Convertible Debentures") in multiple tranches with an aggregate principal amount of up to \$75.0 million.

The initial tranche of \$42.0 million will be funded at closing and net proceeds are expected to be \$39.6 million after deductions for an original issue discount and origination fees. The Senior Secured Convertible Debentures are secured by assets of the Company, Energy Vault, Inc. and the Company's Swiss and Australian subsidiaries.

The Senior Secured Convertible Debentures were issued at 95% of par, bear interest at 7.5% per annum (18.0% upon an uncured event of default), and mature on May 17, 2027. Beginning on September 18, 2026 and monthly thereafter (each, a "Payment Date"), approximate scheduled installments of principal and accrued interest are due as follows (per \$10.0 million of original principal): \$1.2 million on the first Payment Date, \$1.2 million on each of the next three Payment Dates, \$1.1 million on each of the next four Payment Dates, and \$1.1 million at maturity. For the initial tranche, the floor price is \$1.19 per share.

For each installment, the Company may (i) pay cash, (ii), if certain conditions are satisfied, elect to allow the Investor to convert the unpaid installment at a price equal to 97% of the lowest daily VWAP during the four consecutive trading days immediately preceding the conversion date, or (iii) satisfy the installment through a combination of cash and conversion. Investor conversions are subject to a beneficial ownership limit of 4.99% of the Company's common stock and to a limit of 19.99% of the Company's outstanding common stock as of closing unless stockholder approval to exceed such cap is obtained in accordance with the rules and regulations of the NYSE (the "Exchange Cap"). An "Amortization Event"

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includes, among other things, (i) the Company's common stock trading below the Floor Price for 5 of 7 consecutive trading days, (ii) issuance of more than 99% of the shares available under the Exchange Cap without stockholder approval, or (iii) from any time after the six-month anniversary of the issuance of the Senior Secured Convertible Debentures, the Investor is unable to sell its shares pursuant to Rule 144. While an Amortization Event is in effect, the monthly installment must be paid in cash and the installment amount may increase to the greater of the scheduled amount and 20.0% of then-outstanding principal.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provide information which Energy Vault's management believes is relevant to an assessment and understanding of Energy Vault's condensed consolidated results of operations and financial condition. The discussion should be read together with our unaudited interim condensed consolidated financial statements, the respective notes thereto, and other financial information included elsewhere in this Quarterly Report. The discussion and analysis should also be read together with the audited consolidated financial statements, the respective notes thereto, and other financial information included elsewhere in the Annual Report for the year ended December 31, 2025 filed by us with the SEC on March 18, 2026. This discussion may contain forward-looking statements based upon Energy Vault's current expectations that involve risks, uncertainties, and assumptions. Energy Vault's actual results may differ materially from those anticipated in these forward-looking statements. You should review the section titled "Cautionary Note Regarding Forward-Looking Statements" for a discussion of forward-looking statements and the section titled "Risk Factors," for a discussion of factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis and elsewhere in this Quarterly Report. Energy Vault's historical results are not necessarily indicative of the results that may be expected for any period in the future. Unless the context otherwise requires, all references in this Quarterly Report to "we," "our," "us," "the Company," or "Energy Vault" refer to Energy Vault Holdings, Inc., a Delaware corporation, and its subsidiaries.

Our Business

Energy Vault is an integrated power infrastructure platform that builds, owns and operates flexible, reliable energy systems designed to accelerate time-to-power for utilities, independent power producers, industrial customers and the artificial intelligence and data center market. At the core of our platform is a technology-agnostic, software-enabled architecture that is designed to accelerate project delivery, optimize performance and drive faster time-to-revenue. Energy Vault's integrated solutions combine energy storage, generation, and advanced energy management to deliver scalable infrastructure tailored to customer needs. Our portfolio spans short-, long-, and multi-day duration storage, engineered to enable reliability, flexibility and cost efficiency across applications.

Through this integrated model, we offer utilities, independent power producers, and large energy users solutions that may include standalone energy storage, integrated generation and storage configurations, and related power infrastructure. We manage projects across the lifecycle, from sourcing and development through permitting and interconnection, engineering and construction management, commissioning, and operations, and we provide software enabled monitoring, controls, and services intended to support asset availability, operational efficiency, and lifecycle performance.

Key Factors and Trends Affecting our Business

We believe that our performance and future success depend upon several factors that present significant opportunities for us, but also pose risks and challenges including those discussed below and in Part I, Item 1A. "Risk Factors" of our 2025 Annual Report on Form 10-K filed with the SEC on March 18, 2026.

Impact of Tariffs

U.S. trade policy and tariff actions have affected the cost and availability of certain inputs used in our B-VAULT products and related project delivery. Beginning February 4, 2025, the United States imposed additional duties on imports from China and Hong Kong under the International Emergency Economic Powers Act ("IEEPA"), which were increased effective March 4, 2025. In parallel, the United States imposed additional IEEPA based reciprocal duties on China origin goods in April 2025, which escalated to significantly higher levels by April 10, 2025. The United States and China subsequently announced tariff reductions and pauses beginning in mid-May 2025, and in November 2025 the United States implemented additional executive actions that (i) reduced the IEEPA fentanyl related additional duty rate on China origin imports and (ii) extended the reduced reciprocal duty framework through November 10, 2026, subject to the terms and conditions of the arrangement.

These tariff actions and related uncertainty materially affected our operations. Several third party sales projects within our backlog and developed pipeline experienced delays or cancellations due to the anticipated increase in costs associated with importing B-VAULT products from China. In addition, separate from IEEPA based duties, tariff rates under Section 301 of the Trade Act of 1974 ("Section 301 tariffs") applicable to certain China origin products continued to evolve. For example, pursuant to U.S. Trade Representative actions finalized in 2024, the Section 301 duty rate applicable to lithium ion non electric vehicle batteries increased to 25% effective January 1, 2026. Depending on product classification and the interaction of applicable tariff programs, cumulative duty burdens can be significant and can materially affect project pricing and competitiveness.

On February 20, 2026, the U.S. Supreme Court held that IEEPA does not authorize the President to impose tariffs, and IEEPA based tariffs were invalidated. The decision does not affect Section 301 tariffs or tariffs under Section 232 of the

Trade Expansion Act of 1962. The Supreme Court decision did not address the process for obtaining refunds of IEEPA based duties previously paid, and the timing and availability of any potential duty relief remain uncertain. In response, President Trump promptly implemented a wide sweeping 10% import surcharge on goods under Section 122 of the Trade Act of 1974, which is scheduled to expire in July 2026 unless otherwise extended. These new tariffs target various categories of imports, including several raw materials used in our operations, such as core metals used in our grid-scale infrastructure. While the full scope, duration, and economic impact of these new tariffs remain uncertain, they could result in higher input costs, supply chain disruptions, and potential retaliatory measures from affected trading partners. We continue to monitor these developments closely and evaluate their potential effects on our cost structure and customer demand.

In addition to U.S. tariffs, China has implemented and proposed export control measures affecting certain upstream materials and manufacturing inputs relevant to batteries, including graphite related controls that can affect availability, lead times, and cost. In response to the evolving trade environment, we are actively exploring alternative sourcing options, including vendors with manufacturing capabilities outside of China, to mitigate tariff and trade restriction impacts. As of the filing date of this Quarterly Report, we have not successfully imported our B-VAULT products from non-Chinese suppliers on an economical basis.

If the current tariff relief, exclusions or suspension periods expire, are not extended or are replaced with less favorable measures, or if additional tariffs, trade restrictions, export controls or retaliatory measures are implemented or reinstated, our ability to source B-VAULT products or sell them at competitive prices could be adversely affected, which could have a material adverse impact on our business, results of operations, and cash flows.

U.S. Energy Storage Regulation and Legislation

U.S. federal, state, and local authorities continue to review, implement, and modify policies, incentives, regulations, and legislation that can affect the economics and deployment of energy storage, including through tax credits, permitting and interconnection rules, and wholesale market participation frameworks. The timing, interpretation, and implementation of these programs can vary across administrations and may involve phased guidance and rulemaking over time. As a result, there can be uncertainty regarding eligibility, compliance requirements, and the timing and magnitude of benefits available to any particular project. We cannot guarantee we will realize any or all of the anticipated benefits or incentives under any such enacted regulations or legislation. These uncertainties can affect customer decision timelines, the ability to structure and finance projects, and the documentation required to support credit eligibility and monetization.

The Inflation Reduction Act (“IRA”), adopted by the U.S. Congress in August 2022, contained a number of tax incentive provisions that directly support the adoption of energy storage solutions and services. Before the enactment of the IRA, the Section 48 ITC did not apply to standalone energy storage projects. The IRA added Section 48(a)(3)(A)(ix) of the Internal Revenue Code of 1986, as amended (the “Code”) to allow a taxpayer that placed in service a standalone energy storage technology with a minimum capacity of 5 kWh to claim the ITC, if certain requirements are met.

Projects may also qualify for increased credit amounts and bonus credits, subject to detailed requirements. For example, projects may be eligible for increased credit amounts where prevailing wage and apprenticeship requirements are satisfied, and certain projects may qualify for bonus credits, including domestic content, subject to applicable rules and certification requirements. The Internal Revenue Service (“IRS”) continues to publish and update guidance and resources that can affect the application of these rules to energy storage projects.

In 2025, Congress enacted the One Big Beautiful Bill Act (“OBBBA”), which introduced additional changes and compliance considerations affecting energy related tax incentives. Among other items, the OBBBA imposed new foreign entity of concern (“FEOC”) and prohibited foreign entity (“PFE”) concepts and related restrictions that apply to technology-neutral credits under Sections 45Y and 48E of the Code (“Technology Neutral Credits”) and the advanced manufacturing credit under Section 45X of the Code, including ownership, debt, and effective control restrictions (including through the grant of rights through various agreements or licensing rights that are otherwise retained by such entities) in respect of PFEs. The OBBBA also limits the availability of Technology Neutral Credits for projects that receive material assistance from a PFE. The applicability of the FEOC/PFE restrictions is dependent on statutory effective dates and project timing, including beginning of construction dates. Legacy credits under Sections 45 and 48 of the Code for projects that began construction by December 31, 2024 are generally governed under the prior framework, subject to applicable rules, and are not subject to the FEOC/PFE restrictions. The U.S. Department of Treasury and IRS guidance in this area continues to evolve, including guidance addressing FEOC/PFE restrictions. Additional rulemaking and market practice may affect how these requirements are applied and documented. We cannot guarantee we will realize any or all of

the anticipated benefits or incentives under any such enacted regulations or other guidance. We continue to monitor these developments.

Third-Party Project Delivery

In our third-party business, we primarily rely on two models for project delivery, which are (i) engineering, procurement, and construction (“EPC”) delivery and (ii) engineered equipment (“EEQ”) delivery. Under the EPC model, we generally rely on third-party EPC firms to construct our storage systems, under our supervision with dedicated teams tasked with project management. Under the EEQ model, we are responsible for the delivery of the equipment we provide, as well as resolving issues within our scope of supply.

Our cost projections for our third-party business and for our owned projects are heavily dependent upon raw materials (such as steel), equipment (such as motors, batteries, inverters, and power electronic devices), and technical and construction service providers (such as engineering, procurement, construction firms). Changes in the cost or availability of these inputs, including due to tariffs, supply constraints, or inflation, can affect project pricing, delivery schedules, and margins, depending on contract terms and the timing of procurement.

Energy Storage Industry

The utility scale energy storage industry continues to expand, driven by increased demand for electricity, global transitions toward renewable energy, and increased focus on grid resilience.

Recent reliability sector publications, including the North American Electric Reliability Corporation 2025 Long Term Reliability Assessment published in January 2026, indicate that load growth expectations have increased meaningfully, with data centers, electrification, and new large industrial and manufacturing facilities among the most cited drivers of incremental demand.

In December 2025, the Australian Energy Market Operator published the Draft 2026 Integrated System Plan, which describes development pathways for the National Electricity Market through 2050. The Draft 2026 Integrated System Plan indicates that material growth in dispatchable capacity and energy storage is expected to be required to support reliability and the integration of higher levels of renewable generation over time, reflecting ongoing expansion in the market for utility scale energy storage.

Over the past decade, deployment of renewable energy resources has accelerated and there has been an industry wide push for decarbonization, which is increasing the demand for grid scale energy storage. A major obstacle to transitioning to renewable sources of energy such as wind and solar is the intermittent availability of these types of energy sources. Energy storage solutions are needed to balance the production intermittency of variable renewable energy to support a clean energy future and a balanced electrical grid infrastructure. Both government mandates and companies focused on reducing energy use, cost, and emissions are expected to propel the shift to renewable sources of power.

Additionally, software solutions play a vital role in assisting energy storage owners in managing the growing complexities of renewable energy and energy storage markets. As renewable and energy storage asset portfolios expand globally, these stakeholders will need software solutions that enhance asset performance and boost revenue while reducing total ownership costs.

Our expansion of revenue depends on the ongoing adoption of energy storage solutions by our customers and our ability to source, execute, and operate energy storage projects with attractive economics. The growth of the energy storage market that we address is primarily driven by the decreasing cost of energy storage technologies, government mandates, financial incentives to reduce greenhouse gas emissions, industry-wide decarbonization objectives, and efforts to enhance grid stability and efficiency. These dynamics are driving demand for increased energy storage capacity and duration.

Competition

The market for our products and services is competitive, and we may face increased competition as new and existing competitors introduce energy storage solutions, components, project delivery models, owned asset development platforms, AI compute infrastructure solutions, powered land, powered shell infrastructure, and related energy infrastructure solutions. Competitive dynamics in the battery energy storage market continue to be influenced by manufacturing scale, changes in battery and component pricing, vertical integration, and evolving trade and supply chain conditions, which can increase pricing pressure, compress margins, and affect delivery timelines. In addition, as we expand our Own and Operate activities through Asset Vault, we also compete with existing and emerging independent power producers, developers, and asset owners for project sites, interconnection capacity, offtake arrangements, and project financing. As we pursue opportunities involving AI compute infrastructure, powered land, powered shell infrastructure, modular data center deployments, and related energy infrastructure, we may also compete with power infrastructure developers, generation asset owners, data center developers and operators, and other participants seeking access to power, land, interconnection

capacity, customers and project capital. As we expand our software and services offerings, we also face competition from software providers, original equipment manufacturers, and integrators that offer software enabled controls, optimization, and asset management solutions. If we are not able to compete effectively, if our market share declines due to increased competition, or if competition reduces margins or delays project execution, our revenue, results of operations, and ability to generate profits and cash flows could be adversely affected.

Regulatory Environment and Compliance

Federal, state, and local statutes and regulations concerning electricity materially influence the market for our products and services. These requirements directly affect our owned asset business and indirectly affect our third party sales business, particularly with respect to permitting, siting, and interconnection of energy storage systems, as well as compliance with applicable codes and safety standards. Regulatory frameworks also affect how energy storage participates in wholesale markets, including market rules administered by regional transmission organizations and independent system operators and related Federal Energy Regulatory Commission oversight, which can influence dispatch, revenues, and operational requirements for storage resources.

Each of our owned installations and our customers' installations must be designed, constructed, and operated in compliance with applicable federal, state, and local regulations, codes, standards, guidelines, and laws. To develop, install, and operate energy storage systems, we, our customers, or our partners, as applicable, are required to obtain permits and approvals from authorities having jurisdiction, including zoning and land use approvals, building and electrical permits, fire and life safety approvals, and environmental permits where applicable. Energy storage systems typically require interconnection studies and agreements with the applicable transmission provider or local utility, and interconnection timelines and requirements may be affected by evolving interconnection processes and reforms.

Recent Developments

EBOR New South Wales Project

In February 2026, our Australian development partner, Bridge Energy Pty Ltd, was awarded a 14-year Long-Term Energy Service Agreement by AusEnergy Services for the Ebor Battery Energy Storage System project in New South Wales, Australia. The 100 MW / 870 MWh project is expected to provide eight hours of dispatchable capacity and is expected to commence operations in 2028, subject to obtaining necessary contractual and regulatory approvals. We hold an exclusive option to acquire and construct the project, which will utilize our proprietary B-VAULT technology and energy management system, and will be owned and operated under our Asset Vault platform.

Strategic Development Agreement with Peak Energy

On February 9, 2026, we announced that we executed a definitive supply agreement with Peak Energy securing 1.5 gigawatt-hours of Peak Energy's U.S. manufactured sodium-ion battery systems.

Strategic Framework Agreement with Crusoe

On February 11, 2026, we announced a strategic framework agreement with Crusoe, Inc. ("Crusoe") for the phased deployment of Crusoe Spark modular data centers at Energy Vault's technology center in Snyder, Texas. The initial program is scalable up to 25 MW of total load to be operated inside Crusoe's proprietary Spark modular AI factory product, with planned deployments expected in 2026.

Issuance of Senior Convertible Notes

On February 17, 2026, we closed an upsized offering of \$140.0 million of our 5.250% Senior Convertible Notes due 2031 (the "Senior Convertible Notes") in a private placement to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act. The offering was upsized from the previously announced offering size of \$125.0 million aggregate principal amount of Senior Convertible Notes. The initial purchasers subsequently exercised their option to purchase an additional \$10.0 million of Senior Convertible Notes, in a transaction that closed on February 27, 2026. Refer to "Liquidity and Capital Resources—Sources of Liquidity— Senior Convertible Notes" below for more information.

McMurtré Project

On March 24, 2026, the Company acquired rights to the McMurtré Battery Energy Storage System ("BESS"), a 175 MW / 350 MWh BESS project to be located near Dallas, Texas. The Company paid \$0.3 million for the rights to the project and will owe the seller an additional \$5.6 million if the project reaches the notice to proceed milestone and \$1.4 million if the project reaches commercial operation.

Japan BESS Market

On April 9, 2026, the Company announced that it had entered into a binding agreement, subject to certain closing conditions, to acquire an 850 MW BESS development portfolio in Japan from a domestic energy storage developer. The portfolio includes 350 MW of advanced stage projects and 500 MW of early stage projects. The Company expects this transaction, if completed, to expand its geographic presence and support the continued execution of its Own and Operate strategy.

Issuance of Senior Secured Convertible Debentures

On May 18, 2026, we issued senior secured convertible debentures (the “Senior Secured Convertible Debentures”) in multiple tranches with an aggregate principal amount of up to \$75.0 million. The initial tranche of \$42.0 million will be funded at closing and net proceeds are expected to be \$39.6 million after deductions for an original issue discount and origination fees. Refer to “Liquidity and Capital Resources—Sources of Liquidity— Senior Secured Convertible Debentures” below for more information.

Key Operating Metrics

The following tables present our key operating metrics for the periods presented (dollar values in thousands):

	Three Months Ended March 31, 2026		Three Months Ended March 31, 2025	
	Value	Energy (MWh)	Value	Energy (MWh)
Net Bookings				
Contracted bookings	\$ 14,469	25	\$ 225,729	1,004
Contingent option bookings	—	—	—	—
Cancellations	—	—	—	—
Net bookings	\$ 14,469	25	\$ 225,729	1,004

	March 31, 2026		December 31, 2025	
	Value	Capacity / Energy	Value	Capacity / Energy
Developed Pipeline	\$ 3,499,304	3.2 GW	\$ 2,409,374	1.9 GW
Backlog	1,295,145	3.0 GWh	1,305,515	3.4 GWh

Bookings

Net bookings represent the sum of contracted bookings and contingent option bookings, net of cancellations, measured in total aggregate contract value and total MWhs. Contracted bookings are from customer contracts signed during the period. Contingent option bookings are from projects where the Company holds an enforceable exclusive purchase right and intends to exercise that right, even if the option has not been exercised as of period end.

The aggregate contract value includes any potential future variable payments from tolling and offtake arrangements that the Company believes are probable of being realized. Probable future variable payments are forecasted by an independent third-party firm using simulation software that factors in current and projected energy market dynamics, historical and forecasted volatility, and location specific data. The Company considers the low-end simulation results to be probable. Potential future IP royalties are not included in bookings. Due to the long-term nature of our contracts, bookings are a key metric that allows us to understand and evaluate the growth of our Company and our estimated future revenue related to our customer contracts.

Developed Pipeline

Developed pipeline represents uncontracted potential revenue from third-party projects where potential prospective customers have either awarded the Company a project or shortlisted the Company for consideration. It also includes potential tolling revenue from projects where the Company is in advanced negotiations to build, own, and operate energy storage systems. Developed pipeline is an internal management metric that we construct using information from our global sales team and is monitored by management to understand the potential anticipated growth of our Company and to estimate potential future revenue. Developed pipeline is influenced by the prevailing foreign exchange rates and equipment prices and may vary from period to period if these inputs change.

Developed pipeline may not generate margins equal to our historical operating results. We have only recently begun to track our developed pipeline on a consistent basis as a performance measure, and as a result, we do not have significant experience in determining the level of realization that we may achieve on these potential contracts. Our customers may

experience project delays or cancel orders as a result of external market factors and economic or other factors beyond our control.

Backlog

Backlog represents (i) contracted but unrecognized revenue from third party projects and services yet to be completed, (ii) unrecognized revenue or other income from IP licensing agreements, and (iii) unrecognized revenue from tolling arrangements for projects operated by Energy Vault or affiliates, in each case, that is associated with contracted bookings and contingent option bookings (as defined above). Backlog includes contracted backlog and contingent option backlog. Contracted backlog reflects unrecognized revenue associated with binding, fully executed agreements. Contingent option backlog reflects unrecognized revenue associated with projects where the Company holds an enforceable exclusive purchase right and intends to exercise that right, even if the option has not been exercised as of period end, and is contingent on the Company exercising the applicable purchase right and subsequent project execution. If the Company does not exercise an option, or if the underlying terms or assumptions change such that inclusion is no longer appropriate, the related contingent option backlog is removed or updated in the period of change.

Backlog includes any potential future variable payments from tolling and offtake arrangements that the Company believes are probable of being realized. Probable future variable payments are forecasted by an independent third-party firm using simulation software that factors in current and projected energy market dynamics, historical and forecasted volatility, and location specific data. The Company considers the low-end simulation results to be probable. Potential future IP royalties are not included in backlog. Backlog is a common measurement used in our industry. Our methodology for determining backlog may not, however, be comparable to the methodologies used by others.

We cannot guarantee that our bookings, backlog, or developed pipeline will result in actual revenue in the originally anticipated period, or at all. Our customers may experience project delays or cancel orders as a result of external market factors and economic or other factors beyond our control. Many of our projects require government approvals, third-party financing, and other contingencies, many of which are beyond our control. If our bookings, backlog, or developed pipeline fail to result in revenue as anticipated or in a timely manner, we could experience a reduction in revenue, profitability, and liquidity. See “Risk Factors - Our total backlog, bookings, and developed pipeline may not be indicative of our future revenue, which could have a material impact on our business, financial condition, and results of operations” in the Annual Report for the year ended December 31, 2025 filed by us with the SEC on March 18, 2026.

Key Components of Results of Operations

Revenue

The Company generates revenue from the sale of our energy storage products, tolling arrangements related to owned projects, the licensing of the Company’s software solutions and IP, and from long-term service agreements to operate and maintain customer owned energy systems. To date, the Company has generated revenue primarily from the sale of our BESSs and from licensing our IP.

The Company sells its BESSs under (i) an EPC model and (ii) an EEQ model. When the Company sells a BESS under the EPC model, the Company recognizes revenue over time as we transfer control of our product to the customer. Under an EEQ model, the Company recognizes revenue related to equipment sales upon delivery to the customer and service revenue over time as we provide specialized technical services to the customer.

The Company enters into tolling and power purchase agreements (“PPA”) under which counterparties may sell energy stored in the Company’s energy storage systems or request that the Company dispatch energy on their behalf. Each agreement is evaluated to determine whether it qualifies as a lease under Accounting Standards Codification (“ASC”) 842, *Leases* (“ASC 842”) or a customer contract under ASC 606, *Revenue from Contracts with Customers* (“ASC 606”). As of March 31, 2026, two energy storage systems were operating commercially: one accounted for as an operating lease under ASC 842 and one accounted for as a customer contract under ASC 606.

For the arrangement accounted for under ASC 606, fixed consideration is recognized on a straight-line basis over the contract term. For the arrangement accounted for as a lease under ASC 842, fixed consideration is recognized as operating lease revenue on a straight-line basis over the lease term and variable lease payments are recognized in the period the underlying energy is delivered.

When the Company licenses its IP, revenue is recognized at the point in time at which the customer obtains control of the licensed technology. When the Company licenses its software solutions or provides operation and maintenance services, the transaction price for each contract is recognized as revenue on a straight-line basis over the term of the contract.

Our revenue is affected by changes in the price, volume, and mix of products and services purchased by our customers, which is driven by the demand of our products, geographic mix of our customers, strength of competitor's product offerings, and the availability of government incentives to the end-users of our products.

Our revenue growth is dependent on continued growth in the number of energy storage systems constructed each year and our ability to increase our share of demand in the geographic regions where we currently compete and plan to compete in the future. Additionally, our revenue growth is dependent on our ability to find attractive projects to build, own, and operate.

Cost of Revenue

Cost of revenue primarily consists of product costs, materials and supplies, depreciation and amortization, and costs associated with subcontractors, direct labor, and product warranties. Product costs include the cost of purchased equipment, as well as tariffs and shipping costs directly attributable to that equipment.

Our cost of revenue is affected by underlying costs of equipment and materials such as batteries, inverters, enclosures, transformers, and cables, as well as the cost of subcontractors to provide construction services. We do not currently hedge against changes in the price of raw materials as we do not purchase raw materials. We purchase energy storage system components from our suppliers.

Gross Profit and Gross Profit Margin

Gross profit and gross profit margin may vary from period to period due to the timing of transferring control of significant uninstalled equipment to customers under contracts to sell energy storage systems. When control of significant uninstalled equipment is transferred to customers in an EPC project, the Company recognizes revenue in an amount equal to the cost of that equipment. The profit margin inherent in these materials is deferred until the Company fulfills its obligation to install the materials during construction of the energy storage systems. Generally, margins in an EPC project are lower in the beginning and middle stages as the equipment is delivered, and margins are higher in the later stages as the Company performs the construction, installation, and commissioning services. As a result, gross profit and gross profit margin will vary from period to period.

Additionally, gross profit and gross profit margin may vary from period to period due to our sales volume, product prices, product costs, product mix, geographical mix, and change in estimates for warranty liabilities.

Sales and Marketing ("S&M") Expenses

S&M expenses consist primarily of internal personnel-related costs for marketing, sales, and related support teams, as well as external costs such as professional service fees, trade shows, marketing and sales-related promotional materials, public relations expenses, and website operating and maintenance costs. Personnel-related expenses include salaries, benefits, and stock-based compensation expenses.

Research and Development ("R&D") Expenses

R&D expenses consist primarily of internal and external expenses incurred in connection with our research activities and development programs that include material costs directly related to product development, testing and evaluation costs, construction costs including labor and transportation of material, overhead related costs and other direct expenses consisting of personnel-related expenses and consulting expenses relating to study of product safety, reliability and development. Personnel-related expenses consist of salaries, benefits, and stock-based compensation expense.

General and Administrative ("G&A") Expenses

G&A expenses consist of information technology expenses, legal and professional fees, travel costs, and personnel-related expenses for our corporate, executive, finance, and other administrative functions, including expenses for professional and contract services. Personnel-related expenses consist of salaries, benefits, and stock-based compensation expense. To a lesser extent, general and administrative expenses include investor relations costs, insurance costs, rent, office expenses, and maintenance costs.

Provision for (Benefit From) Credit Losses

Provision for credit losses represents the expense recognized to account for potential losses on accounts receivable, contract assets, and customer financing receivable due to customer defaults or credit deterioration. This provision reflects management's estimate of expected credit losses based on historical trends and forward-looking assessments.

Depreciation, Amortization, and Accretion Expense (Excluding Amounts Included in Cost of Revenue)

Depreciation, amortization, and accretion expense consists of depreciation associated with property and equipment (excluding energy storage system depreciation which is included in cost of revenue), amortization of intangible assets, and accretion of an asset retirement obligation.

Change in Fair Value of Financial Instruments Carried at Fair Value

Change in fair value of financial instruments carried at fair value represents a gain or loss from the change in fair value of the Company's convertible debentures, warrant liabilities, and derivative assets and liabilities.

Interest Expense

Interest expense consists of contractual interest expense and amortization of non-cash debt and financing costs related to short and long-term loans, insurance premium financings, and finance leases.

Interest Income

Interest income primarily consists of interest income from our money market funds and interest-bearing savings accounts

Other Expense, Net

Other income (expense) includes foreign currency gains and losses and non-recurring non-operating gains and losses.

Results of Operations

Consolidated Comparison of Three Months Ended March 31, 2026 to March 31, 2025

The following table sets forth our results of operations for the periods indicated (amounts in thousands):

	Three Months Ended March 31,		
	2026	2025	\$ Change
Revenue	\$ 21,879	\$ 8,534	\$ 13,345
Cost of revenue	17,091	3,658	13,433
Gross profit	4,788	4,876	(88)
Operating Expenses:			
Sales and marketing	2,910	4,145	(1,235)
Research and development	2,590	3,824	(1,234)
General and administrative	21,241	17,506	3,735
Provision for (benefit from) credit losses	25	(11)	36
Depreciation, amortization, and accretion (excluding amounts included in cost of revenue)	2,223	305	1,918
Total operating expenses	28,989	25,769	3,220
Loss from operations	(24,201)	(20,893)	(3,308)
Other income (expense):			
Interest expense	(3,466)	(95)	(3,371)
Interest income	568	315	253
Change in fair value of financial instruments carried at fair value	(134)	—	(134)
Other expense, net	(5,251)	(118)	(5,133)
Loss before income taxes	\$ (32,484)	\$ (20,791)	\$ (11,693)

Revenue

The Company recognized revenue for the product and service categories as follows for the three months ended March 31, 2026 and 2025 (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Sale of energy storage products	\$ 19,710	\$ 4,891
Tolling revenue and PPA revenue	1,528	—
Operation and maintenance services	444	276
Software licensing	182	112
IP licensing	15	3,255
Total revenue	<u>\$ 21,879</u>	<u>\$ 8,534</u>

Revenue for the three months ended March 31, 2026 was \$21.9 million, an increase of \$13.3 million from \$8.5 million in the same period in 2025. The increase was primarily due to a \$14.8 million increase in energy storage product sales and a \$1.5 million increase in tolling and PPA revenue, partially offset by a \$3.2 million decrease in IP licensing revenue. The increase in sales of energy storage products primarily related to progress on the Company's Australian EPC projects. The increase in tolling and PPA revenue primarily related to the Company's owned energy storage systems placed in service during the second and third quarters of 2025. The decrease in IP licensing revenue primarily reflected revenue recognized in the prior year period that did not recur in the current year period.

Revenue from one customer accounted for 81% of total revenue for the three months ended March 31, 2026, and revenue from two customers accounted for 55% and 38% of total revenue, respectively, for the three months ended March 31, 2025.

Cost of Revenue

Cost of revenue for the three months ended March 31, 2026 was \$17.1 million, an increase of \$13.4 million from \$3.7 million for the same period in 2025. The increase was driven by higher EPC project costs, primarily reflecting increased activity on the Company's Australian EPC projects during the first quarter of 2026 as compared to the same period in 2025.

Gross Profit and Gross Profit Margin

Gross profit for the three months ended March 31, 2026 was \$4.8 million, a decrease of \$0.1 million from \$4.9 million for the same period in 2025. The decrease in gross profit was driven primarily by the decrease in IP licensing revenue, which had no associated cost of revenue, partially offset by an increase in gross profit from the sale of energy storage products.

Gross profit margin decreased to 21.9% for the three months ended March 31, 2026 from 57.1% in the same period in 2025, primarily due to lower IP licensing revenue in 2026, compared to the prior year period.

Sales and Marketing Expenses

Sales and marketing expenses for the three months ended March 31, 2026 were \$2.9 million, a decrease of \$1.2 million from \$4.1 million for the same period in 2025. The decrease was driven primarily by cost control measures and lower S&M headcount, which together reduced personnel-related expenses by \$0.6 million, consulting fees by \$0.4 million, and external marketing and public relations costs by \$0.2 million.

Research and Development Expenses

Research and development expenses for the three months ended March 31, 2026 were \$2.6 million, a decrease of \$1.2 million from \$3.8 million for the same period in 2025. The decrease was driven primarily by cost control measures and lower R&D headcount, which reduced engineering and development costs by \$0.7 million and personnel-related expenses by \$0.6 million.

General and Administrative Expenses

General and administrative expenses for the three months ended March 31, 2026 were \$21.2 million, an increase of \$3.7 million from \$17.5 million for the same period in 2025. The increase was driven primarily by a \$1.8 million increase in legal and professional fees, a \$0.7 million increase in project development costs, a \$0.4 million increase in property tax and permitting fees, a \$0.3 million increase in travel expenses, a \$0.2 million increase in operating costs for the Snyder commercial demonstration unit ("CDU"), and a \$0.2 million increase in insurance costs.

Provision for (Benefit from) Credit Losses

Provision for credit losses for the three months ended March 31, 2026 was \$25 thousand, a change of \$36 thousand from an \$11 thousand benefit for the same period in 2025.

Depreciation, Amortization, and Accretion Expense (Excluding Amounts Included in Cost of Revenue)

Depreciation, amortization, and accretion expense (excluding amounts included in cost of revenue) for the three months ended March 31, 2026 was \$2.2 million, an increase of \$1.9 million from \$0.3 million for the same period in 2025. The increase primarily related to depreciation on the Snyder CDU, which was placed in service in the second half of 2025.

Interest Expense

Interest expense for the three months ended March 31, 2026 was \$3.5 million, an increase of \$3.4 million from \$0.1 million for the same period in 2025. The increase primarily reflected higher interest costs associated with debt financings obtained during 2025 and the first quarter of 2026, whereas during the first quarter of 2025, the Company's borrowings were limited to insurance premium financing arrangements with minimal interest costs.

Interest Income

Interest income for the three months ended March 31, 2026 was \$0.6 million, an increase of \$0.3 million from \$0.3 million for the same period in 2025. The increase in interest income primarily reflected higher average cash balances that earned interest compared to the same period in 2025.

Change in Fair Value of Financial Instruments Carried at Fair Value

Change in fair value of financial instruments carried at fair value was a loss of \$0.1 million for the three months ended March 31, 2026, with no comparable amount recognized for the same period in 2025.

Other Expense, Net

Other expense, net for the three months ended March 31, 2026 was \$5.3 million, an increase of \$5.1 million from \$0.1 million for the same period in 2025. The increase in other expense, net was primarily due to a \$5.2 million loss on partial debt extinguishment related to repayments of the Company's Convertible Debentures during the three months ended March 31, 2026, with no comparable amount recognized for the same period in 2025.

Liquidity and Capital Resources

Sources of Liquidity

Historically, Energy Vault has financed its net cash used in operating and investing activities primarily through the issuance and sale of equity, proceeds from the reverse recapitalization and private investment in public equity ("PIPE") transaction completed in 2022, and debt financings. In 2025, we also entered into a preferred equity investment arrangement at Asset Vault to support the development, acquisition, and ownership of energy storage assets.

For corporate-level liquidity, we have accessed unsecured debt financings. Our indebtedness ranks senior to our common equity. If we raise additional funds through the issuance of debt securities, such instruments could also rank senior to our common equity and may include covenants or other terms that impose restrictions on our operations. Volatility in the credit markets and broader financial services sector could impact the availability and cost of both debt and equity financing in the future.

In addition to corporate-level liquidity, in 2025 we launched Asset Vault, a fully consolidated subsidiary dedicated to developing, building, owning, and operating energy storage assets. In support of this strategy, we entered into a preferred equity investment arrangement with OIC, providing a \$300 million capital framework to fund the acquisition and development of a portfolio of energy storage assets. We have raised, and expect to continue to raise, project-level capital to support the development, construction, ownership, and operation of energy storage assets, including through Asset Vault and other project-specific financing vehicles. Such project-level capital has included preferred equity and project-level secured debt incurred by the subsidiaries that hold the applicable project assets (including subsidiaries of Asset Vault). This project-level debt is generally secured by the underlying energy storage systems and related project assets and is intended to be supported by, and repaid from, project cash flows, and may include customary limited-recourse provisions (including specified sponsor or project-party indemnities and other limited obligations) rather than full recourse to Energy Vault Holdings, Inc. While project-level financing can enable us to scale owned-asset deployments and manage corporate liquidity needs, the availability and cost of such financing depend on a variety of factors, including project readiness, permitting and interconnection status, contracted offtake and other revenue arrangements, counterparty credit, market conditions and interest rates, and evolving tax credit eligibility requirements and trade policy.

To support non-cash backed performance bonding and surety obligations required under project EPC agreements, the Company partners with Marsh to access bonding and surety instruments issued by top-rated insurance firms.

As part of our ongoing business operations, the Company had a sales backlog of \$1.3 billion as of March 31, 2026. Management expects this backlog to contribute to the future funding of our business, supported by a robust developed pipeline, which we anticipate to convert into additional contracted backlog as new agreements are executed.

Energy Vault has historically incurred negative operating cash flows and operating losses and may continue to incur operating losses in the future. The Company may seek to raise additional capital through combinations of equity and/or debt financings, subject to prevailing market conditions. Issuance of equity securities could result in dilution to existing stockholders and may include rights, preferences, or privileges senior to those of the Company's common stock.

Management believes that its cash, cash equivalents, and restricted cash on hand as of the filing date of this Quarterly Report will be sufficient to fund our operating activities and meet our obligations as they become due for at least the next twelve months without regard to any cash proceeds we may receive in the future upon the exercise of outstanding warrants. This assessment reflects the Company's expected operating cash requirements and the subsequent payments and commitments described below and in Notes 19 and 20 to the condensed consolidated financial statements.

Tax Credit Transfer Commitment

On March 28, 2025, the Company entered into a Tax Credit Transfer Commitment, on behalf of its majority and wholly-owned subsidiary companies, with a third-party purchaser pursuant to which the Company agreed to sell the investment tax credits ("ITC") generated by the Calistoga Resiliency Center ("CRC") energy storage system, the Cross Trails energy storage system, and the Snyder CDU. On February 26, 2026, the Company collected \$11.8 million in proceeds from the transfer of the Cross Trails ITC to the third-party purchaser. As of the date of the Quarterly Report, the sales of the eligible ITCs generated by CRC and the Snyder CDU are expected to close following the satisfaction of certain customary closing conditions.

At-the-Market ("ATM") Facility and Equity Purchase Agreements

On November 12, 2024, we entered into an open market sales agreement ("Sales Agreement") with Jefferies LLC, as sales agent (the "Sales Agent"), pursuant to which we may, from time to time, sell shares of our common stock, having an aggregate offering price of up to \$50.0 million through the Sales Agent under an "at-the-market" equity offering program. We may seek, from time to time, to raise additional capital either under the Sales Agreement or otherwise.

On March 31, 2025, we entered into the Hudson Equity Purchase Agreement. Pursuant to the Hudson Equity Purchase Agreement, the Company has the right at its sole discretion, but not the obligation, to sell to Hudson, and Hudson is obligated to purchase, up to \$25.0 million of newly issued shares of the Company's common stock, from time to time during the term of the Hudson Equity Purchase Agreement, subject to certain limitations and conditions.

In connection with the Hudson Equity Purchase Agreement, the Company entered into a Registration Rights Agreement, pursuant to which the Company agreed to register the Commitment Shares and the shares issuable pursuant to the Hudson Equity Purchase Agreement. The securities to be offered pursuant to the Hudson Equity Purchase Agreement will be offered pursuant to our effective shelf registration statement on Form S-3/A (File No. 333-273089), which was filed with the SEC on July 14, 2023 and declared effective on July 20, 2023.

On August 6, 2025, the Company entered into the Helena Purchase Agreement. Pursuant to the Helena Purchase Agreement, the Company has the right, but not the obligation, to sell to Helena, and Helena is obligated to purchase, up to 25.0 million of newly issued shares of the Company's common stock, from time to time over a 36-month term, subject to certain limitations and conditions. The obligations under the Helena Purchase Agreement are subject to a standstill period and will not commence until the later of (i) ninety days from the execution of the agreement, or (ii) the termination or expiration of the Company's existing Hudson Equity Purchase Agreement.

The Company expects to use the net proceeds from the sale of any shares under its ATM facility or equity purchase arrangements to invest in the development, construction, and deployment of energy storage-related projects, working capital, and general corporate purposes, including repayment of debt. The Company may find it necessary or advisable to use the net proceeds for other purposes.

The Company did not sell any shares under its ATM facility or equity purchase arrangements during the three months ended March 31, 2026 and 2025.

CRC Senior Notes

On April 4, 2025, CRC issued \$27.8 million of senior notes ("CRC Senior Notes"), with Eagle Point Credit as lender and Jefferies serving as agent for the transaction.

The CRC Senior Notes bear interest at 9.5% per annum and are senior secured obligations of CRC, backed by a first-priority pledge of all CRC assets and equity interests. The CRC Senior Notes include customary affirmative and negative covenants, including minimum cash reserves and a minimum debt service coverage ratio.

Principal and interest are payable semi-annually, with installments due each February 28 and August 31. A final balloon payment of \$7.0 million is due at maturity on April 4, 2032.

Cross Trails Senior Note

On July 23, 2025, Cross Trails Energy Storage Project, LLC (“Cross Trails”), a subsidiary of the Company (the “Cross Trails Borrower”), entered into a credit agreement (the “Cross Trails Senior Note”) with Wilmington Trust, National Association, as administrative agent and collateral agent, and Jefferies Capital Services, LLC, as initial lender.

The Cross Trails Senior Note provides for a senior secured term loan facility in an aggregate principal amount of approximately \$17.8 million. The Cross Trails Senior Note is structured as a single-draw term loan, with the full amount funded on July 23, 2025. The borrowing bears interest, at the Company’s election, at (i) the alternate base rate (“ABR”) plus 5.00% or (ii) the term secured overnight financing rate (“SOFR”) plus 6.00%. As of March 31, 2026, the Company was utilizing a SOFR of 3.6%, resulting in an interest rate of 9.6%.

The obligations under the Cross Trails Senior Note are secured by a first priority security interest in substantially all of the assets of the Cross Trails Borrower, including the project assets, accounts, and related collateral, as well as the membership interests in the Cross Trails Borrower. The Cross Trails Senior Note contains customary affirmative and negative covenants for a project financing of this type, including limitations on additional indebtedness, liens, asset sales, investments, affiliate transactions, and distributions.

Principal and interest are payable semi-annually, with installments due each February 28 and August 31. The Cross Trails Senior Note matures on July 23, 2032.

Reflecting performance within the ERCOT market since operations commenced at the Cross Trails BESS Project on May 31, 2025, the Company has not satisfied the current minimum Cross Trails Senior Note debt service coverage ratio under the covenant calculation for the quarter ended March 31, 2026. Under the terms of the Cross Trails Senior Note, the applicable reporting period has not yet occurred; the delivery date for the financial statements for the quarter ended March 31, 2026 is June 29, 2026. Also, the lender has informed the Company that an event of default has not occurred as of the date of this Quarterly Report. The Company intends to work with the lender between now and the delivery date to remedy this issue through a series of options, including but not limited to the receipt of waivers, project equity investments, and/or partial or full repayment in the appropriate time frame. As of March 31, 2026, the Company has classified the outstanding balance under the Cross Trails Senior Note as current as a result of the noncompliance.

Sale of Future Receipts

On August 29, 2025, the Company, together with Energy Vault, Inc., its wholly-owned subsidiary (collectively with the Company, the “Sellers”) entered into an agreement of sale of future receipts (the “Cedar Arrangement”) with Cedar Advance LLC (“Cedar”). Cedar paid a purchase price of \$5.0 million, from which \$0.5 million of origination fees were deducted, resulting in net proceeds of \$4.5 million. Under the agreement, the Sellers remit to Cedar \$0.2 million per week, or approximately 27.0% of future receivables collections, until Cedar has received an aggregate amount equal to (i) \$5.1 million if fully repaid within 30 days of funding, (ii) \$5.2 million if fully repaid after 30 days but within 60 days of funding, or (iii) \$6.3 million if not fully repaid within 60 days of funding.

The Company did not fully repay the Cedar Arrangement within 60 days of funding, therefore the applicable aggregate amount to be remitted to Cedar will be \$6.3 million. Through March 31, 2026, the Company had remitted \$5.1 million to Cedar, with \$1.2 million remaining.

Convertible Debentures

During 2025, the Company issued an aggregate principal amount of \$65.0 million of senior unsecured convertible debentures to YA II PN, Ltd. (the “Convertible Debentures”), consisting of \$30.0 million funded on September 22, 2025, \$20.0 million funded on December 16, 2025, and \$15.0 million funded on December 30, 2025. The Convertible Debentures bear interest at 7.0% per annum, require monthly installment payments of principal and interest, and permit the Company to satisfy installment payments in cash, through conversions into shares of the Company’s common stock, or a combination thereof, subject to the terms of the applicable debentures.

During the three months ended March 31, 2026, the Company used \$53.6 million of cash, inclusive of accrued interest and cash payment premiums, to partially extinguish Tranche 1 and fully extinguish Tranches 2 and 3 of the Convertible Debentures. As of March 31, 2026, \$5.9 million of principal remained outstanding under Tranche 1. Of this amount,

\$1.6 million was subject to a conversion notice delivered by the Investor that had not yet been converted into shares of the Company's common stock as of March 31, 2026. Tranche 1 matures on March 22, 2027.

Senior Convertible Notes

On February 17, 2026, the Company completed a private offering of \$140.0 million aggregate principal amount of Senior Convertible Notes due 2031 (the "Senior Convertible Notes") in a private placement to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act. In addition, the Company issued an additional \$10.0 million aggregate principal amount of Senior Convertible Notes pursuant to the initial purchasers' option in a transaction that closed on February 27, 2026. The Senior Convertible Notes bear interest at 5.250% per annum, payable in cash semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2026, and mature on March 1, 2031, unless earlier converted, redeemed or repurchased. The Company may redeem for cash all or part of the Senior Convertible Notes, at its option, on or after March 5, 2029. After deducting the 3.25% initial purchasers' discount, the Company received proceeds of \$145.1 million from the issuance of the Senior Convertible Notes.

In connection with the issuance of the Senior Convertible Notes, the Company also entered into capped call transactions with certain option counterparties. The capped call transactions are intended to reduce potential dilution to the Company's common stock upon any conversion of the Senior Convertible Notes, and/or offset any cash payments the Company is required to make in excess of the principal amount upon conversion, with such reduction and/or offset subject to a cap based on the cap price. The Company used \$20.5 million of the proceeds from the offering to pay the cost of the capped call transactions.

The Senior Convertible Notes are convertible in certain circumstances and during specified periods, and the Company may settle conversions in cash, shares of the Company's common stock, or a combination of cash and shares, at its election. The Senior Convertible Notes may be redeemed by the Company on or after March 5, 2029, subject to certain conditions, and holders may require the Company to repurchase the Senior Convertible Notes upon the occurrence of a fundamental change.

Senior Secured Convertible Debentures

On May 18, 2026, the Company entered into a Securities Purchase Agreement (the "Purchase Agreement") with YA II PN, Ltd. (the "Investor"), pursuant to which the Company agreed to issue senior secured convertible debentures (the "Senior Secured Convertible Debentures") in multiple tranches with an aggregate principal amount of up to \$75.0 million.

The initial tranche of \$42.0 million will be funded at closing and net proceeds are expected to be \$39.6 million after deductions for an original issue discount and origination fees. The Senior Secured Convertible Debentures are secured by assets of the Company, Energy Vault, Inc. and the Company's Swiss and Australian subsidiaries.

The Senior Secured Convertible Debentures were issued at 95% of par, bear interest at 7.5% per annum (18.0% upon an uncured event of default), and mature on May 17, 2027. Beginning on September 18, 2026 and monthly thereafter (each, a "Payment Date"), approximate scheduled installments of principal and accrued interest are due as follows (per \$10.0 million of original principal): \$1.2 million on the first Payment Date, \$1.2 million on each of the next 3 Payment Dates, \$1.1 million on each of the next 4 Payment Dates, and \$1.1 million at maturity. For the initial tranche, the floor price is \$1.19 per share.

For each installment, the Company may (i) pay cash, (ii), if certain conditions are satisfied, elect to allow the Investor to convert the unpaid installment at a price equal to 97% of the lowest daily VWAP during the four consecutive trading days immediately preceding the conversion date, or (iii) satisfy the installment through a combination of cash and conversion.

Cash, Cash Equivalents, and Restricted Cash

Our cash equivalents are highly liquid investments purchased with original or remaining maturities of three months or less.

The following table summarizes our cash, cash equivalents, and restricted cash balances as of March 31, 2026 and December 31, 2025 (amounts in thousands):

	March 31, 2026	December 31, 2025
Cash and cash equivalents	\$ 55,243	\$ 58,260
Restricted cash	61,884	45,183
Total cash, cash equivalents, and restricted cash	<u>\$ 117,127</u>	<u>\$ 103,443</u>

Restricted cash primarily consists of cash deposits held in segregated accounts as collateral for certain debt financing requirements and for guarantees and bonds issued in connection with our customer owned and Company owned projects under development.

Additionally, our contractual arrangements with customers often require us to issue letters of credit, bank guarantees, and performance and payment bonds to secure our performance under those contracts. To collateralize these instruments, we deposit cash in restricted accounts that cannot be used for general corporate purposes until the underlying obligations are settled or the guarantees expire.

The following table summarizes restricted cash balances (amounts in thousands):

	March 31, 2026	December 31, 2025
Restricted cash, current portion	\$ 13,505	\$ 4,717
Restricted cash, long-term portion	48,379	40,466
Total restricted cash	<u>\$ 61,884</u>	<u>\$ 45,183</u>
Restricted cash related to debt financing	\$ 10,286	\$ 9,489
Restricted cash related to customer and owned projects	49,147	33,002
Other	2,451	2,692
Total restricted cash	<u>\$ 61,884</u>	<u>\$ 45,183</u>

Contractual Obligations

Our principal commitments as of March 31, 2026 consisted primarily of obligations under debt financing arrangements, operating leases, finance leases, a deferred pension, warranty liabilities, and issued purchase orders. Our non-cancellable purchase obligations as of March 31, 2026 totaled approximately \$5.0 million, which is all expected to be paid in the next twelve months.

Subsequent to March 31, 2026, the Company made or committed to certain payments in connection with the Mesa Del Sol project, including funding \$7.5 million of prepaid development costs to Public Service Company of New Mexico, paying a \$10.0 million reservation fee under a production slots reservation agreement, and paying or agreeing to pay certain other nonrefundable fees related to project development and land acquisition rights. The underlying land purchase agreement includes an initial closing requirement for certain tracts by December 18, 2026; however, the Company's obligation to close remains subject to specified conditions, and the Company may terminate the arrangement without liability in excess of the nonrefundable assignment fee. The production slots reservation agreement does not obligate the Company to purchase the underlying equipment unless the parties execute a separate sales contract.

The following table summarizes the cash maturities of the Company's debt instruments as of March 31, 2026 (amounts in thousands):

	2026	2027	2028	2029	2030	Thereafter
Debt obligations ⁽¹⁾	\$ 9,005	\$ 3,858	\$ 2,615	\$ 3,228	\$ 3,129	\$ 166,408

⁽¹⁾ The table reflects contractual principal maturities and does not reflect the balance sheet classification of the Cross Trails Senior Note as current as of March 31, 2026, as described above.

Cash Flows

The following table summarizes cash flows from operating, investing, and financing activities for the periods indicated (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Net cash used in operating activities	\$ (53,797)	\$ (2,730)
Net cash provided by (used in) investing activities	4,707	(7,313)
Net cash provided by financing activities	61,153	27,060
Effects of exchange rate changes on cash	1,621	65
Net increase in cash, cash equivalents, and restricted cash	<u>\$ 13,684</u>	<u>\$ 17,082</u>

Operating Activities

Net cash used in operating activities was \$53.8 million for the three months ended March 31, 2026, compared to net cash used in operating activities of \$2.7 million for the same period in 2025.

For the three months ended March 31, 2026, net cash used in operating activities reflects a net loss of \$32.5 million, adjusted for \$16.8 million in non-cash charges, a \$59.2 million decrease in operating liabilities, and a \$21.0 million decrease in operating assets.

Significant non-cash items include \$7.1 million in stock-based compensation expense, \$5.2 million in loss on debt extinguishment, and \$3.5 million in depreciation, amortization, and accretion expense.

The decrease in operating liabilities was driven by a \$67.7 million decrease in accounts payable and accrued expenses, partially offset by an \$8.6 million increase in contract liabilities. The decrease in operating assets was driven by a \$21.0 million decrease in accounts receivable, a \$2.9 million decrease in contract assets, and a \$2.7 million decrease in advances to suppliers, partially offset by a \$3.0 million increase in prepaid expenses and other current assets and a \$2.6 million increase in other assets.

Net cash used in operating activities for the three months ended March 31, 2026 increased compared with the same period in 2025, primarily reflecting higher payments to vendors, including payments that reduced accounts payable and accrued expenses during the period.

Investing Activities

Net cash provided by investing activities was \$4.7 million for the three months ended March 31, 2026, compared to net cash used in investing activities of \$7.3 million for the same period in 2025.

Net cash provided by investing activities for the three months ended March 31, 2026 consisted of \$11.8 million in proceeds from the transfer of the Cross Trails ITC to a third-party buyer, partially offset by \$7.1 million used for purchases of property and equipment, primarily related to construction of the SOSA project.

The change from net cash used in investing activities in the prior year period to net cash provided by investing activities in the current year period was driven primarily by the \$11.8 million in proceeds from the transfer of the Cross Trails ITC, partially offset by property and equipment expenditures during the period.

Financing Activities

Net cash provided by financing activities was \$61.2 million for the three months ended March 31, 2026, compared to net cash provided by financing activities of \$27.1 million for the three months ended March 31, 2025.

Cash provided by financing activities for the three months ended March 31, 2026 was primarily attributable to \$150.0 million in gross proceeds from the issuance of the Senior Convertible Notes, partially offset by \$56.5 million of debt repayments, \$20.5 million paid for the capped call transactions, \$9.8 million of debt issuance costs related to the Senior Convertible Notes (inclusive of initial purchasers' discount), and \$1.7 million of taxes paid related to the net share settlement of RSUs.

The increase in cash provided by financing activities for the three months ended March 31, 2026, compared to the same period in 2025, was driven primarily by higher proceeds from debt financings, partially offset by higher debt repayments and payments related to the capped call transactions entered into in connection with the issuance of the Senior Convertible Notes.

Non-GAAP Financial Measures

To complement our consolidated statements of operations and comprehensive loss, we use non-GAAP financial measures of adjusted gross profit, adjusted gross margin, adjusted S&M expenses, adjusted R&D expenses, adjusted G&A expenses, adjusted operating expenses, adjusted net loss, and adjusted EBITDA. Management believes that these non-GAAP financial measures complement our GAAP amounts and such measures are useful to securities analysts and investors to evaluate our ongoing results of operations when considered alongside our GAAP measures. The presentation of these non-GAAP measures is not meant to be considered in isolation or as an alternative to other measures of financial performance calculated in accordance with GAAP. These non-GAAP measures and their reconciliation to GAAP financial measures are shown below.

The following table provides a reconciliation from GAAP gross profit to non-GAAP adjusted gross profit (amounts in thousands, unaudited):

	Three Months Ended March 31,	
	2026	2025
Revenue	\$ 21,879	\$ 8,534
Cost of revenue	17,091	3,658
Gross profit (GAAP)	4,788	4,876
Gross margin (GAAP)	21.9 %	57.1 %
Non-GAAP adjustment:		
Add: depreciation and amortization	1,323	—
Adjusted gross profit (non-GAAP)	\$ 6,111	\$ 4,876
Adjusted gross margin (non-GAAP)	27.9 %	57.1 %

The following table provides a reconciliation from GAAP S&M expenses to non-GAAP adjusted S&M expenses (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
S&M expenses (GAAP)	\$ 2,910	\$ 4,145
Non-GAAP adjustments:		
Less: stock-based compensation expense	688	1,045
Adjusted S&M expenses (non-GAAP)	\$ 2,222	\$ 3,100

The following table provides a reconciliation from GAAP R&D expenses to non-GAAP adjusted R&D expenses (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
R&D expenses (GAAP)	\$ 2,590	\$ 3,824
Non-GAAP adjustments:		
Less: stock-based compensation expense	964	1,368
Adjusted R&D expenses (non-GAAP)	\$ 1,626	\$ 2,456

The following table provides a reconciliation from GAAP G&A expenses to non-GAAP adjusted G&A expenses (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
G&A expenses (GAAP)	\$ 21,241	\$ 17,506
Non-GAAP adjustments:		
Less: stock-based compensation expense	5,401	6,863
Adjusted G&A expenses (non-GAAP)	\$ 15,840	\$ 10,643

The following table provides a reconciliation from GAAP operating expenses to non-GAAP operating expenses (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Operating expenses (GAAP)	\$ 28,989	\$ 25,769
Non-GAAP adjustments:		
Less: depreciation, amortization, and accretion (excluding amounts included in cost of revenue)	2,223	305
Less: stock-based compensation expense	7,053	9,276
Less: provision for (benefit from) credit losses	25	(11)
Adjusted operating expenses (non-GAAP)	\$ 19,688	\$ 16,199

The following table provides a reconciliation from net loss attributable to Energy Vault Holdings, Inc. to non-GAAP adjusted net loss, (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Net loss attributable to Energy Vault Holdings, Inc. (GAAP)	\$ (32,485)	\$ (21,136)
Non-GAAP adjustments:		
Stock-based compensation expense	7,053	9,276
Provision for (benefit from) credit losses	25	(11)
Change in fair value of financial instruments carried at fair value	134	—
Loss on debt extinguishment	5,191	—
Net loss attributable to non-controlling interest	—	(38)
Foreign exchange losses	61	133
Adjusted net loss (non-GAAP)	<u>\$ (20,021)</u>	<u>\$ (11,776)</u>

The following table provides a reconciliation from net loss attributable to Energy Vault Holdings, Inc. to non-GAAP adjusted EBITDA, with net loss attributable to Energy Vault Holdings, Inc. being the most directly comparable GAAP measure (amounts in thousands):

	Three Months Ended March 31,	
	2026	2025
Net loss attributable to Energy Vault Holdings, Inc. (GAAP)	\$ (32,485)	\$ (21,136)
Non-GAAP adjustments:		
Interest expense	3,466	95
Interest income	(568)	(315)
Provision for income taxes	1	383
Depreciation, amortization, and accretion	3,546	305
Stock-based compensation expense	7,053	9,276
Provision for (benefit from) credit losses	25	(11)
Change in fair value of financial instruments carried at fair value	134	—
Loss on debt extinguishment	5,191	—
Net loss attributable to non-controlling interest	—	(38)
Foreign exchange losses	61	133
Adjusted EBITDA (non-GAAP)	<u>\$ (13,576)</u>	<u>\$ (11,308)</u>

We present adjusted EBITDA, which is net loss excluding adjustments that are outlined in the quantitative reconciliation provided above, as a supplemental measure of our performance and because we believe this measure is frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in our industry. The items excluded from adjusted EBITDA are excluded in order to better reflect our continuing operations.

Adjusted EBITDA is presented on a consolidated basis. Because our reconciliation starts with net loss attributable to Energy Vault Holdings, Inc., we add back net loss attributable to non-controlling interests to arrive at consolidated Adjusted EBITDA. Non-controlling interest allocations may be significantly impacted by the hypothetical liquidation at book value method to allocate Asset Vault's income (loss) between the Company and the redeemable non-controlling interest.

In evaluating adjusted EBITDA, one should be aware that in the future we may incur expenses similar to the adjustments noted above. Our presentation of adjusted EBITDA should not be construed as an inference that our future results will be unaffected by these types of adjustments. Adjusted EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net loss, operating loss, or any other performance measures derived in accordance with GAAP or as an alternative to cash flow from operating activities as a measure of our liquidity.

Our adjusted EBITDA measure has limitations as an analytical tool, and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- it does not reflect our cash expenditures, future requirements for capital expenditures, or contractual commitments;

- it does not reflect changes in, or cash requirements for, our working capital needs;
- it does not reflect stock-based compensation, which is an ongoing expense;
- although depreciation, amortization, and accretion are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and our adjusted EBITDA measure does not reflect any cash requirements for such replacements;
- it is not adjusted for all non-cash income or expense items that are reflected in our consolidated statements of cash flows;
- it does not reflect the impact of earnings or charges resulting from matters we consider not to be indicative of our ongoing operations;
- it does not reflect limitations on or costs related to transferring earnings from our subsidiaries to us; and
- other companies in our industry may calculate this measure differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the growth of our business or as a measure of cash that will be available to use to meet our obligations. You should compensate for these limitations by relying primarily on our GAAP results and using adjusted EBITDA only supplementally.

Critical Accounting Estimates

The preparation of these financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

There have not been any changes to our critical accounting policies and estimates as compared to those disclosed under the caption *Critical Accounting Estimates* in Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations included in the 2025 Annual Report on Form 10-K filed with the SEC on March 18, 2026.

Emerging Growth Company Accounting Election

We are an "emerging growth company" as defined in Section 2(a) of the Securities Act of 1933, as amended, and have irrevocably elected to take advantage of the benefits of this extended transition period for new or revised financial accounting standards. We are expected to remain an emerging growth company through the end of 2026 and expect to continue to take advantage of the benefits of the extended transition period. This may make it difficult or impossible to compare our financial results with the financial results of another public company that is either not an emerging growth company or is an emerging growth company that has chosen not to take advantage of the extended transition period exemptions for emerging growth companies because of the potential differences in accounting standards used.

Recently Adopted and Issued Accounting Pronouncements

Recently issued and adopted/unadopted accounting pronouncements are described in Note 2 of the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk represents the risk of loss that may impact our financial position because of adverse changes in financial market prices and rates.

Foreign Currency Risk

The majority of our contracts with customers are denominated in U.S. dollars, the Australian dollar, the Swiss franc, and the Euro, and certain of our definitive agreements could be denominated in other currencies. A strengthening of the U.S. dollar could increase the cost of our solutions to our international customers, which could adversely affect our business and results of operations.

In addition, a portion of our operating expenses are incurred outside the United States and are denominated in foreign currencies, such as the Euro, the Swiss franc, and the Australian dollar, and are subject to fluctuations due to changes in foreign currency exchange rates. If we increase our exposure to foreign currencies and are not able to successfully hedge against the risks associated with currency fluctuations, our results of operations could be adversely affected.

Inflation Risk

Our operations could be adversely impacted by inflation, primarily from higher material, labor, and construction costs. While it is difficult to measure the impact of inflation for such estimates accurately, we believe, if our costs are affected due to significant inflationary pressures, we may not be able to fully offset higher costs through price increases or other corrective measures, which may adversely affect our business, financial condition, and results of operations.

Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a loss to us. Our customers include the counterparties for the sale of our energy storage products and solutions and the licensees of our IP. A loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment could harm our business and negatively impact revenue, results of operations, and cash flows. Credit policies have been approved and implemented to assess our existing and potential customers with the objective of mitigating credit losses. These policies establish guidelines, controls, and credit limits to manage credit risk within approved tolerances by mandating an appropriate evaluation of the financial condition of existing and potential customers, monitoring agency credit ratings, and by implementing credit practices that limit exposure according to the risk profiles of the counterparties. In addition, customers are required to make milestone payments based on their project's progress. We may also, at times, require letters of credit, parent guarantees, or cash collateral when deemed necessary.

Our overall exposure may be affected positively or negatively by macroeconomic or regulatory changes that may impact our counterparties. We continuously monitor the creditworthiness of all our customers.

Commodity Price Risk

We are subject to risk from fluctuating market prices of certain commodity raw materials, including cement, steel, aluminum, and lithium, that are used in the components that we purchase from our suppliers and then as inputs to our products. Prices of these raw materials may be affected by supply restrictions, logistics costs, and other market factors from time to time. We do not enter into hedging arrangements to mitigate commodity risk. Significant price changes for these raw materials could reduce our operating margins if suppliers increase component prices and we are unable to recover such increases from our customers and could harm our business, financial condition, and results of operations.

Item 4. Controls and Procedures

Limitations on the Effectiveness of Controls

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation of our disclosure controls and procedures as of March 31, 2026, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures as of such date are effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II-Other Information

Item 1. Legal Proceedings

Energy Vault has been and continues to be involved in legal proceedings that arise in the ordinary course of business, the outcome of which, if determined adversely to Energy Vault, would not individually or in the aggregate have a material adverse effect on Energy Vault's business, financial condition, and results of operations. From time to time, Energy Vault may become involved in additional legal proceedings arising in the ordinary course of its business.

Item 1A. Risk Factors

Our results of operations and financial condition are subject to various risks and uncertainties as disclosed in Part I, Item 1A. of our Annual Report on Form 10-K for the year ended December 31, 2025 ("2025 Form 10-K"), filed with the Securities and Exchange Commission on March 18, 2026. The following information updates, and should be read in conjunction with, the information disclosed in Part I, Item 1A., Risk Factors of our 2025 Form 10-K, which are incorporated herein by reference. You should carefully consider the risks set forth in our 2025 Form 10-K and the following risks, together with all the other information in this report, including our condensed consolidated financial statements and notes thereto. If any of the risks actually materialize, our operating results, financial condition and liquidity could be materially and adversely affected. Except as disclosed below, there have been no material changes from the risk factors disclosed in our 2025 Form 10-K.

The following risk factors below are hereby added to the risk factors disclosed in our 2025 Form 10-K:

Successfully capitalizing on the significant emerging opportunity presented by the power needs of data center and hyperscaler customers, as well as other commercial operations in need of substantial additional power generation, through the co-location of power generation assets depends on our ability to navigate unique operational challenges endemic to reliable, firm power delivery.

The rapid growth of artificial intelligence and hyperscale computing has created an unprecedented demand for large-scale, highly reliable power that existing public grid infrastructure is increasingly unable to satisfy. Data center operators and hyperscalers require power at a scale and reliability standard that traditional utility service providers are increasingly unable to readily accommodate, and interconnection queues, transmission constraints, and equipment procurement delays have made grid-dependent power solutions impractical for many large customers. Additionally, there is immense political and social scrutiny on the large-scale consumption of power and other resources by these customers from public infrastructure.

Our customers may seek to have us serve this demand by providing power directly to data center and hyperscaler tenants from on-site generation assets that we own or in the future may secure, including traditional and renewable energy generation and energy storage assets and facilities co-located with customers' computing infrastructure. While we believe this model addresses a critical and growing market need, it involves substantial risks that could materially and adversely affect our business, results of operations, and financial condition.

The ability to successfully deliver on-site power generation for customers is in part subject to risks related to commodity pricing volatility and natural gas pipeline transportation and supply issues; equipment procurement and construction timing for natural gas-fired generation units (which have a substantial existing backlog) and solar PV arrays; and battery safety and longevity.

Our decision to deploy generation capacity on an accelerated schedule is subject to equipment availability and procurement timelines, as well as the availability of specialized labor. Additionally, we may be reliant on third-party original equipment manufacturers and other contractors for project delivery, and disruptions or quality control issues could affect our energy availability and cost structure. Moreover, the non-standard nature of our private power systems—where data center and hyperscaler tenants draw power directly from co-located, on-site natural gas and solar generation assets also owned by us—may lead to unforeseen compliance issues or technical incompatibilities with tenants' computing workloads or future battery storage integration. Any delays or inability to provide on-site power generation to customers may negatively affect our ability to grow our business and may have an adverse impact on our cash flow from operations.

Covenant restrictions in our existing or future debt instruments may limit our flexibility to operate and grow our business, and if we are not able to comply with such covenants or pay amounts when due, our lenders could accelerate our indebtedness, proceed against certain collateral, or exercise other remedies, which could have a material adverse effect on us.

We are party to, and may in the future enter into, debt and other financing instruments that contain operating and financial covenants and other restrictions, and such instruments may also include equity-linked features. These covenants and restrictions, subject to certain exceptions, may limit our ability to, among other things, incur additional indebtedness, pay

dividends or make distributions, redeem or repurchase our securities, make certain investments, grant liens on our assets, sell or dispose of material assets, or engage in acquisitions, mergers, or other strategic transactions. As a result, covenant restrictions in our existing or future debt instruments may limit our flexibility to operate and grow our business. In addition, these arrangements may include affirmative covenants that require us to take, or cause to be taken, specific actions by specified dates, and our ability to comply with such covenants depends on our future operating performance and other factors, including events outside of our control.

Complying with these covenants, as well as those that may be contained in any future debt agreements, may limit our ability to finance our future operations or working capital needs or to take advantage of future business opportunities. If we fail to comply with applicable covenants, reporting requirements, or other terms and conditions, and any default is not cured or waived, our lenders could accelerate our indebtedness, proceed against certain collateral, or exercise other remedies. If amounts are accelerated, we may not have sufficient liquidity to repay the obligations when due, and we may not be able to obtain additional financing or refinancing on acceptable terms, or at all. In addition, certain of our debt agreements contain cross-default and cross-acceleration provisions. As a result, any default or acceleration under one debt agreement could trigger corresponding defaults or acceleration rights under these other agreements, potentially requiring the Company to immediately repay a substantial portion of its outstanding indebtedness. Any of the foregoing could materially and adversely affect our liquidity, business, results of operations, and financial condition.

Reflecting performance within the ERCOT market since operations commenced at the Cross Trails BESS Project on May 31, 2025, we have not satisfied the current minimum Cross Trails Senior Note debt service coverage ratio under the covenant calculation for the quarter ended March 31, 2026. Under the terms of the Cross Trails Senior Note, the applicable reporting period has not yet occurred; the delivery date for the financial statements for the quarter ended March 31, 2026 is June 29, 2026. Also, the lender has informed us that an event of default has not occurred as of the date of this Quarterly Report. We intend to work with the lender between now and the delivery date to remedy this issue through a series of options, including but not limited to the receipt of waivers, project equity investments, and/or partial or full repayment in the appropriate time frame. However, there can be no assurance that any such remedies, including waivers or amendments, will be successful or will be obtained on acceptable terms or at all.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Other than as previously described in Current Reports on Form 8-K, there were no unregistered sales of equity securities during the period covered by this report.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) Disclosure in lieu of reporting on a Current Report on Form 8-K.

Item 1.01 Entry into a Material Definitive Agreement

On May 18, 2026, the Company entered into a Securities Purchase Agreement (the “Purchase Agreement”) with YA II PN, Ltd. (the “Investor”), pursuant to which the Company agreed to issue senior secured convertible debentures (the “Senior Secured Convertible Debentures”) in multiple tranches with an aggregate principal amount of up to \$75.0 million.

The initial tranche of \$42.0 million will be funded at closing and net proceeds are expected to be \$39.6 million after deductions for an original issue discount and origination fees. The Senior Secured Convertible Debentures are secured by assets of the Company, Energy Vault, Inc. and the Company’s Swiss and Australian subsidiaries.

The Senior Secured Convertible Debentures were issued at 95% of par, bear interest at 7.5% per annum (18.0% upon an uncured event of default), and mature on May 17, 2027. Beginning on September 18, 2026 and monthly thereafter (each, a “Payment Date”), approximate scheduled installments of principal and accrued interest are due as follows (per \$10.0 million of original principal): \$1.2 million on the first Payment Date, \$1.2 million on each of the next three Payment Dates, \$1.1 million on each of the next four Payment Dates, and \$1.1 million at maturity. For the initial tranche, the floor price is \$1.19 per share.

For each installment, the Company may (i) pay cash, (ii), if certain conditions are satisfied, elect to allow the Investor to convert the unpaid installment at a price equal to 97% of the lowest daily VWAP during the four consecutive trading days immediately preceding the conversion date, or (iii) satisfy the installment through a combination of cash and conversion. Investor conversions are subject to a beneficial ownership limit of 4.99% of the Company’s common stock and to a limit of

19.99% of the Company's outstanding common stock as of closing unless stockholder approval to exceed such cap is obtained in accordance with the rules and regulations of the NYSE (the "Exchange Cap"). Pursuant to the Exchange Cap, the Senior Secured Convertible Debentures are convertible for a maximum of 33,251,333 shares of common stock.

An "Amortization Event" includes, among other things, (i) the Company's common stock trading below the Floor Price for 5 of 7 consecutive trading days, (ii) issuance of more than 99% of the shares available under the Exchange Cap without stockholder approval, or (iii) from any time after the six-month anniversary of the issuance of the Senior Secured Convertible Debentures, the Investor is unable to sell its shares pursuant to Rule 144. While an Amortization Event is in effect, the monthly installment must be paid in cash and the installment amount may increase to the greater of the scheduled amount and 20.0% of then-outstanding principal.

The Purchase Agreement includes customary covenants and restrictions, including a prohibition on certain variable-rate transactions while amounts may be or are outstanding, limitations on additional indebtedness and liens subject to agreed exceptions (including specified project-level indebtedness for subsidiaries such as Calistoga and Cross Trails and certain refinancings), and limitations on the Company's use of equity lines without Investor consent. The Company's obligations under the Senior Secured Convertible Debentures are guaranteed by Energy Vault, Inc., Energy Vault Pty Ltd and Energy Vault SA. The Investor agreed not to engage in short sales of the Company's equity, but may sell shares corresponding to submitted conversions. Net proceeds are expected to be used to fund, directly or indirectly, general working capital, development, construction and/or investment in energy storage projects and general corporate and administrative expenses.

The Senior Secured Convertible Debentures and related definitive agreements are governed by New York law. The Senior Secured Convertible Debentures and the shares of Common Stock issuable upon conversion thereof have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and were offered and sold in a private placement in reliance on Section 4(a)(2) of the Securities Act and/or Rule 506 of Regulation D thereunder. The Investor represented that it is an accredited investor.

In connection to the foregoing, also on May 18, 2026, the Company and Investor agreed with respect to that Securities Purchase Agreement, by and among the Company and Investor, dated as of September 22, 2025 (as amended, the "2025 SPA") that, among other things, Investor waives compliance with certain of the covenants, agreements, obligations and restrictions imposed on the Company pursuant to Article 4 of the 2025 SPA.

The foregoing description of the Purchase Agreement and the forms of Senior Secured Convertible Debentures does not purport to be complete and is qualified in its entirety by reference to the full text of each such agreement, which are attached to this Quarterly Report on Form 10-Q as Exhibits 10.15, 4.1 and 4.2, respectively, and incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information contained in Item 1.01 with respect to the Senior Secured Convertible Debentures is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The disclosure set forth above in Item 1.01 relating to the issuance of any shares to be issued in connection with a conversion of the Senior Secured Convertible Debentures and relating to the issuance of the Senior Secured Convertible Debentures, is incorporated by reference herein in its entirety.

The issuance of the Senior Secured Convertible Debentures pursuant to the Purchase Agreement was made in reliance upon the exemption from registration contained in Section 4(a)(2) of the Securities Act. This Quarterly Report on Form 10-Q shall not constitute an offer to sell or the solicitation of any offer to buy the securities discussed herein, nor shall there be any offer, solicitation, or sale of the securities in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

(b) Material changes to the procedures by which security holders may recommend nominees to the board of directors.

None.

(c) Insider trading arrangements and policies.

During the three months ended March 31, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Description of Document	Incorporated by Reference			
		Schedule/Form	File Number	Exhibit Number	Filing Date
3.1	Amended and Restated Bylaws of Energy Vault Holdings, Inc.	8-K	001-39982	3.1	February 14, 2022
3.2	Amended and Restated Certificate of Incorporation of Energy Vault Holdings, Inc.	8-K	001-39982	3.2	February 14, 2022
4.1**	Form of AR Senior Convertible Debenture, dated May 18, 2026, by and between Energy Vault Holdings, Inc. and YA II PN, LTD.				
4.2**	Form of LC Senior Convertible Debentures, dated May 18, 2026, by and between Energy Vault Holdings, Inc. and YA II PN, LTD.				
10.1	Note Purchase Agreement, dated April 4, 2025, by and between Calistoga Resiliency Center, LLC and Eagle Point Credit Management, LLC	10-Q	001-39982	10.4	May 13, 2025
10.2	Equity Purchase Agreement, dated March 31, 2025, by and between Energy Vault Holdings, Inc. and Hudson Global Ventures, LLC	10-Q	001-39982	10.5	May 13, 2025
10.3	Form of Credit Agreement, dated May 12, 2025, by and between Energy Vault Holdings, Inc. and Crescent Cove Opportunity Lending, LLC	10-Q	001-39982	10.6	May 13, 2025
10.4	Equity Purchase Agreement, dated August 6, 2025, by and between Energy Vault Holdings, Inc. and Helena Global Investment Opportunities I LTD	10-Q	001-39982	10.4	August 8, 2025
10.5	Credit Agreement, dated as of July 23, 2025, by and among Cross Trails Energy Storage Project, LLC, Wilmington Trust, National Association, as administrative agent and collateral agent, and each of the lenders party thereto	8-K	001-39982	10.1	July 28, 2025
10.6	Standard Merchant Cash Advance Agreement, dated August 28, 2025, by and between Energy Vault Holdings, Inc., Energy Vault Inc., and Cedar Advance LLC.	10-Q	001-39982	10.6	November 10, 2025
10.7	Securities Purchase Agreement, dated September 22, 2025, between Energy Vault Holdings, Inc. and YA II PN, LTD.	10-Q	001-39982	10.7	November 10, 2025
10.8	Registration Rights Agreement, dated September 22, 2025, between Energy Vault Holdings, Inc. and YA II PN, LTD.	10-Q	001-39982	10.8	November 10, 2025
10.9	Tax Credit Purchase Agreement, dated July 18, 2025, by and between Calistoga Resiliency Center, LLC, Calistoga Resiliency Center HoldCo, and Vitol Inc.	10-Q	001-39982	10.9	November 10, 2025
10.10	Amended and Restated Limited Liability Company Agreement of Asset Vault, LLC, dated October 9, 2025	10-Q	001-39982	10.10	November 10, 2025
10.11	Contribution and Purchase Agreement, by and among Energy Vault, Inc., OIC Structured Equity Fund I, L.P., OIC Structured Equity Fund I AUS, L.P., OIC Structured Equity Fund I GPFA, L.P. and Asset Vault, LLC	10-Q	001-39982	10.11	November 10, 2025
10.12**	Non-Employee Director Compensation Policy, as amended				

Exhibit Number	Description of Document	Incorporated by Reference			
		Schedule/Form	File Number	Exhibit Number	Filing Date
10.13**	Retention Bonus Agreement by and between Energy Vault Holdings, Inc. and Robert Piconi, dated as of September 10, 2025				
10.14**	Retention Bonus Agreement by and between Energy Vault Holdings, Inc. and Robert Piconi, dated as of December 16, 2025				
10.15**	Securities Purchase Agreement, dated May 18, 2026, by and between Energy Vault Holdings, Inc. and YA II PN, LTD.				
31.1**	Certification of Principal Executive Officer required under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended				
31.2**	Certification of Chief Financial Officer required under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended				
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
101.INS**	XBRL Instance Document				
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document				
101.SCH**	XBRL Taxonomy Extension Schema Document				
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB**	XBRL Taxonomy Extension Labels Linkbase Document				
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document				
104**	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)				

** Filed herewith

^ The certifications attached as Exhibit 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filings of Energy Vault Holdings, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

† Pursuant to Item 601(a)(5) of Regulation S-K, certain schedules and similar attachments have been omitted. The registrant hereby agrees to furnish a copy of any omitted schedule or similar attachment to the Securities and Exchange Commission upon request.

Pursuant to Item 601(b)(10)(iv) of Regulation S-K promulgated by the Securities and Exchange Commission, certain portions of this exhibit have been redacted because the Company customarily and actually treats such omitted information as private or confidential and because such omitted information is not material.

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 thereunto duly authorized.

Energy Vault Holdings, Inc.

Date: May 18, 2026

By: /s/ Robert Piconi
Name: Robert Piconi
Title: Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Date: May 18, 2026

By: /s/ Michael Beer
Name: Michael Beer
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

NEITHER THIS DEBENTURE NOR THE SECURITIES INTO WHICH THIS DEBENTURE IS CONVERTIBLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE. THESE SECURITIES HAVE BEEN SOLD IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

ENERGY VAULT HOLDINGS, INC.

AR Convertible Debenture

Original Principal Amount: \$[]

Issuance Date: [], 202[]

Number: NRGV-AR[]

FOR VALUE RECEIVED, ENERGY VAULT HOLDINGS, INC., an entity organized under the laws of Delaware (the “Company”), hereby promises to pay to YA II PN, LTD., or its registered assigns (the “Holder”) the amount set out above as Original Principal Amount (or such lesser amount as reduced pursuant to the terms hereof pursuant to repayment, redemption, conversion or otherwise, the “Principal”), in each case when due, and to pay interest (“Interest”) on any outstanding Principal at the Interest Rate (as defined below) from the date set out above as the Issuance Date (the “Issuance Date”) until the same becomes due and payable, whether upon the Maturity Date or acceleration, conversion, redemption or otherwise (in each case in accordance with the terms hereof) and Interest on any outstanding Principal at the Default Rate (if applicable) as set forth herein. The Issuance Date is the date of the first issuance of this AR Convertible Debenture (as amended, amended and restated, extended, supplemented or otherwise modified in writing from time to time, this “Debenture”) regardless of the number of transfers and regardless of the number of instruments, which may be issued to evidence such Debenture. This Debenture was issued pursuant to the Securities Purchase Agreement dated as of the Issuance Date set forth above, between the Company and the Buyers listed on the Schedule of Buyers attached thereto (as it may be amended from time to time, the “Securities Purchase Agreement”). Certain capitalized terms used herein are defined in Section (14).

(1) GENERAL TERMS

(a) Maturity Date. On the Maturity Date, the Company shall pay to the Holder an amount in cash representing all outstanding Principal, accrued and unpaid Interest, and any other amounts outstanding pursuant to the terms of this Debenture. The “Maturity Date” shall

be ¹ [], 202[7][8]. Other than as specifically permitted by this Debenture, the Company may not prepay or redeem any portion of the outstanding Principal and accrued and unpaid Interest.

(b) Interest Rate and Payment of Interest. Interest shall accrue on the outstanding Principal balance hereof at an annual rate equal to 7.50% (the “Interest Rate”), which Interest Rate shall increase to an annual rate of 18.00% (the “Default Rate”) upon the occurrence of an Event of Default (for so long as such event remains uncured). Interest shall be calculated based on a three hundred sixty-five (365)-day year and the actual number of days elapsed, to the extent permitted by applicable law.

(2) REDEMPTIONS.

(a) (i) *Monthly Cash Redemptions.* The Company shall, at its own option, (A) redeem in cash each Installment Amount (as defined in Section (14)) set forth on the Redemption Schedule (as defined in Section (14)) (a “Company Redemption”) on each applicable Redemption Date (as defined in Section (14)), subject to the provisions of this Section (2)(a)(i) and Section (2)(b) below, (B) provided the Equity Conditions are satisfied, allow such Installment Amount to be converted by the Holder in accordance with Section (4)(b), or (C) provided the Equity Conditions are satisfied, elect a combination of a Company Redemption and a conversion described in clause (B) above. On or prior to each Redemption Date, the Company shall deliver written notice in the form attached hereto as Exhibit II(a) (i) (each, an “Company Redemption Notice”) to the Holder which Company Redemption Notice shall either: (i) state that the Company elects to redeem, in whole or in part, the applicable Installment Amount in cash pursuant to a Company Redemption, and/or (ii) confirm that all or the applicable portion of the applicable Installment Amount may be converted by the Holder in whole, or in part, pursuant Section (4)(b) any time after the applicable Redemption Date.

If the Company does not timely deliver a Company Redemption Notice on or prior to the Redemption Date in accordance with this Section (2)(a)(i), then, provided the Equity Conditions are satisfied, the Company shall be deemed to have delivered a Company Redemption Notice confirming that the applicable Installment Amount may be converted by the Holder in accordance with Section (4)(b). For the avoidance of doubt, upon the delivery, or deemed delivery, of a Company Redemption Notice allowing such Installment Amount to be converted by the Holder, the Company’s obligation to redeem such Installment Amount pursuant to this Section (2)(a) shall be satisfied on the applicable Redemption Date and Interest on the related Principal amount shall cease to accrue as of the date that the Holder exercises its right to convert such Installment Amount in accordance with Section (4)(b).

Notwithstanding the foregoing, in the event that as of any Redemption Date there is an Event of Default or an Amortization Event in effect which has not been cured, then, in respect of such Redemption Date, (i) the Company shall be required to redeem in cash through a Company Redemption, and (ii) the applicable Installment Amount shall be the greater of the Installment Amount set forth on the Redemption Schedule or the Amortization Installment Amount.

Any Optional Redemptions made by the Company pursuant to this Debenture on or before any Redemption Date shall have the effect of adjusting the Redemption

¹ NTD: To be 12 months from the Issuance Date.

Schedule by reducing the Installment Amount of future payments coming due in reverse chronological order (i.e. starting with the latest payments first).

(i) Mandatory Redemptions. The Company shall redeem in cash each Mandatory Redemption Amount (as defined in Section (14)) on each Redemption Date, subject to the provisions of this Section (2)(a)(ii) and Section (2)(b) below. On or prior to each Redemption Date with respect to a Mandatory Redemption Event, the Company shall deliver written notice in the form attached hereto as Exhibit II(a)(ii) (each, an “Mandatory Redemption Notice”) to the Holder which Mandatory Redemption Notice shall confirm the Mandatory Redemption Amount for a Mandatory Redemption Event that has occurred. Any such waivers of any particular Mandatory Redemption Amount shall not waive or be deemed a course of conduct to waive any additional or future Mandatory Redemption Amounts that arise under this Section 2(a)(ii).

If the Company does not timely deliver a Mandatory Redemption Notice on or prior to the applicable Redemption Date in accordance with this Section (2)(a)(ii), then an Event of Default shall automatically and immediately occur hereunder. Any redemption pursuant to this Section (2)(a)(ii) may, at the Company’s discretion, be pursuant to a Mandatory Redemption Notice given prior to the completion or occurrence of a Mandatory Redemption Event, and such redemption or notice may, at the Holder’s discretion, be subject to the completion or occurrence of the related Mandatory Redemption Event or other transaction or event, as the case may be.

Any Mandatory Redemption Amounts shall be paid in cash under this Debenture and the Other Debentures *pro rata* as provided herein and therein.

Any Mandatory Redemption Amounts actually paid in cash on or before any Redemption Date shall have the effect of adjusting the Redemption Schedule by reducing the Installment Amount of future payments coming due in reverse chronological order (i.e., starting with the latest payments first).

(b) Company Redemption; Mandatory Redemption. If (i) the Company elects or is required to make a Company Redemption in cash in accordance with Section (2)(a)(i), then the amount to be paid shall be the sum of the applicable Installment Amount (or Amortization Installment Amount, if applicable) or (ii) the Company is required to pay any Mandatory Redemption Amount in cash in accordance with Section 2(a)(ii), then the amount to be paid in cash shall be the sum of the Mandatory Redemption Amount (in either such case of clause (b)(i) above or (b)(ii) above, collectively referred to herein as the “Redemption Amount”). The Redemption Amount shall be paid by the Company on or before such Redemption Date, by wire transfer of immediately available funds.

(c) Company Additional Optional Redemption. The Company at its option shall have the right, but not the obligation, to redeem early a portion or all amounts outstanding under this Debenture as described in this Section (each such option, an “Optional Redemption”); *provided*, that the Company provides the Holder with written notice (each, an “Optional Redemption Notice”) of its desire to exercise an Optional Redemption, which Optional Redemption Notice shall be delivered to the Holder after the close of regular trading hours on a Trading Day. Each Optional Redemption Notice shall be irrevocable and shall specify the outstanding balance of the Debenture to be redeemed and the applicable Optional Redemption Amount.

(i) Change of Control Transaction Optional Redemption. The Company at its option shall have the right, but not the obligation, to redeem early all, but not less than all, amounts outstanding under this Debenture if a Change of Control Transaction occurs (a “Change of Control Transaction Optional Redemption”). The “Optional Redemption Amount” in respect of a Change of Control Transaction Optional Redemption shall be an amount equal to (a) the outstanding Principal balance being redeemed by the Company *plus* (b) all accrued and unpaid interest hereunder as of the date of such redemption.

(iii) After receipt of an Optional Redemption Notice, the Holder shall have seven (7) Trading Days (beginning with the Trading Day immediately following the date the Optional Redemption Notice is delivered to the Holder in accordance with the terms of this Section (2)(c)) to elect to convert the Principal amount, and accrued and unpaid Interest, subject to the Optional Redemption. On the eighth (8th) Trading Day following the delivery of the applicable Optional Redemption Notice, the Company shall deliver to the Holder the Optional Redemption Amount with respect to the Principal amount redeemed to the extent not converted or otherwise repaid after giving effect to the conversions or other payments made during such seven (7) Trading Day period.

(d) Payments Generally.

(i) Payment Dates. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(ii) Principal Payments. Each payment of Principal (whether paid in cash or by conversion into Common Shares) under this Debenture shall be accompanied by all accrued and unpaid Interest thereon (which shall be paid in the same manner as such Principal payment).

(3) EVENTS OF DEFAULT.

(a) An “Event of Default”, wherever used herein, means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body, in each case of competent jurisdiction) shall have occurred:

(i) The Company’s failure to pay to the Holder any amount of Principal, Redemption Amount (including on the applicable Redemption Date for any Mandatory Redemption Event), Interest, or other amounts when and as due under this Debenture or any other Transaction Document and such failure continues for a period of five (5) Business Days;

(ii) (A) The Company or any Guarantor and each other Significant Subsidiary (as defined in Rule 102(w) of Regulation S-X) (each such Person, an “Impacted Person”) shall commence, or there shall be commenced against any Impacted Person, any proceeding under any applicable bankruptcy or insolvency laws as now or hereafter in effect or any successor thereto, or any Impacted Person commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to such Impacted Person, in any such bankruptcy, insolvency or other proceeding which remains undismissed for a period of sixty one (61) days; (B) any Impacted Person is adjudicated insolvent or bankrupt; (C) any order of relief or other order approving any such case or proceeding is

entered; (D) any Impacted Person suffers any appointment of any custodian, private or court appointed receiver or the like for it or all or substantially all of its property which continues undischarged or unstayed for a period of sixty one (61) days; (E) any Impacted Person makes a general assignment of all or substantially all of its assets for the benefit of creditors; (F) any Impacted Person shall fail to pay, shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; (G) any Impacted Person shall call a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts; (H) any Impacted Person shall by any act or failure to act expressly indicate its consent to, approval of or acquiescence in any of the foregoing; or (I) any corporate or other action is taken by any Impacted Person for the purpose of effecting any of the foregoing;

(iii) Any Impacted Person shall default in any of its obligations (A) under any note, debenture, mortgage, credit agreement or other facility, indenture agreement, guarantee or other instrument under which there may be issued, or by which there may be secured or evidenced any indebtedness for borrowed money of such Impacted Person or as to which such Impacted Person is a guarantor, in an amount exceeding \$3,500,000, whether such indebtedness now exists or shall hereafter be created and such default is not cured within the time prescribed by the documents governing such indebtedness or if no time is prescribed, within ten (10) Trading Days, and shall result in such indebtedness becoming or being declared due and payable; or (B) under any Existing Convertible Debenture, whether such indebtedness now exists or shall hereafter be created and such default is not cured within the time prescribed by the documents governing such indebtedness or if no time is prescribed, within ten (10) Trading Days, and shall result in such indebtedness becoming or being declared due and payable;

(iv) A final judgment or judgments for the payment of money in excess of \$3,500,000 in the aggregate are rendered against the Company and/or any of its Subsidiaries and which judgments are not, within forty five (45) days after the entry thereof, bonded, discharged, settled or stayed pending appeal, or are not discharged within thirty (30) days after the expiration of such stay; *provided*, however, any judgment which is covered by insurance or an indemnity from a creditworthy party shall not be included in calculating the \$3,500,000 amount set forth above so long as the Company provides the Holder a written statement from such insurer or indemnity provider (which written statement shall be reasonably satisfactory to the Holder) to the effect that such judgment is covered by insurance or an indemnity and the Company or such Subsidiary (as the case may be) will receive the proceeds of such insurance or indemnity within forty five (45) days of the issuance of such judgment;

(v) The Common Stock shall cease to be quoted or listed for trading, as applicable, on any Principal Market for a period of ten (10) consecutive Trading Days;

(vi) A Change of Control Transaction (as defined in Section (14)) occurs unless in connection with such Change of Control Transaction this Debenture is redeemed in full under Section (2)(c);

(vii) The Company's (A) failure to deliver the required number of shares of Common Stock to the Holder within two (2) Trading Days after the applicable Share Delivery Date (after giving effect to any permitted extensions) or (B) notice to any holder of the Debenture, including by way of public announcement, at any time, of its intention not to comply with a request for conversion of all or a portion of this Debenture into shares of Common Stock that is tendered in accordance with the provisions of this Debenture, other than pursuant to Section (4)(d);

(viii) The Company shall fail for any reason to deliver the payment in cash pursuant to a Buy-In (as defined below) within five (5) Business Days after such payment is due;

(ix) The Company's failure to file with the Commission any Periodic Report on or before the due date of such filing as established by the Commission, it being understood, for the avoidance of doubt, that due date includes any permitted filing deadline extension under Rule 12b-25 under the Exchange Act and such failure continues for a period of five (5) Business Days;

(x) Any representation or warranty made or deemed to be made by or on behalf of the Company or any Guarantor in or in connection with any Transaction Document, or any waiver hereunder or thereunder, shall prove to have been incorrect in any material respect (or, in the case of any such representation or warranty already qualified by materiality, such representation or warranty shall prove to have been incorrect) when made or deemed made;

(xi) The Company uses the proceeds of the issuance of this Debenture, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulations T, U and X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof), or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose;

(xii) Failure of the Company or any of its Subsidiaries to comply with or to perform any covenant set forth in Section (4)(m), (4)(n), (4)(o), (4)(p), (4)(q), (4)(r) or (4)(s) of the Securities Purchase Agreement within the time periods set forth therein, if any;

(xiii) (A) Any material provision of any Security Document or any Guaranty Agreement shall at any time for any reason (other than pursuant to the express terms thereof) cease to be valid and binding on or enforceable against any Person intended to be a party thereto or otherwise be in full force and effect; or (B) the validity or enforceability of any provision of any Security Document or any Guaranty Agreement shall be contested in any manner by the Company, any of the Guarantors or Grantors (or such other applicable term used therein), any Governmental Entity having jurisdiction over any of them or any other Person, seeking to establish the invalidity of unenforceability thereof; or (C) the Company or any of the Guarantors or Grantors (or such other applicable term used therein) shall deny in writing that it has any liability or obligation purported to be created under any Security Document or any Guaranty Agreement;

(xiv) Any Security Document shall for any reason (other than as a direct result of the action or inaction of the Holder) fail or cease to create a valid and perfected, first priority Lien in favor of the Buyers on Collateral identified therein, or shall fail or cease to permit the Buyers to readily enforce any remedial rights thereunder;

(xv) Any material damage to, or loss, theft or destruction of any material portion of any Collateral, whether or not insured;

(xvi) Any "Event of Default" (howsoever defined under any Security Document or other Transaction Document)(after the expiration of any applicable grace period set forth therein) occurs;

(xvii) Other than as provided in this Section (3)(a), (A) any material provision of any Transaction Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder, ceases to be in full force and effect, other than if caused directly by any action or inaction of a Holder or any of its Affiliates; (B) the Company (acting in bad faith) or any Guarantor or any other authorized Person on the Company's behalf contests in writing the validity or enforceability of any material provision of any Transaction Document; or (C) the Company (acting in bad faith) or any Guarantor

unreasonably denies in writing that it has any or further liability or obligation under any Transaction Document, or purports in writing to revoke, terminate (other than in line with the relevant termination provisions) or rescind any Transaction Document;

(xviii) The Company or any Guarantor shall fail to observe or perform any material covenant, agreement or warranty contained in, or otherwise commit any material breach or default of any provision of this Debenture (except as may be otherwise covered by any of the paragraphs set forth above in this Section (3)(a)) or any other Transaction Document which is not cured or remedied within the time prescribed or if no time is prescribed within thirty (30) Business Days.

(b) During the time that any portion of this Debenture is outstanding, if any Event of Default has occurred (other than an event with respect to the Company described in Section (3)(a)(ii)), the full unpaid Principal amount of this Debenture, together with interest and other amounts owing in respect of this Debenture, to the date of acceleration shall become at the Holder's election given by notice pursuant to Section (7), immediately due and payable in cash; *provided* that, in the case of any event with respect to the Company described in Section (3)(a)(ii), the full unpaid Principal amount of this Debenture, together with accrued and unpaid interest and other amounts owing in respect of this Debenture to the date of acceleration, shall automatically become due and payable, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Company. Furthermore, in addition to any other remedies, the Holder shall have the right (but not the obligation) to convert, at the Conversion Price determined in accordance with part (B) of Section (4)(a)(ii), on one or more occasions all or part of the unpaid Principal amount of this Debenture, together with interest and other amounts owing in respect of this Debenture, in accordance with Section (4) and subject to the limitations in Section (4)(d) (but not subject to any other limitations contained herein) at any time after (x) an Event of Default (provided that such Event of Default is continuing) or (y) the Maturity Date, provided that this Debenture remains outstanding. The Holder need not provide, and the Company hereby waives any presentment, demand, protest or other notice of any kind, (other than any required notice of conversion) and the Holder may immediately enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by the Holder in writing at any time prior to payment hereunder. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

(4) CONVERSION OF DEBENTURE. This Debenture shall be convertible into shares of Common Stock, on the terms and conditions set forth in this Section (4).

(a) Conversion Right. Subject to the limitations of Section (4)(d), at such time or times on or after the Issuance Date as provided herein, the Holder shall be entitled to convert any portion or such portion of the outstanding and unpaid Conversion Amount (as defined below) that may be subject to conversion by the Investor as provided herein into fully paid and nonassessable shares of Common Stock in accordance with Section (3)(b) or Section (4)(b), at the applicable Conversion Price (as defined below). The number of shares of Common Stock issuable upon conversion of any Conversion Amount pursuant to this Section (4)(a) shall be determined by dividing (x) such Conversion Amount by (y) the applicable Conversion Price. The Company shall not issue any fraction of a share of Common Stock upon any conversion. All calculations under this Section (4) shall be rounded to the nearest \$0.0001. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Company shall round such fraction of a share of Common Stock up to the nearest whole share. The Company shall pay any and all transfer, stamp and similar taxes that may be payable with respect to the issuance and delivery of Common Stock upon conversion of any Conversion Amount.

(i) “Conversion Amount” means the portion of the Principal, Interest, or other amounts outstanding under this Debenture to be converted or otherwise with respect to which this determination is being made.

(ii) “Conversion Price” means, as of any Conversion Date (as defined below) or other date of determination with respect to a conversion pursuant to the terms of this Debenture, 97% of the lowest daily VWAP for the Common Stock during the four (4) consecutive Trading Days immediately preceding the Conversion Date (the “Market Price”), but which Market Price shall not be lower than the Floor Price. The Conversion Price shall be adjusted from time to time pursuant to the other terms and conditions of this Debenture.

(b) Market Price Conversions. In respect of any Installment Amount (or other additional amounts as may be agreed by the Company) subject to a Company Redemption Notice confirming that the applicable Installment Amount (or other additional amounts as may be agreed by the Company) may be converted by the Holder, the Holder may, at any time and from time to time after such applicable Redemption Date, convert a Conversion Amount up to the applicable Installment Amount (or other additional amounts as may be agreed by the Company, or any portion thereof) at the Conversion Price by serving a Conversion Notice on the Company in accordance with Section (4)(c).

(c) Mechanics of Conversion.

(i) Optional Conversion. To convert any Conversion Amount into shares of Common Stock on any date (a “Conversion Date”), the Holder shall (A) transmit by email (or otherwise deliver), for receipt on or prior to 11:59 p.m., New York time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit III (the “Conversion Notice”) to the Company and (B) if required by Section (4)(c)(iii), surrender this Debenture to a nationally recognized overnight delivery service for delivery to the Company (or an indemnification undertaking reasonably satisfactory to the Company with respect to this Debenture in the case of its loss, theft or destruction). On or before the first (1st) Trading Day following the date of receipt of a Conversion Notice (the “Share Delivery Date”), the Company shall (X) if legends are not required to be placed on certificates or the book-entry position of the Shares of Common Stock and provided that the Transfer Agent is participating in the Depository Trust Company’s (“DTC”) Fast Automated Securities Transfer Program, instruct such transfer agent to credit such aggregate number of Shares of Common Stock to which the Holder shall be entitled to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver to the address as specified in the Conversion Notice, a certificate or book-entry position, registered in the name of the Holder or its designee, for the number of Shares of Common Stock to which the Holder shall be entitled which certificates shall bear restrictive legends unless not required pursuant to rules and regulations of the Commission. If this Debenture is physically surrendered for conversion and the outstanding Principal of this Debenture is greater than the Principal portion of the Conversion Amount being converted, then the Company shall as soon as practicable and in no event later than three (3) Business Days after receipt of this Debenture and at its own expense, issue and deliver to the holder a new Debenture representing the outstanding Principal not converted. The Person or Persons entitled to receive the Shares of Common Stock issuable upon a conversion of this Debenture shall be treated for all purposes as the record holder or holders of such Shares of Common Stock upon the receipt by the Company of a Conversion Notice.

(ii) Company’s Failure to Timely Convert. If the Company shall fail, for any reason or for no reason, on or prior to the applicable Share Delivery Date (or, if such failure occurs through no fault of the Company, on or prior to the second (2nd) Trading Day following the Share Delivery Date) to issue and deliver a certificate to the Holder or credit the

Holder's balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon such Holder's conversion of any Conversion Amount (a "Conversion Failure"), and if on or after such Trading Day the Holder purchases (in an open market transaction or otherwise) Common Stock to deliver in satisfaction of a sale by the Holder of Common Stock issuable upon such conversion that the Holder anticipated receiving from the Company (a "Buy-In"), then the Company shall, within three (3) Business Days after the Holder's request and in the Holder's discretion, either (i) pay cash to the Holder in an amount equal to the Holder's total purchase price (including brokerage commissions and other out of pocket expenses, if any) for the shares of Common Stock so purchased (the "Buy-In Price"), at which point the Company's obligation to deliver such certificate (and to issue such Common Stock) shall terminate, or (ii) promptly honor its obligation to deliver to the Holder a certificate or certificates representing such Common Stock to which the Holder is entitled with respect to such Conversion Notice and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of shares of Common Stock, multiplied by (B) the Closing Price on the Conversion Date.

(iii) Book-Entry. Notwithstanding anything to the contrary set forth herein, upon conversion of any portion of this Debenture in accordance with the terms hereof, the Holder shall not be required to physically surrender this Debenture to the Company unless (A) the full Conversion Amount represented by this Debenture is being converted or (B) the Holder has provided the Company with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of this Debenture upon physical surrender of this Debenture. The Holder and the Company shall maintain records showing the Principal and Interest converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Company, so as not to require physical surrender of this Debenture upon any conversion.

(d) Limitations on Conversions.

(i) Beneficial Ownership. The Holder shall not have the right to convert any portion of this Debenture to the extent that after giving effect to such conversion the Holder, together with any Affiliate thereof, would beneficially own (as determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder) in excess of 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to such conversion (the "Beneficial Ownership Cap"). Since the Holder will not be obligated to report to the Company the number of shares of Common Stock it may hold at the time of a conversion hereunder, unless the conversion at issue would result in the issuance of shares of Common Stock in excess of the Beneficial Ownership Cap, the Holder shall have the authority and obligation to determine whether the Beneficial Ownership Cap will limit any particular conversion hereunder and to the extent that the Holder determines that the limitation contained in this Section applies, the determination of which portion of the Principal amount of this Debenture is convertible shall be the responsibility and obligation of the Holder. If the Holder has delivered a Conversion Notice for a Principal amount of this Debenture that, without regard to any other shares that the Holder or its Affiliates may beneficially own, would result in the issuance in excess of the Beneficial Ownership Cap, the Company shall notify the Holder of this fact and shall honor the conversion for the maximum Principal amount permitted to be converted on such Conversion Date in accordance with Section (4)(a) and, any Principal amount tendered for conversion in excess of the permitted amount hereunder shall remain outstanding under this Debenture. The provisions of this Section may be waived by a Holder (but only as to itself and not to any other Holder) upon not less than sixty-five (65) days prior notice to the Company. Other Holders shall be unaffected by any such waiver.

(ii) Principal Market Limitation. Notwithstanding anything in this Debenture to the contrary, the Company shall not issue any Shares of Common Stock upon

conversion of this Debenture, or otherwise, if the issuance of such Shares of Common Stock, together with any Shares of Common Stock issued in connection with any other related transactions that may be considered part of the same series of transactions, would exceed the aggregate number Shares of Common Stock that the Company may issue in a transaction in compliance with the Company's obligations under the rules or regulations of the Principal Market and shall be referred to as the "Exchange Cap," except that such limitation shall not apply if the Company's stockholders have approved such issuances on such terms in excess of the Exchange Cap in accordance with the rules and regulations of Principal Market.

(c) Other Provisions.

(i) All calculations under this Section (4) shall be rounded to the nearest \$0.0001 or whole share.

(ii) So long as this Debenture or any Other Debentures remain outstanding, the Company shall have reserved from its duly authorized share capital, and shall have instructed the Transfer Agent to irrevocably reserve, the maximum number of Shares of Common Stock issuable upon conversion of this Debenture and the Other Debentures (assuming for purposes hereof that (x) this Debenture and such Other Debentures are convertible at the Floor Price as of the date of determination, and (y) any such conversion shall not take into account any limitations on the conversion of the Debenture or Other Debentures set forth herein or therein (the "Required Reserve Amount")), provided that at no time shall the number of Shares of Common Stock reserved pursuant to this Section (4)(c)(ii) be reduced other than pursuant to the conversion of this Debenture and the Other Debentures in accordance with their terms, and/or cancellation, or reverse stock split. If at any time while this Debenture or any Other Debentures remain outstanding, the Company does not have a sufficient number of authorized and unreserved Shares of Common Stock to satisfy the obligation to reserve for the issuance the Required Reserve Amount, the Company will promptly take all corporate action necessary to propose to a meeting of its stockholders an increase of its authorized share capital necessary to meet the Company's obligations pursuant to this Debenture, and cause its board of directors to recommend to the stockholders that they approve such proposal.

(iii) Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to Section (3) herein for the Company's failure to deliver certificates representing shares of Common Stock upon conversion within the period specified herein and such Holder shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief, in each case without the need to post a bond or provide other security. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(iv) Legal Opinions. The Company is obligated to use commercially reasonable efforts to cause its legal counsel to deliver legal opinions to the Company's transfer agent in connection with any legend removal upon the expiration of any holding period or other requirement for which the Underlying Shares may bear legends restricting the transfer thereof (i) following any sale of such Underlying Shares pursuant to Rule 144, (ii) if such Underlying Shares are eligible for sale and about to be sold under Rule 144, or (iii) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the SEC); *provided*, however, that such Holder has delivered such reasonably requested representations to such transfer agent, the Company and the Company's legal counsel in connection with the request for such opinion. To the extent a legal opinion is not provided (either timely or at all), then, in addition to being an Event of Default hereunder, the Company agrees to reimburse the Holder for all reasonable costs incurred by the Holder in connection with any legal opinions paid for by the Holder in connection with the sale

or transfer of the Underlying Shares of Common Stock. The Holder shall notify the Company of any such costs and expenses it incurs that are referred to in this section from time to time and all amounts owed hereunder shall be paid by the Company with reasonable promptness.

(5) Adjustments to Conversion Price

(a) Adjustment of Conversion Price upon Subdivision or Combination of Common Stock. If the Company, at any time while this Debenture is outstanding, shall (a) pay a stock dividend or otherwise make a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock, (b) subdivide outstanding shares of Common Stock into a larger number of shares, (c) combine (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (d) issue by reclassification of shares of the Common Stock any shares of capital stock of the Company, then the Floor Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding before such event and of which the denominator shall be the number of shares of Common Stock outstanding after such event. Any adjustment made pursuant to this Section shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

(b) [Reserved].

(c) Other Corporate Events. In addition to and not in substitution for any other rights hereunder, prior to the consummation of any Fundamental Transaction pursuant to which holders of shares of Common Stock are entitled to receive securities or other assets with respect to or in exchange for shares of Common Stock that is not a Change of Control Transaction (a "Corporate Event"), the Company shall make appropriate provision to ensure that the Holder will thereafter have the right to receive upon a conversion of this Debenture, at the Company's option, (i) in addition to the shares of Common Stock receivable upon such conversion, such securities or other assets to which the Holder would have been entitled with respect to such shares of Common Stock had such shares of Common Stock been held by the Holder upon the consummation of such Corporate Event (without taking into account any limitations or restrictions on the convertibility of this Debenture) or (ii) in lieu of the shares of Common Stock otherwise receivable upon such conversion, such securities or other assets received by the holders of shares of Common Stock in connection with the consummation of such Corporate Event in such amounts as the Holder would have been entitled to receive had this Debenture initially been issued with conversion rights for the form of such consideration (as opposed to shares of Common Stock) at a conversion rate for such consideration commensurate with the Conversion Price. Provision made pursuant to the preceding sentence shall be in a form and substance satisfactory to the Holder. The provisions of this Section shall apply similarly and equally to successive Corporate Events and shall be applied without regard to any limitations on the conversion or redemption of this Debenture.

(d) Notice of Adjustments to Conversion Price. Whenever the Conversion Price is adjusted pursuant to Section (5) hereof, the Company shall promptly provide the Holder with a written notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(e) Mergers or Consolidations; Etc. In case of any (1) merger or consolidation of the Company with or into another Person, or (2) sale by the Company of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, in one or a series of related transactions, a Holder shall have the right to (A) convert the aggregate amount of this Debenture then outstanding into the shares of stock and other securities, cash and property

receivable upon or deemed to be held by holders of Common Stock following such merger, consolidation or sale, and such Holder shall be entitled upon such event or series of related events to receive such amount of securities, cash and property as the shares of Common Stock into which such aggregate Principal amount of this Debenture could have been converted immediately prior to such merger, consolidation or sales would have been entitled. The terms of any such merger, sale or consolidation shall include such terms so as to continue to give the Holder the right to receive the securities, cash and property set forth in this Section upon any conversion or redemption following such event. This provision shall similarly apply to successive such events.

(6) REISSUANCE OF THIS DEBENTURE.

(a) Register. The Company shall maintain at its principal executive offices or with the Transfer Agent (or at such other office or agency of the Company as it may designate by notice to each holder of this Debenture), a register for this Debenture in which the Company shall record the name and address of the Person in whose name this Debenture has been issued (including the name and address of each transferee), the principal amount (and stated interest) of this Debenture held by such Person. The Company shall maintain the register in a manner that complies with the “registered form” requirements in Section 5f.103-1(c) of the United States Treasury Regulations.

(b) Transfer. Holder shall not transfer this Debenture other than to its Affiliates. If this Debenture is to be transferred, the Holder shall surrender this Debenture to the Company, whereupon the Company will forthwith issue and deliver to the Holder a new Debenture (in accordance with Section (6)(e)), registered in the name of the registered transferee or assignee, representing the outstanding Principal being transferred by the Holder (along with any accrued and unpaid Interest thereof) and, if less than the entire outstanding Principal is being transferred, a new Debenture (in accordance with Section (6)(e)) to the Holder representing the outstanding Principal not being transferred. The Holder and any assignee, by acceptance of this Debenture, acknowledge and agree that, by reason of the provisions of Section (4)(c)(iii) following conversion or redemption of any portion of this Debenture, the outstanding Principal represented by this Debenture may be less than the Principal stated on the face of this Debenture.

(c) Lost, Stolen or Mutilated Debenture. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Debenture, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and substance and, in the case of mutilation, upon surrender and cancellation of this Debenture, the Company shall execute and deliver to the Holder a new Debenture (in accordance with Section (6)(e)) representing the outstanding Principal.

(d) Debenture Exchangeable for Different Denominations. This Debenture is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Debenture or Debentures (in accordance with Section (6)(e)) representing in the aggregate the outstanding Principal of this Debenture, and each such new Debenture will represent such portion of such outstanding Principal as is designated by the Holder at the time of such surrender.

(e) Issuance of New Debentures. Whenever the Company is required to issue a new Debenture pursuant to the terms of this Debenture, such new Debenture (i) shall be of like tenor with this Debenture, (ii) shall represent, as indicated on the face of such new Debenture, the Principal remaining outstanding (or in the case of a new Debenture being issued pursuant to Section (6)(a) or Section (6)(d), the Principal designated by the Holder which, when added to the Principal represented by the other new Debentures issued in connection with such issuance, does

not exceed the Principal remaining outstanding under this Debenture immediately prior to such issuance of new Debentures), (iii) shall have an issuance date, as indicated on the face of such new Debenture, which is the same as the Issuance Date of this Debenture, (iv) shall have the same rights and conditions as this Debenture, and (v) shall represent accrued and unpaid Interest from the Issuance Date.

(7) Any notices, consents, waivers or other communications required or permitted to be given under the terms hereof must be in writing by letter or electronic mail ("e-mail") and will be deemed to have been delivered (i) upon receipt, when delivered personally, (ii) one (1) Business Day after deposit with an overnight courier service with next day delivery specified, as applicable or (iii) receipt, when sent by e-mail, and, in each case of the foregoing clauses (i), (ii) and (iii), properly addressed to the party to receive the same. The addresses and email addresses for such communications shall be:

If to the Company, to:

Energy Vault Holdings, Inc.
4165 Thousand Oaks Blvd, Suite 100
Westlake Village, CA 91362
Attn: General Counsel
Email: Legal@energyvault.com

with a copy (which shall not constitute notice) to:

Vinson & Elkins L.L.P.
1114 Avenue of the Americas, 32nd Floor
New York, NY 10036
Attention: Brenda Lenahan; Katherine Frank; Caitlin Lawrence
Email: blenahan@velaw.com; kfrank@velaw.com; caitlinlawrence@velaw.com

If to the Holder:

YA II PN, Ltd
c/o Yorkville Advisors Global, LLC
1012 Springfield Avenue
Mountainside, NJ 07092
Attention: Mark Angelo
Telephone: 201-985-8300
Email: Legal@yorkvilleadvisors.com

or at such other address and/or e-mail address and/or to the attention of such other person as the recipient party has specified by written notice given to each other party in accordance with this Section at least three (3) Business Days prior to the effectiveness of such change. Written confirmation of receipt (a) given by the recipient of such notice, consent, waiver or other communication, (b) electronically generated by the sender's email service provider containing the time, date, recipient email address or (c) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt from a nationally recognized overnight delivery service or receipt by e-mail in accordance with clause (i), (ii) or (iii) above, respectively.

(8) **NO IMPAIRMENT.** Except as expressly provided herein, no provision of this Debenture shall alter or impair the obligations of the Company, which are absolute and unconditional, to pay the Principal of, and Interest and other charges (if any) on, this Debenture

at the time, place, and rate, and in the currency, herein prescribed. This Debenture is a direct obligation of the Company. As long as this Debenture is outstanding, the Company shall not and shall cause each of its subsidiaries not to, without the consent of the Holder, enter into any agreement, arrangement or transaction in or of which the terms thereof would restrict, materially delay, conflict with or impair the ability of the Company to perform its obligations under this Debenture, including, without limitation, the obligation of the Company to make cash payments hereunder.

(9) Stockholder Rights. This Debenture shall not entitle the Holder to any of the rights of a stockholder of the Company, including without limitation, the right to vote, to receive dividends and other distributions, or to receive any notice of, or to attend, meetings of stockholders or any other proceedings of the Company, unless and to the extent converted into shares of Common Stock in accordance with the terms hereof.

(10) CHOICE OF LAW; VENUE; WAIVER OF JURY TRIAL

(a) Governing Law. This Debenture and the rights and obligations of the Parties hereunder shall, in all respects, be governed by, and construed in accordance with, the laws (excluding the principles of conflict of laws) of the State of New York (the "Governing Jurisdiction") (including Section 5-1401 and Section 5-1402 of the General Obligations Law of the State of New York), including all matters of construction, validity and performance.

(b) Jurisdiction; Venue; Service.

(i) The Company and the Holder each hereby irrevocably consent to the non-exclusive personal jurisdiction of the state courts of the Governing Jurisdiction and, if a basis for federal jurisdiction exists, the non-exclusive personal jurisdiction of any United States District Court for the Governing Jurisdiction.

(ii) The Company and the Holder each agrees that venue shall be proper in any court of the Governing Jurisdiction or, if a basis for federal jurisdiction exists, in any United States District Court in the Governing Jurisdiction. The Company waives any right to object to the maintenance of any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, in any of the state or federal courts of the Governing Jurisdiction on the basis of improper venue or inconvenience of forum.

(iii) Any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or tort or otherwise, brought by the Company against the Holder arising out of or based upon this Debenture or any matter relating to this Debenture, or any other Transaction Document, or any contemplated transaction, shall be brought in a court only in the Governing Jurisdiction. The Company shall not file any counterclaim against the Holder in any suit, claim, action, litigation or proceeding brought by the Holder against the Company in a jurisdiction outside of the Governing Jurisdiction unless under the rules of the court in which the Holder brought such suit, claim, action, litigation or proceeding the counterclaim is mandatory, and not permissive, and would be considered waived unless filed as a counterclaim in the suit, claim, action, litigation or proceeding instituted by the Holder against the Company. The Company agrees that any forum outside the Governing Jurisdiction is an inconvenient forum and that any suit, claim, action, litigation or proceeding brought by the Company against the Holder in any court outside the Governing Jurisdiction should be dismissed or transferred to a court located in the Governing Jurisdiction. Furthermore, the Company irrevocably and unconditionally agrees that it will not bring or commence any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Holder arising out of or based upon this

Debenture or any matter relating to this Debenture, or any other Transaction Document, or any contemplated transaction, in any forum other than the courts of the State of New York sitting in New York County, and the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such suit, claim, action, litigation or proceeding may be heard and determined in such New York State Court or, to the fullest extent permitted by applicable law, in such federal court. The Company and the Holder agree that a final judgment in any such suit, claim, action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(iv) The Company and the Holder irrevocably consent to the service of process out of any of the aforementioned courts in any such suit, claim, action, litigation or proceeding by e-mail or the mailing of copies thereof by registered or certified mail postage prepaid, to it at the e-mail address or physical address, as applicable, provided for notices in this Debenture, such service to become effective thirty (30) days after the date of e-mail or mailing, as applicable.

(v) Nothing herein shall affect the right of the Holder to serve process in any other manner permitted by law or to commence legal proceedings or to otherwise proceed against the Company or any other Person in the Governing Jurisdiction or in any other jurisdiction.

(c) WAIVER OF JURY TRIAL. THE PARTIES MUTUALLY WAIVE ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS OF ANY KIND ARISING OUT OF OR BASED UPON THIS DEBENTURE OR ANY MATTER RELATING TO THIS DEBENTURE, OR ANY OTHER TRANSACTION DOCUMENT, OR ANY CONTEMPLATED TRANSACTION. THE PARTIES ACKNOWLEDGE THAT THIS IS A WAIVER OF A LEGAL RIGHT AND THAT THE PARTIES EACH MAKE THIS WAIVER VOLUNTARILY AND KNOWINGLY AFTER CONSULTATION WITH COUNSEL OF THEIR RESPECTIVE CHOICE. THE PARTIES AGREE THAT ALL SUCH CLAIMS SHALL BE TRIED BEFORE A JUDGE OF A COURT HAVING JURISDICTION, WITHOUT A JURY.

(11) TAX MATTERS.

(a) On or prior to the Issuance Date (and from time to time thereafter upon the reasonable request of the Company), the Holder shall provide the Company with a duly completed and executed Internal Revenue Service Form W-9 or appropriate W-8 (and, if applicable, a certificate establishing that such Holder satisfies the portfolio interest exemption).

(b) No Debenture shall be held or owned or purchased or otherwise acquired by either a "specified foreign entity" or a "foreign-influenced entity" (as such terms are defined in Section 7701(a)(51)(B) or (D), as applicable, of the Internal Revenue Code of 1986, as amended (the "Code"), or in temporary, proposed or final United States Treasury Regulations or other guidance promulgated or proposed thereunder or issued in respect thereof).

(12) Waivers; Etc. Any waiver by the Holder of a breach of any provision of this Debenture shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Debenture. The failure of the Holder to insist upon strict adherence to any term of this Debenture on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Debenture. No provision of this Debenture may be waived or amended other than by a written agreement signed by the parties to this Debenture. No custom or

practice of the parties at variance with the terms hereof shall constitute a waiver by any party of its right to exercise any right, power or remedy available to it hereunder or any other right, power or remedy or to demand strict compliance with the terms of this Debenture.

(13) Invalidity; Etc. If any provision of this Debenture is invalid, illegal or unenforceable, the balance of this Debenture shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances. If it shall be found that any Interest or other amount deemed Interest due hereunder shall violate applicable laws governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum permitted rate of interest. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the Principal of or Interest on this Debenture as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Debenture, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such power as though no such law has been enacted.

(14) CERTAIN DEFINITIONS. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Securities Purchase Agreement. For purposes of this Debenture, the following terms shall have the following meanings:

(a) "Affiliate" of any Person means any other Person which directly or indirectly controls or is controlled by, or is under direct or indirect common control with, the referent Person. For purposes of this definition, "control" of a Person shall mean the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

(b) "Amortization Event" shall mean (i) the daily VWAP is less than the Floor Price then in effect for five (5) Trading Days during a period of seven (7) consecutive Trading Days, (ii) the Company has issued in excess of 99% of the Common Stock available under the Exchange Cap, where applicable, or (iii) any time from and after the six month anniversary of the Issuance Date, the Holder is unable to sell Underlying Shares pursuant to Rule 144 (the first day of each such occurrence, an "Amortization Event Date").

(c) "Amortization Installment Amount" means an amount equal to 20% of the outstanding Principal amount of this Debenture as of the date of the applicable Amortization Event Date.

(d) "Asset Vault" means Asset Vault, LLC, a Delaware limited liability company.

(e) "Bloomberg" means Bloomberg Financial Markets (or if not available, a similar service provider of nationally recognized standing).

(f) "Borrowing Base Adjusted Amount" means as of any date of determination (as approved by the Holder) an amount equal to (i) the Borrowing Base Aggregate Amount, *less* (in each case as of the applicable date of determination) (ii) that portion of "Backlog" not owned unconditionally by the Company or any EV Party and is otherwise subject to any receivables purchase agreement or other similar arrangement, *less* (iii) that portion of "Backlog" for which the Buyers do not have a perfected, first priority Lien on at all times, *less*

(iv) that portion of “Backlog” encumbered by any Lien or security interest or otherwise pledged to or conditionally sold to any Person (including any Governmental Entity) other than the Buyers under a Security Document, *less* (v) that portion of “Backlog” derived from any Project / work order with Asset Vault or any of its Subsidiaries or any other Subsidiaries of the Company that are not EV Parties, *less* (vi) that portion of “Backlog” derived from any Project / work order where less than fifteen percent (15%) of the stipulated work has been completed in accordance with the applicable EEQ Agreement, EPC Agreement or LTSA and (in each such case) industry standard, *less* (vii) that portion of “Backlog” that could not reasonably be expected to convert into accounts receivable for completed Projects / work orders in accordance with the applicable EEQ Agreement, EPC Agreement or LTSA and (in each such case) industry standard prior to the Maturity Date herein and, separately, for each other “Maturity Date” identified in each Other Debenture, *less* (viii) that portion of “Backlog” derived from any Customer or any of such Customer’s Affiliates and Subsidiaries, in one or more EEQ Agreements / work orders / EPC Agreements / LTSA(s) for any or all such agreements and orders in excess of (A) 50% from the Issuance Date herein to but not including the date that is ninety (90) days following the Issuance Date and (B) 33% at all times thereafter, in each case, of the Borrowing Base Adjusted Amount (determined prior to any reduction to the Borrowing Base Adjusted Amount by this sub-clause (viii)). The Borrowing Base Adjusted Amount as of the First Closing Date is \$42.0 million. Pursuant to the Form 10-Q filed by the Company for the quarter ended March 31, 2026, the total Remaining Performance Obligations of the Company (as defined therein) were \$142.4 million of which 68% are due within the next 12 months, which equated to \$96.8 million. The Company has then added the proceeds from the sale of equipment detailed in the subsequent events section of such Form 10-Q of \$10.3 million, the total Borrowing Base Aggregate Amount as of the First Closing Date is \$107.1 million. After applying the concentration limit and the 50% discount as described above, the Borrowing Base Adjusted Amount as of the First Closing Date is \$42.0 million.

(g) “Borrowing Base Aggregate Amount” means, as of any date of determination, (i) the amount identified as “Backlog” derived from any of the EEQ Business, the EPC Business or the LTSA Business of the Company and the EV Parties as an off-Balance Sheet item in the Company’s Balance Sheet, as reported in the Company’s most recent Form 10-K or Form 10-Q filed with the SEC in accordance with the SEC rules and regulations and, solely in respect of the Company’s Form 10-Q for fiscal quarter ending March 31, 2026 as filed as provided herein above, such amounts reported in such Form 10-Q for commercial contracts for the sale of equipment; and (ii) if no such Form 10-K or Form 10-Q has been filed with the SEC in accordance with the SEC rules and regulations, then \$0.

(h) “Borrowing Base Certificate” means a borrowing base certificate in form, scope and substance satisfactory to the Holder that is delivered to the Holder from time to time as set forth in the Securities Purchase Agreement or any other Transaction Document, signed by the Chief Financial Officer or the Chief Executive Officer of the Company, which certificate:

- (i) (i) certifies to and sets forth (A) the Borrowing Base Aggregate Amount and the Borrowing Base Adjusted Amount and further identifies that portion of the Borrowing Base Aggregate Amount and Borrowing Base Adjusted Amount derived from International Projects and Domestic Projects, (B) the Borrowing Base Adjusted Amount and each item of reduction as set forth in the definition thereof, (C) with respect to the Borrowing Base Aggregate Amount and, separately, the Borrowing Base Adjusted Amount, a list of the Projects that comprise the “Backlog” included therein and the location of each such Project, the Customers and (as applicable) the EEQ Agreements, EPC Agreements and LTSA with respect to each such Project, the percentage of work already completed under

each such Project, the timeline for completion of expected milestone payments (broken down by specific milestones) for each such Project and for each such Project if any material issues have occurred or are reasonably foreseeable to occur that could impact future milestone payments; and

(j) (ii) attaches such other documentation as requested by the Holder.

(k) “Business Day” means any day except Saturday, Sunday and any day which shall be a federal legal holiday in the United States or a day on which banking institutions in the State of New York are authorized or required by law or other government action to close.

(l) “Buy-In” shall have the meaning set forth in Section (4)(c)(ii).

(m) “Buy-In Price” shall have the meaning set forth in Section (4)(c)(ii).

(n) “Change of Control Transaction” means the occurrence of (a) an acquisition after the date hereof by an individual or legal entity or “group” (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Company, by contract or otherwise) of in excess of 50% of the voting power of the Company (except that the acquisition of voting securities by the Holder or any other current holder of convertible securities of the Company shall not constitute a Change of Control Transaction for purposes hereof) or (b) the merger, consolidation or sale of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, in one or a series of related transactions. No transfer to a wholly-owned Subsidiary shall be deemed a Change of Control Transaction under this provision.

(o) “Closing Price” means the price per share in the last reported trade of the Common Stock on a Principal Market or on the exchange which the Common Stock is then listed as quoted by Bloomberg.

(p) “Commission” means the Securities and Exchange Commission.

(q) “Common Stock” means the shares of common stock, par value \$0.0001, of the Company and stock of any other class into which such shares may hereafter be changed or reclassified.

(r) “Company Redemption” shall have the meaning assigned in Section (2)(a).

(s) “Company Redemption Notice” shall have the meaning assigned in Section (2)(a).

(t) “Conversion Notice” shall have the meaning set forth in Section (4)(c).

(u) “Conversion Price” shall have the meaning set forth in Section (4)(a)(ii).

(v) “Convertible Securities” means any stock or securities (other than Options) directly or indirectly convertible into or exercisable or exchangeable for Common Stock.

(w) “Customer” refers to a third-party (other than the Company or any of its Subsidiaries or Affiliates) party to an EEQ Agreement, an EPC Agreement or an LTSA, in any such case, who is obligated to make payments to the Company and its Subsidiaries thereunder.

(x) “Domestic Projects” means Projects located in the United States of America.

(y) “EEQ Agreement” means the main/principal written agreement between the Company or any of the other EV Parties, on the one hand, for services under the EEQ Business to be rendered to the Customer thereunder, and all other related agreements and documents; each as amended, restated, supplemented or otherwise modified from time to time.

(z) “EEQ Business” means engineered equipment business line of the Company and the other EV Parties.

(aa) “EPC Agreement” means the main/principal written agreement between the Company or any of the other EV Parties, on the one hand, for services under the EPC Business to be rendered to the Customer thereunder, and all other related agreements and documents; each as amended, restated, supplemented or otherwise modified from time to time.

(ab) “EPC Business” means the business line of the Company and the other EV Parties whereby such Persons self-perform engineering, procurement, and construction activities.

(ac) “Equity Conditions” means that each of the following conditions is satisfied: (i) on each Trading Day during the three (3) consecutive Trading Days prior to the date of determination (the “Equity Conditions Measuring Period”), either (x) a registration statement covering the resale of the Underlying Stock has been declared effective and available for the resale of all applicable shares of Common Stock to be issued in connection with the event requiring determination or (y) all applicable shares of Common Stock to be issued in connection with the event requiring determination shall be eligible for sale pursuant to an exemption from the registration requirements of the Securities Act; (ii) on each day during the Equity Conditions Measuring Period, the Common Stock is designated for quotation on the Principal Market and shall not have been suspended from trading on such exchange or market nor shall delisting or suspension by such exchange or market have been threatened or pending in writing by such exchange or market, unless such deficiency has been subsequently resolved; (iii) any applicable shares of Common Stock to be issued in connection with the event requiring determination may be issued in full without violating Section (4)(d) hereof; and (iv) during the Equity Conditions Measuring Period, there shall not have occurred either (A) an Event of Default, (B) an Amortization Event, or (C) an event that with the passage of time or giving of notice would constitute an Event of Default or an Amortization Event.

(ad) “Exchange Act” means the Securities Exchange Act of 1934, as amended.

(ae) “Floor Price” means \$[___].²

(af) “Fundamental Transaction” means any of the following: (1) the Company effects any merger or consolidation of the Company with or into another Person and the Company is the non-surviving company (other than a merger or consolidation with a wholly owned Subsidiary of the Company for the purpose of redomiciling the Company), (2) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (3) any tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (4) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property.

² NTD: To be the price equal to 20% of the Closing Price as of the Trading Day immediately prior to issuance of the LC Convertible Debenture.

(ag) “Grantor” means any Person who signs a Security Document entered into pursuant to the Securities Purchase Agreement, this Debenture or any other Transaction Document and grants or purports to grant security interest in or lien on any of its assets in favor of the Buyers.

(ah) “Installment Amount” means the total of the Installment Principal Amount set out in the Redemption Schedule, and all accrued and unpaid Interest outstanding as of the applicable Redemption Date.

(ai) “International Projects” means Projects located in a jurisdiction other than the United States of America.

(aj) “LTSA” means a long-term services arrangement pursuant to which the Company provides services to a Customer.

(ak) “LTSA Business” means the business line of the Company and the other EV Parties whereby such Persons provide services pursuant to a LTSA.

(al) “Mandatory Redemption Amount” means, as of the date of determination, an amount equal to the amount by which (i) the aggregate principal amount outstanding under this Debenture and the Other Debentures exceeds (ii) the amount equal to 50% of the Borrowing Base Adjusted Amount most recently approved by the Holder; determined on a *pro rata* basis for this Debenture and the Other Debentures, in each case, as of the applicable Mandatory Redemption Date.

(am) “Mandatory Redemption Event” means, as of any date of determination, (i) the aggregate principal amount outstanding under this Debenture and the Other Debentures as of such date of determination is greater than (ii) fifty percent (50%) of the Borrowing Base Adjusted Amount.

(an) “Optional Redemption” shall have the meaning assigned in Section (2)(c).

(ao) “Optional Redemption Amount” shall have the meaning assigned in Section (2)(c).

(ap) “Optional Redemption Notice” shall have the meaning assigned in Section (2)(c).

(aq) “Options” means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

(ar) “Other Debentures” means any other outstanding AR Convertible Debentures issued pursuant to the Securities Purchase Agreement and any other debentures, notes, or other instruments issued in exchange, replacement, or modification of the foregoing.

(as) “Periodic Reports” shall mean all of the Company’s reports required to be filed by the Company with the Commission under applicable laws and regulations (including, without limitation, Regulation S-K), on Form 10-K and Form 10-Q, for so long as any amounts are outstanding under this Debenture or any Other Debenture; *provided* that all such Periodic Reports shall include, when filed, all information, financial statements, audit reports (when applicable) and other information required to be included in such Periodic Reports in compliance with all applicable laws and regulations.

(at) “Person” means a corporation, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

(au) “Principal Market” means the New York Stock Exchange; *provided* however, that in the event the Common Stock is ever listed or traded on the Nasdaq Stock Market or any successor thereto, and such exchange is the principal trading market for the Common Stock in the United States, then the “Principal Market” shall mean Nasdaq Stock Market or such successor thereto.

(av) “Project(s)” means a project(s) under any of the EEQ Business, EPC Business or LTSA Business that is actively in progress, which such Project(s) have been identified by the Company to the Holder as of the Issuance Date and thereafter as of the date a Borrowing Base Certificate is delivered to the Holder in reasonable detail and to the satisfaction of the Holder.

(aw) “Redemption Amount” shall have the meaning set forth in Section (2)(b).

(ax) “Redemption Date” means either (i) except in respect of any Mandatory Redemption Event, each date listed under the “Redemption Date” column in the Redemption Schedule and shall include the Maturity Date and (ii) for any Mandatory Redemption Event, the first Business Day immediately following the occurrence of such Mandatory Redemption Event.

(ay) “Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(az) “Subsidiary” shall mean any Person in which the Company, directly or indirectly, (x) owns a majority of the outstanding capital stock or holds a majority of the equity or similar interest of such Person or (y) controls or operates all or substantially all of the business, operations or administration of such Person, and the foregoing are collectively referred to herein as “Subsidiaries.”

(ba) “Trading Day” means a day on which the shares of Common Stock are quoted or traded on a Principal Market on which the shares of Common Stock are then quoted or listed; *provided*, that in the event that the shares of Common Stock are not listed or quoted, then Trading Day shall mean a Business Day.

(bb) “Underlying Shares” means the shares of Common Stock issuable upon conversion of this Debenture in accordance with the terms hereof.

(bc) “VWAP” means, for any Trading Day as of any date, the daily volume-weighted average price of the Common Stock for such Trading Day on the Principal Market during regular trading hours as reported by Bloomberg L.P.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this AR Convertible Debenture to be duly executed by a duly authorized officer as of the date set forth above.

COMPANY:
ENERGY VAULT HOLDINGS, INC.

By: __
Name: Michael Beer
Title: Chief Financial Officer

EXHIBIT I
REDEMPTION SCHEDULE

EXHIBIT II(a)(i)

COMPANY REDEMPTION NOTICE

Date: [_____]

VIA E-MAIL: trading@yorkvilleadvisors.com and [_____]

This letter shall serve as Company Redemption Notice by Energy Vault Holdings, Inc. ("Company") in accordance with Section (2)(a)(i) of the AR Convertible Debenture issued to YA II PN, Ltd. (the "Holder") on May 18, 2026 (the "Debenture"). Unless otherwise specified, capitalized terms used in this letter shall have the meaning assigned to them in the Debenture.

Debenture Number:	NRGV-AR[_____]
Applicable Redemption Date:	[_____]
Applicable Principal Amount:	[\$_____]
Interest:	[\$_____]
Total Installment Amount:	[\$_____]

The Company hereby elects the following in respect of the above referenced Installment Amount:

- ___ The Equity Conditions are satisfied and the applicable Installment Amount may be converted by the Holder in whole, or in part, pursuant Section (4)(b) anytime after the applicable Redemption Date; or
- ___ The Company elects to redeem in cash the applicable Installment Amount pursuant to a Company Redemption.

Sincerely,

Authorized Signatory

EXHIBIT II(a)(ii)

MANDATORY REDEMPTION NOTICE

Date: [_____]

VIA E-MAIL: trading@yorkvilleadvisors.com and [_____]

This letter shall serve as Mandatory Redemption Notice by Energy Vault Holdings, Inc. (“Company”) in accordance with Section (2)(a)(ii) of the AR Convertible Debenture issued to YA II PN, Ltd. (the “Holder”) on May 18, 2026 (the “Debenture”). Unless otherwise specified, capitalized terms used in this letter shall have the meaning assigned to them in the Debenture.

The Company hereby notifies the Holder that a Mandatory Redemption Event has occurred or is anticipated to occur as set forth below.

	Debenture Number:	<u>NRGV-[]</u>
1	Applicable Redemption Date:	_____
2	Aggregate principal amount outstanding under the Debenture and all Other Debentures	\$ _____
3	Aggregate accrued and unpaid Interest outstanding under the Debenture and all other Debentures	\$ _____
4	Borrowing Base Adjusted Amount	\$ _____
5	Item 2 <i>minus</i> 50% of Item 4 (if positive, identify that amount; otherwise zero)	\$ _____
6	Mandatory Redemption Amount (Item 5 on a <i>pro rata basis</i> with the Other Debentures)	\$ _____

Sincerely,

Authorized Signatory

—

EXHIBIT III

CONVERSION NOTICE

(To be executed by the Holder in order to Convert the Debenture)

TO: ENERGY VAULT HOLDINGS, INC.

Via Email:

The undersigned hereby irrevocably elects to convert a portion of the outstanding and unpaid Conversion Amount of Debenture No. NRGV-AR[] into Shares of Common Stock of **ENERGY VAULT HOLDINGS, INC.**, according to the conditions stated therein, as of the Conversion Date written below.

Conversion Date:

Principal Amount to be Converted:

Accrued Interest to be Converted

Total Conversion Amount to be converted:

Market Price:

Conversion Price:

Number of shares of Common Stock to be issued:

Please issue the shares of Common Stock in the following name and deliver them to the following account:

Issue to:

Broker DTC Participant Code:

Account Number:

Authorized Signature:

Name:

Title:

NEITHER THIS DEBENTURE NOR THE SECURITIES INTO WHICH THIS DEBENTURE IS CONVERTIBLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE. THESE SECURITIES HAVE BEEN SOLD IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

ENERGY VAULT HOLDINGS, INC.

LC Convertible Debenture

Original Principal Amount:

Issuance Date: , 202

Number: NRGV-LC

(1) **FOR VALUE RECEIVED, ENERGY VAULT HOLDINGS, INC.**, an entity organized under the laws of Delaware (the “Company”), hereby promises to pay to YA II PN, LTD., or its registered assigns (the “Holder”) the amount set out above as Original Principal Amount (or such lesser amount as reduced pursuant to the terms hereof pursuant to repayment, redemption, conversion or otherwise, the “Principal”), the Exit Premium, in each case when due, and to pay interest (“Interest”) on any outstanding Principal at the Interest Rate (as defined below) from the date set out above as the Issuance Date (the “Issuance Date”) until the same becomes due and payable, whether upon the Maturity Date or acceleration, conversion, redemption or otherwise (in each case in accordance with the terms hereof) and Interest on any outstanding Principal at the Default Rate (if applicable) as set forth herein. The Issuance Date is the date of the first issuance of this LC Convertible Debenture (as amended, amended and restated, extended, supplemented or otherwise modified in writing from time to time, this “Debenture”) regardless of the number of transfers and regardless of the number of instruments, which may be issued to evidence such Debenture. This Debenture was issued pursuant to the Securities Purchase Agreement dated as of May 18, 2026, between the Company and the Buyers listed on the Schedule of Buyers attached thereto (as it may be amended from time to time, the “Securities Purchase Agreement”). Certain capitalized terms used herein are defined in Section (14).

(1) GENERAL TERMS

(a) Maturity Date. On the Maturity Date, the Company shall pay to the Holder an amount in cash representing all outstanding Principal, accrued and unpaid Interest, and any other amounts outstanding pursuant to the terms of this Debenture. The “Maturity Date” shall

be ¹ [], 202[7][8]. Other than as specifically permitted by this Debenture, the Company may not prepay or redeem any portion of the outstanding Principal and accrued and unpaid Interest.

(b) Interest Rate and Payment of Interest. Interest shall accrue on the outstanding Principal balance hereof at an annual rate equal to 7.50% (the “Interest Rate”), which Interest Rate shall increase to an annual rate of 18.00% (the “Default Rate”) upon the occurrence of an Event of Default (for so long as such event remains uncured). Interest shall be calculated based on a three hundred sixty-five (365)-day year and the actual number of days elapsed, to the extent permitted by applicable law.

(2) REDEMPTIONS.

(a) (i) Monthly Cash Redemptions. The Company shall, at its own option, (A) redeem in cash each Installment Amount (as defined in Section (14)) set forth on the ²Redemption Schedule (as defined in Section (14)) (a “Company Redemption”) on each applicable Redemption Date (as defined in Section (14)), subject to the provisions of this Section (2)(a)(i) and Section (2)(b) below, (B) provided the Equity Conditions are satisfied, allow such Installment Amount to be converted by the Holder in accordance with Section (4)(b), or (C) provided the Equity Conditions are satisfied, elect a combination of a Company Redemption and a conversion described in clause (B) above. On or prior to each Redemption Date, the Company shall deliver written notice in the form attached hereto as Exhibit II(a) (i) (each, an “Company Redemption Notice”) to the Holder which Company Redemption Notice shall either: (i) state that the Company elects to redeem, in whole or in part, the applicable Installment Amount in cash pursuant to a Company Redemption, and/or (ii) confirm that all or the applicable portion of the applicable Installment Amount may be converted by the Holder in whole, or in part, pursuant Section (4)(b) any time after the applicable Redemption Date.

If the Company does not timely deliver a Company Redemption Notice on or prior to the Redemption Date in accordance with this Section (2)(a)(i), then, provided the Equity Conditions are satisfied, the Company shall be deemed to have delivered a Company Redemption Notice confirming that the applicable Installment Amount may be converted by the Holder in accordance with Section (4)(b). For the avoidance of doubt, upon the delivery, or deemed delivery, of a Company Redemption Notice allowing such Installment Amount to be converted by the Holder, the Company’s obligation to redeem such Installment Amount pursuant to this Section (2)(a) shall be satisfied on the applicable Redemption Date and Interest on the related Principal amount shall cease to accrue as of the date that the Holder exercises its right to convert such Installment Amount in accordance with Section (4)(b).

Notwithstanding the foregoing, in the event that as of any Redemption Date there is an Event of Default or an Amortization Event in effect which has not been cured, then, in respect of such Redemption Date, (i) the Company shall be required to redeem in cash through a Company Redemption, and (ii) the applicable Installment Amount shall be the greater of the Installment Amount set forth on the Redemption Schedule or the Amortization Installment Amount.

Any Optional Redemptions made by the Company pursuant to this Debenture on or before any Redemption Date shall have the effect of adjusting the Redemption

¹ NTD: To be 12 months from the Issuance Date.

² NTD: Redemption Schedule to be attached by Holder.

Schedule by reducing the Installment Amount of future payments coming due in reverse chronological order (i.e. starting with the latest payments first).

(i) Mandatory Redemptions. The Company shall redeem in cash each Mandatory Redemption Amount (as defined in Section (14)) on each Redemption Date, subject to the provisions of this Section (2)(a)(ii) and Section (2)(b) below. On or prior to each Redemption Date with respect to a Mandatory Redemption Event, the Company shall deliver written notice in the form attached hereto as Exhibit II(a)(ii) (each, an “Mandatory Redemption Notice”) to the Holder which Mandatory Redemption Notice shall confirm the Mandatory Redemption Amount for a Mandatory Redemption Event that has occurred. Any such waivers of any particular Mandatory Redemption Amount shall not waive or be deemed a course of conduct to waive any additional or future Mandatory Redemption Amounts that arise under this Section 2(a)(ii).

If the Company does not timely deliver a Mandatory Redemption Notice on or prior to the applicable Redemption Date in accordance with this Section (2)(a)(ii), then an Event of Default shall automatically and immediately occur hereunder. Any redemption pursuant to this Section (2)(a)(ii) may, at the Company’s discretion, be pursuant to a Mandatory Redemption Notice given prior to the completion or occurrence of a Mandatory Redemption Event, and such redemption or notice may, at the Holder’s discretion, be subject to the completion or occurrence of the related Mandatory Redemption Event or other transaction or event, as the case may be.

Any Mandatory Redemption Amounts shall be paid in cash under this Debenture and the Other Debentures *pro rata* as provided herein and therein.

Any Mandatory Redemption Amounts actually paid in cash on or before any Redemption Date shall have the effect of adjusting the Redemption Schedule by reducing the Installment Amount of future payments coming due in reverse chronological order (i.e., starting with the latest payments first).

(b) Company Redemption; Mandatory Redemption. If (i) the Company elects or is required to make a Company Redemption in cash in accordance with Section (2)(a)(i), then the amount to be paid shall be the sum of the applicable Installment Amount (or Amortization Installment Amount, if applicable), plus the Exit Premium or (ii) the Company is required to pay any Mandatory Redemption Amount in cash in accordance with Section 2(a)(ii), then the amount to be paid in cash shall be the sum of the Mandatory Redemption Amount plus the Exit Premium (in either such case of clause (b)(i) above or (b)(ii) above, collectively referred to herein as the “Redemption Amount”). The Redemption Amount shall be paid by the Company on or before such Redemption Date, by wire transfer of immediately available funds.

(c) Company Additional Optional Redemption. The Company at its option shall have the right, but not the obligation, to redeem early a portion or all amounts outstanding under this Debenture as described in this Section (each such option, an “Optional Redemption”); *provided*, that the Company provides the Holder with written notice (each, an “Optional Redemption Notice”) of its desire to exercise an Optional Redemption, which Optional Redemption Notice shall be delivered to the Holder after the close of regular trading hours on a Trading Day. Each Optional Redemption Notice shall be irrevocable and shall specify the outstanding balance of the Debenture to be redeemed and the applicable Optional Redemption Amount.

(i) Change of Control Transaction Optional Redemption. The Company at its option shall have the right, but not the obligation, to redeem early all, but not less than all, amounts outstanding under this Debenture if a Change of Control Transaction occurs (a “Change of Control Transaction Optional Redemption”). The “Optional Redemption Amount” in respect of a Change of Control Transaction Optional Redemption shall be an amount equal to (a) the outstanding Principal balance being redeemed by the Company *plus* (b) the Exit Premium, *plus* (c) all accrued and unpaid interest hereunder as of the date of such redemption.

(ii) After receipt of an Optional Redemption Notice, the Holder shall have seven (7) Trading Days (beginning with the Trading Day immediately following the date the Optional Redemption Notice is delivered to the Holder in accordance with the terms of this Section (2)(c)) to elect to convert the Principal amount, and accrued and unpaid Interest, subject to the Optional Redemption. On the eighth (8th) Trading Day following the delivery of the applicable Optional Redemption Notice, the Company shall deliver to the Holder the Optional Redemption Amount with respect to the Principal amount redeemed to the extent not converted or otherwise repaid after giving effect to the conversions or other payments made during such seven (7) Trading Day period.

(d) Exit Premium. The Company shall pay the Holder an Exit Premium in cash (A) on the first Business Day of each Calendar Month, (B) concurrently with any Company Redemption or Optional Redemption (and any other optional prepayment hereunder), or (C) concurrently with any Mandatory Redemption (and any other mandatory repayment event hereunder). Such cash Exit Premium (x) made under sub-clause (A) herein, shall be due and payable on the first Business Day of each Calendar Month, or (y) made under sub-clause (B) in connection with any Company Redemption or Optional Redemption shall be due on the date notice is delivered (or deemed delivered) to the Holder electing a Company Redemption or Optional Redemption and payable on the applicable Redemption Date (and if incurred in connection with any other optional prepayment obligation, then shall be due and payable on the date such optional prepayment is made), or (C) concurrently with any Mandatory Redemption (or any other mandatory repayment event hereunder) shall be due and payable on each applicable Redemption Date (and if incurred in connection with any other mandatory repayment obligation, then shall be due and payable on the date such mandatory repayment is required).

(e) Payments Generally.

(i) Payment Dates. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(ii) Principal Payments. Each payment of Principal (whether paid in cash or by conversion into Common Shares) under this Debenture shall be accompanied by all accrued and unpaid Interest thereon and the applicable Exit Premium (which shall be paid in the same manner as such Principal payment).

(3) EVENTS OF DEFAULT.

(a) An “Event of Default”, wherever used herein, means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body, in each case of competent jurisdiction) shall have occurred:

(i) The Company’s failure to pay to the Holder any amount of Principal, Redemption Amount (including on the applicable Redemption Date for any Mandatory

Redemption Event), Interest, Exit Premium or other amounts when and as due under this Debenture or any other Transaction Document and such failure continues for a period of five (5) Business Days;

(ii) (A) The Company or any Guarantor and each other Significant Subsidiary (as defined in Rule 102(w) of Regulation S-X) (each such Person, an “Impacted Person”) shall commence, or there shall be commenced against any Impacted Person, any proceeding under any applicable bankruptcy or insolvency laws as now or hereafter in effect or any successor thereto, or any Impacted Person commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to such Impacted Person, in any such bankruptcy, insolvency or other proceeding which remains undismissed for a period of sixty one (61) days; (B) any Impacted Person is adjudicated insolvent or bankrupt; (C) any order of relief or other order approving any such case or proceeding is entered; (D) any Impacted Person suffers any appointment of any custodian, private or court appointed receiver or the like for it or all or substantially all of its property which continues undischarged or unstayed for a period of sixty one (61) days; (E) any Impacted Person makes a general assignment of all or substantially all of its assets for the benefit of creditors; (F) any Impacted Person shall fail to pay, shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; (G) any Impacted Person shall call a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts; (H) any Impacted Person shall by any act or failure to act expressly indicate its consent to, approval of or acquiescence in any of the foregoing; or (I) any corporate or other action is taken by any Impacted Person for the purpose of effecting any of the foregoing;

(iii) Any Impacted Person shall default in any of its obligations (A) under any note, debenture, mortgage, credit agreement or other facility, indenture agreement, guarantee or other instrument under which there may be issued, or by which there may be secured or evidenced any indebtedness for borrowed money of such Impacted Person or as to which such Impacted Person is a guarantor, in an amount exceeding \$3,500,000, whether such indebtedness now exists or shall hereafter be created and such default is not cured within the time prescribed by the documents governing such indebtedness or if no time is prescribed, within ten (10) Trading Days, and shall result in such indebtedness becoming or being declared due and payable; or (B) under any Existing Convertible Debenture, whether such indebtedness now exists or shall hereafter be created and such default is not cured within the time prescribed by the documents governing such indebtedness or if no time is prescribed, within ten (10) Trading Days, and shall result in such indebtedness becoming or being declared due and payable;

(iv) A final judgment or judgments for the payment of money in excess of \$3,500,000 in the aggregate are rendered against the Company and/or any of its Subsidiaries and which judgments are not, within forty five (45) days after the entry thereof, bonded, discharged, settled or stayed pending appeal, or are not discharged within thirty (30) days after the expiration of such stay; *provided*, however, any judgment which is covered by insurance or an indemnity from a creditworthy party shall not be included in calculating the \$3,500,000 amount set forth above so long as the Company provides the Holder a written statement from such insurer or indemnity provider (which written statement shall be reasonably satisfactory to the Holder) to the effect that such judgment is covered by insurance or an indemnity and the Company or such Subsidiary (as the case may be) will receive the proceeds of such insurance or indemnity within forty five (45) days of the issuance of such judgment;

(v) The Common Stock shall cease to be quoted or listed for trading, as applicable, on any Principal Market for a period of ten (10) consecutive Trading Days;

(vi) A Change of Control Transaction (as defined in Section (14)) occurs unless in connection with such Change of Control Transaction this Debenture is redeemed in full under Section (2)(c);

(vii) The Company's (A) failure to deliver the required number of shares of Common Stock to the Holder within two (2) Trading Days after the applicable Share Delivery Date (after giving effect to any permitted extensions) or (B) notice to any holder of the Debenture, including by way of public announcement, at any time, of its intention not to comply with a request for conversion of all or a portion of this Debenture into shares of Common Stock that is tendered in accordance with the provisions of this Debenture, other than pursuant to Section (4)(d);

(viii) The Company shall fail for any reason to deliver the payment in cash pursuant to a Buy-In (as defined below) within five (5) Business Days after such payment is due;

(ix) The Company's failure to file with the Commission any Periodic Report on or before the due date of such filing as established by the Commission, it being understood, for the avoidance of doubt, that due date includes any permitted filing deadline extension under Rule 12b-25 under the Exchange Act, and such failure continues for a period of five (5) Business Days;

(x) Any representation or warranty made or deemed to be made by or on behalf of the Company or any Guarantor in or in connection with any Transaction Document, or any waiver hereunder or thereunder, shall prove to have been incorrect in any material respect (or, in the case of any such representation or warranty already qualified by materiality, such representation or warranty shall prove to have been incorrect) when made or deemed made;

(xi) The Company uses the proceeds of the issuance of this Debenture, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulations T, U and X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof), or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose;

(xii) Failure of the Company or any of its Subsidiaries to comply with or to perform any covenant set forth in Section (4)(m), (4)(n), (4)(o), (4)(p), (4)(q), (4)(r) or (4)(s) of the Securities Purchase Agreement within the time periods set forth therein, if any;

(xiii) (A) Any material provision of any Security Document or any Guaranty Agreement shall at any time for any reason (other than pursuant to the express terms thereof) cease to be valid and binding on or enforceable against any Person intended to be a party thereto or otherwise be in full force and effect; or (B) the validity or enforceability of any provision of any Security Document or any Guaranty Agreement shall be contested in any manner by the Company, any of the Guarantors or Grantors (or such other applicable term used therein), any Governmental Entity having jurisdiction over any of them or any other Person, seeking to establish the invalidity of unenforceability thereof; or (C) the Company or any of the Guarantors or Grantors (or such other applicable term used therein) shall deny in writing that it has any liability or obligation purported to be created under any Security Document or any Guaranty Agreement;

(xiv) Any Security Document shall for any reason (other than as a direct result of the action or inaction of the Holder) fail or cease to create a valid and perfected, first

priority Lien in favor of the Buyers on Collateral identified therein, or shall fail or cease to permit the Buyers to readily enforce any remedial rights thereunder;

(xv) Any material damage to, or loss, theft or destruction of any material portion of any Collateral, whether or not insured;

(xvi) Any "Event of Default" (howsoever defined under any Security Document or other Transaction Document) (after the expiration of the applicable grace period set forth therein) occurs;

(xvii) Other than as provided in this Section (3)(a), (A) any material provision of any Transaction Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder, ceases to be in full force and effect, other than if caused directly by any action or inaction of a Holder or any of its Affiliates; (B) the Company (acting in bad faith) or any Guarantor or any other authorized Person on the Company's behalf contests in writing the validity or enforceability of any material provision of any Transaction Document; or (C) the Company (acting in bad faith) or any Guarantor unreasonably denies in writing that it has any or further liability or obligation under any Transaction Document, or purports in writing to revoke, terminate (other than in line with the relevant termination provisions) or rescind any Transaction Document;

(xviii) (A) Any Customer Letter of Credit shall cease to be valid and enforceable against the applicable Customer or the issuing bank thereof for any reason whatsoever; (B) any Supplier Letter of Credit / Bonds shall cease to be enforceable against the Company or, if applicable, any of its Subsidiaries, or the issuing bank or other issuing Person thereof for any reason whatsoever; (C) any demand is made by any Person, directly or indirectly, against any Letter of Credit; or (D) at any time, there does not exist in aggregate Customer Letters of Credit with a face amount of at least 150% of the then aggregate outstanding principal amount of this Debenture and all Other Debentures; or

(xix) The Company or any Guarantor shall fail to observe or perform any material covenant, agreement or warranty contained in, or otherwise commit any material breach or default of any provision of this Debenture (except as may be otherwise covered by any of the paragraphs set forth above in this Section (3)(a)) or any other Transaction Document which is not cured or remedied within the time prescribed or if no time is prescribed within thirty (30) Business Days.

(b) During the time that any portion of this Debenture is outstanding, if any Event of Default has occurred (other than an event with respect to the Company described in Section (3)(a)(ii)), the full unpaid Principal amount of this Debenture, together with interest and other amounts owing in respect of this Debenture, to the date of acceleration shall become at the Holder's election given by notice pursuant to Section (7), immediately due and payable in cash; *provided* that, in the case of any event with respect to the Company described in Section (3)(a)(ii), the full unpaid Principal amount of this Debenture, together with accrued and unpaid interest and other amounts owing in respect of this Debenture to the date of acceleration, shall automatically become due and payable, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Company. Furthermore, in addition to any other remedies, the Holder shall have the right (but not the obligation) to convert, at the Conversion Price determined in accordance with part (B) of Section (4)(a)(ii), on one or more occasions all or part of the unpaid Principal amount of this Debenture, together with interest and other amounts owing in respect of this Debenture, in accordance with Section (4) and subject to the limitations in Section (4)(d) (but not subject to any other limitations contained herein) at any time after (x) an Event of Default (provided that such Event of Default is continuing) or (y) the Maturity Date, provided that this Debenture remains outstanding. The

Holder need not provide, and the Company hereby waives any presentment, demand, protest or other notice of any kind, (other than any required notice of conversion) and the Holder may immediately enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by the Holder in writing at any time prior to payment hereunder. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

(4) CONVERSION OF DEBENTURE. This Debenture shall be convertible into shares of Common Stock, on the terms and conditions set forth in this Section (4).

(a) Conversion Right. Subject to the limitations of Section (4)(d), at such time or times on or after the Issuance Date as provided herein, the Holder shall be entitled to convert any portion or such portion of the outstanding and unpaid Conversion Amount (as defined below) that may be subject to conversion by the Investor as provided herein into fully paid and nonassessable shares of Common Stock in accordance with Section (3)(b) or Section (4)(b), at the applicable Conversion Price (as defined below). The number of shares of Common Stock issuable upon conversion of any Conversion Amount pursuant to this Section (4)(a) shall be determined by dividing (x) such Conversion Amount by (y) the applicable Conversion Price. The Company shall not issue any fraction of a share of Common Stock upon any conversion. All calculations under this Section (4) shall be rounded to the nearest \$0.0001. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Company shall round such fraction of a share of Common Stock up to the nearest whole share. The Company shall pay any and all transfer, stamp and similar taxes that may be payable with respect to the issuance and delivery of Common Stock upon conversion of any Conversion Amount.

(i) “Conversion Amount” means the portion of the Principal, Interest, or other amounts outstanding under this Debenture to be converted or otherwise with respect to which this determination is being made.

(ii) “Conversion Price” means, as of any Conversion Date (as defined below) or other date of determination with respect to a conversion pursuant to the terms of this Debenture, 97% of the lowest daily VWAP for the Common Stock during the four (4) consecutive Trading Days immediately preceding the Conversion Date (the “Market Price”), but which Market Price shall not be lower than the Floor Price. The Conversion Price shall be adjusted from time to time pursuant to the other terms and conditions of this Debenture.

(b) Market Price Conversions. In respect of any Installment Amount (or other additional amounts as may be agreed by the Company) subject to a Company Redemption Notice confirming that the applicable Installment Amount (or other additional amounts as may be agreed by the Company) may be converted by the Holder, the Holder may, at any time and from time to time after such applicable Redemption Date, convert a Conversion Amount up to the applicable Installment Amount (or other additional amounts as may be agreed by the Company, or any portion thereof) at the Conversion Price by serving a Conversion Notice on the Company in accordance with Section (4)(c).

(c) Mechanics of Conversion.

(i) Optional Conversion. To convert any Conversion Amount into shares of Common Stock on any date (a “Conversion Date”), the Holder shall (A) transmit by email (or otherwise deliver), for receipt on or prior to 11:59 p.m., New York time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit III (the “Conversion Notice”) to the Company and (B) if required by Section (4)(c)(iii), surrender this Debenture to a nationally recognized overnight delivery service for delivery to the Company (or an indemnification undertaking reasonably satisfactory to the Company with respect to this

Debenture in the case of its loss, theft or destruction). On or before the first (1st) Trading Day following the date of receipt of a Conversion Notice (the “Share Delivery Date”), the Company shall (X) if legends are not required to be placed on certificates or the book-entry position of the Shares of Common Stock and provided that the Transfer Agent is participating in the Depository Trust Company’s (“DTC”) Fast Automated Securities Transfer Program, instruct such transfer agent to credit such aggregate number of Shares of Common Stock to which the Holder shall be entitled to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver to the address as specified in the Conversion Notice, a certificate or book-entry position, registered in the name of the Holder or its designee, for the number of Shares of Common Stock to which the Holder shall be entitled which certificates shall bear restrictive legends unless not required pursuant to rules and regulations of the Commission. If this Debenture is physically surrendered for conversion and the outstanding Principal of this Debenture is greater than the Principal portion of the Conversion Amount being converted, then the Company shall as soon as practicable and in no event later than three (3) Business Days after receipt of this Debenture and at its own expense, issue and deliver to the holder a new Debenture representing the outstanding Principal not converted. The Person or Persons entitled to receive the Shares of Common Stock issuable upon a conversion of this Debenture shall be treated for all purposes as the record holder or holders of such Shares of Common Stock upon the receipt by the Company of a Conversion Notice.

(ii) Company’s Failure to Timely Convert. If the Company shall fail, for any reason or for no reason, on or prior to the applicable Share Delivery Date (or, if such failure occurs through no fault of the Company, on or prior to the second (2nd) Trading Day following the Share Delivery Date) to issue and deliver a certificate to the Holder or credit the Holder’s balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon such Holder’s conversion of any Conversion Amount (a “Conversion Failure”), and if on or after such Trading Day the Holder purchases (in an open market transaction or otherwise) Common Stock to deliver in satisfaction of a sale by the Holder of Common Stock issuable upon such conversion that the Holder anticipated receiving from the Company (a “Buy-In”), then the Company shall, within three (3) Business Days after the Holder’s request and in the Holder’s discretion, either (i) pay cash to the Holder in an amount equal to the Holder’s total purchase price (including brokerage commissions and other out of pocket expenses, if any) for the shares of Common Stock so purchased (the “Buy-In Price”), at which point the Company’s obligation to deliver such certificate (and to issue such Common Stock) shall terminate, or (ii) promptly honor its obligation to deliver to the Holder a certificate or certificates representing such Common Stock to which the Holder is entitled with respect to such Conversion Notice and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of shares of Common Stock, multiplied by (B) the Closing Price on the Conversion Date.

(iii) Book-Entry. Notwithstanding anything to the contrary set forth herein, upon conversion of any portion of this Debenture in accordance with the terms hereof, the Holder shall not be required to physically surrender this Debenture to the Company unless (A) the full Conversion Amount represented by this Debenture is being converted or (B) the Holder has provided the Company with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of this Debenture upon physical surrender of this Debenture. The Holder and the Company shall maintain records showing the Principal and Interest converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Company, so as not to require physical surrender of this Debenture upon any conversion.

(d) Limitations on Conversions.

(i) Beneficial Ownership. The Holder shall not have the right to convert any portion of this Debenture to the extent that after giving effect to such conversion the Holder, together with any Affiliate thereof, would beneficially own (as determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder) in excess of 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to such conversion (the "Beneficial Ownership Cap"). Since the Holder will not be obligated to report to the Company the number of shares of Common Stock it may hold at the time of a conversion hereunder, unless the conversion at issue would result in the issuance of shares of Common Stock in excess of the Beneficial Ownership Cap, the Holder shall have the authority and obligation to determine whether the Beneficial Ownership Cap will limit any particular conversion hereunder and to the extent that the Holder determines that the limitation contained in this Section applies, the determination of which portion of the Principal amount of this Debenture is convertible shall be the responsibility and obligation of the Holder. If the Holder has delivered a Conversion Notice for a Principal amount of this Debenture that, without regard to any other shares that the Holder or its Affiliates may beneficially own, would result in the issuance in excess of the Beneficial Ownership Cap, the Company shall notify the Holder of this fact and shall honor the conversion for the maximum Principal amount permitted to be converted on such Conversion Date in accordance with Section (4)(a) and, any Principal amount tendered for conversion in excess of the permitted amount hereunder shall remain outstanding under this Debenture. The provisions of this Section may be waived by a Holder (but only as to itself and not to any other Holder) upon not less than sixty-five (65) days prior notice to the Company. Other Holders shall be unaffected by any such waiver.

(ii) Principal Market Limitation. Notwithstanding anything in this Debenture to the contrary, the Company shall not issue any Shares of Common Stock upon conversion of this Debenture, or otherwise, if the issuance of such Shares of Common Stock, together with any Shares of Common Stock issued in connection with any other related transactions that may be considered part of the same series of transactions, would exceed the aggregate number Shares of Common Stock that the Company may issue in a transaction in compliance with the Company's obligations under the rules or regulations of the Principal Market and shall be referred to as the "Exchange Cap," except that such limitation shall not apply if the Company's stockholders have approved such issuances on such terms in excess of the Exchange Cap in accordance with the rules and regulations of Principal Market.

(e) Other Provisions.

(i) All calculations under this Section (4) shall be rounded to the nearest \$0.0001 or whole share.

(ii) So long as this Debenture or any Other Debentures remain outstanding, the Company shall have reserved from its duly authorized share capital, and shall have instructed the Transfer Agent to irrevocably reserve, the maximum number of Shares of Common Stock issuable upon conversion of this Debenture and the Other Debentures (assuming for purposes hereof that (x) this Debenture and such Other Debentures are convertible at the Floor Price as of the date of determination, and (y) any such conversion shall not take into account any limitations on the conversion of the Debenture or Other Debentures set forth herein or therein (the "Required Reserve Amount")), provided that at no time shall the number of Shares of Common Stock reserved pursuant to this Section (4)(e)(ii) be reduced other than pursuant to the conversion of this Debenture and the Other Debentures in accordance with their terms, and/or cancellation, or reverse stock split. If at any time while this Debenture or any Other Debentures remain outstanding, the Company does not have a sufficient number of authorized and unreserved Shares of Common Stock to satisfy the obligation to reserve for the issuance the

Required Reserve Amount, the Company will promptly take all corporate action necessary to propose to a meeting of its stockholders an increase of its authorized share capital necessary to meet the Company's obligations pursuant to this Debenture, and cause its board of directors to recommend to the stockholders that they approve such proposal.

(iii) Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to Section (3) herein for the Company's failure to deliver certificates representing shares of Common Stock upon conversion within the period specified herein and such Holder shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief, in each case without the need to post a bond or provide other security. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(iv) Legal Opinions. The Company is obligated to use commercially reasonable efforts to cause its legal counsel to deliver legal opinions to the Company's transfer agent in connection with any legend removal upon the expiration of any holding period or other requirement for which the Underlying Shares may bear legends restricting the transfer thereof (i) following any sale of such Underlying Shares pursuant to Rule 144, (ii) if such Underlying Shares are eligible for sale and about to be sold under Rule 144, or (iii) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the SEC); *provided*, however, that such Holder has delivered such reasonably requested representations to such transfer agent, the Company and the Company's legal counsel in connection with the request for such opinion. To the extent a legal opinion is not provided (either timely or at all), then, in addition to being an Event of Default hereunder, the Company agrees to reimburse the Holder for all reasonable costs incurred by the Holder in connection with any legal opinions paid for by the Holder in connection with the sale or transfer of the Underlying Shares of Common Stock. The Holder shall notify the Company of any such costs and expenses it incurs that are referred to in this section from time to time and all amounts owed hereunder shall be paid by the Company with reasonable promptness.

(5) Adjustments to Conversion Price

(a) Adjustment of Conversion Price upon Subdivision or Combination of Common Stock. If the Company, at any time while this Debenture is outstanding, shall (a) pay a stock dividend or otherwise make a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock, (b) subdivide outstanding shares of Common Stock into a larger number of shares, (c) combine (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (d) issue by reclassification of shares of the Common Stock any shares of capital stock of the Company, then the Floor Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding before such event and of which the denominator shall be the number of shares of Common Stock outstanding after such event. Any adjustment made pursuant to this Section shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

(b) [Reserved].

(c) Other Corporate Events. In addition to and not in substitution for any other rights hereunder, prior to the consummation of any Fundamental Transaction pursuant to which holders of shares of Common Stock are entitled to receive securities or other assets with respect to or in exchange for shares of Common Stock that is not a Change of Control

Transaction (a “Corporate Event”), the Company shall make appropriate provision to ensure that the Holder will thereafter have the right to receive upon a conversion of this Debenture, at the Company’s option, (i) in addition to the shares of Common Stock receivable upon such conversion, such securities or other assets to which the Holder would have been entitled with respect to such shares of Common Stock had such shares of Common Stock been held by the Holder upon the consummation of such Corporate Event (without taking into account any limitations or restrictions on the convertibility of this Debenture) or (ii) in lieu of the shares of Common Stock otherwise receivable upon such conversion, such securities or other assets received by the holders of shares of Common Stock in connection with the consummation of such Corporate Event in such amounts as the Holder would have been entitled to receive had this Debenture initially been issued with conversion rights for the form of such consideration (as opposed to shares of Common Stock) at a conversion rate for such consideration commensurate with the Conversion Price. Provision made pursuant to the preceding sentence shall be in a form and substance satisfactory to the Holder. The provisions of this Section shall apply similarly and equally to successive Corporate Events and shall be applied without regard to any limitations on the conversion or redemption of this Debenture.

(d) Notice of Adjustments to Conversion Price. Whenever the Conversion Price is adjusted pursuant to Section (5) hereof, the Company shall promptly provide the Holder with a written notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(e) Mergers or Consolidations; Etc. In case of any (1) merger or consolidation of the Company with or into another Person, or (2) sale by the Company of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, in one or a series of related transactions, a Holder shall have the right to (A) convert the aggregate amount of this Debenture then outstanding into the shares of stock and other securities, cash and property receivable upon or deemed to be held by holders of Common Stock following such merger, consolidation or sale, and such Holder shall be entitled upon such event or series of related events to receive such amount of securities, cash and property as the shares of Common Stock into which such aggregate Principal amount of this Debenture could have been converted immediately prior to such merger, consolidation or sales would have been entitled. The terms of any such merger, sale or consolidation shall include such terms so as to continue to give the Holder the right to receive the securities, cash and property set forth in this Section upon any conversion or redemption following such event. This provision shall similarly apply to successive such events.

(6) REISSUANCE OF THIS DEBENTURE.

(a) Register. The Company shall maintain at its principal executive offices or with the Transfer Agent (or at such other office or agency of the Company as it may designate by notice to each holder of this Debenture), a register for this Debenture in which the Company shall record the name and address of the Person in whose name this Debenture has been issued (including the name and address of each transferee), the principal amount (and stated interest) of this Debenture held by such Person. The Company shall maintain the register in a manner that complies with the “registered form” requirements in Section 5f.103-1(c) of the United States Treasury Regulations.

(b) Transfer. Holder shall not transfer this Debenture other than to its Affiliates. If this Debenture is to be transferred, the Holder shall surrender this Debenture to the Company, whereupon the Company will forthwith issue and deliver to the Holder a new Debenture (in accordance with Section (6)(e)), registered in the name of the registered transferee or assignee, representing the outstanding Principal being transferred by the Holder (along with any accrued and unpaid Interest thereof) and, if less than the entire outstanding Principal is being

transferred, a new Debenture (in accordance with Section (6)(e)) to the Holder representing the outstanding Principal not being transferred. The Holder and any assignee, by acceptance of this Debenture, acknowledge and agree that, by reason of the provisions of Section (4)(c)(iii) following conversion or redemption of any portion of this Debenture, the outstanding Principal represented by this Debenture may be less than the Principal stated on the face of this Debenture.

(c) Lost, Stolen or Mutilated Debenture. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Debenture, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and substance and, in the case of mutilation, upon surrender and cancellation of this Debenture, the Company shall execute and deliver to the Holder a new Debenture (in accordance with Section (6)(e)) representing the outstanding Principal.

(d) Debenture Exchangeable for Different Denominations. This Debenture is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Debenture or Debentures (in accordance with Section (6)(e)) representing in the aggregate the outstanding Principal of this Debenture, and each such new Debenture will represent such portion of such outstanding Principal as is designated by the Holder at the time of such surrender.

(e) Issuance of New Debentures. Whenever the Company is required to issue a new Debenture pursuant to the terms of this Debenture, such new Debenture (i) shall be of like tenor with this Debenture, (ii) shall represent, as indicated on the face of such new Debenture, the Principal remaining outstanding (or in the case of a new Debenture being issued pursuant to Section (6)(a) or Section (6)(d), the Principal designated by the Holder which, when added to the Principal represented by the other new Debentures issued in connection with such issuance, does not exceed the Principal remaining outstanding under this Debenture immediately prior to such issuance of new Debentures), (iii) shall have an issuance date, as indicated on the face of such new Debenture, which is the same as the Issuance Date of this Debenture, (iv) shall have the same rights and conditions as this Debenture, and (v) shall represent accrued and unpaid Interest from the Issuance Date.

(7) Any notices, consents, waivers or other communications required or permitted to be given under the terms hereof must be in writing by letter or electronic mail ("e-mail") and will be deemed to have been delivered (i) upon receipt, when delivered personally, (ii) one (1) Business Day after deposit with an overnight courier service with next day delivery specified, as applicable or (iii) receipt, when sent by e-mail, and, in each case of the foregoing clauses (i), (ii) and (iii), properly addressed to the party to receive the same. The addresses and email addresses for such communications shall be:

If to the Company, to:

Energy Vault Holdings, Inc.
4165 Thousand Oaks Blvd, Suite 100
Westlake Village, CA 91362
Attn: General Counsel
Email: Legal@energyvault.com

with a copy (which shall not constitute notice) to:

Vinson & Elkins L.L.P.
1114 Avenue of the Americas, 32nd Floor
New York, NY 10036
Attention: Brenda Lenahan; Katherine Frank; Caitlin Lawrence
Email: blenahan@velaw.com; kfrank@velaw.com; caitlinlawrence@velaw.com

If to the Holder:

YA II PN, Ltd
c/o Yorkville Advisors Global, LLC
1012 Springfield Avenue
Mountainside, NJ 07092
Attention: Mark Angelo
Telephone: 201-985-8300
Email: Legal@yorkvilleadvisors.com

or at such other address and/or e-mail address and/or to the attention of such other person as the recipient party has specified by written notice given to each other party in accordance with this Section at least three (3) Business Days prior to the effectiveness of such change. Written confirmation of receipt (a) given by the recipient of such notice, consent, waiver or other communication, (b) electronically generated by the sender's email service provider containing the time, date, recipient email address or (c) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt from a nationally recognized overnight delivery service or receipt by e-mail in accordance with clause (i), (ii) or (iii) above, respectively.

(8) **NO IMPAIRMENT.** Except as expressly provided herein, no provision of this Debenture shall alter or impair the obligations of the Company, which are absolute and unconditional, to pay the Principal of, and Interest and other charges (if any) on, this Debenture at the time, place, and rate, and in the currency, herein prescribed. This Debenture is a direct obligation of the Company. As long as this Debenture is outstanding, the Company shall not and shall cause each of its subsidiaries not to, without the consent of the Holder, enter into any agreement, arrangement or transaction in or of which the terms thereof would restrict, materially delay, conflict with or impair the ability of the Company to perform its obligations under this Debenture, including, without limitation, the obligation of the Company to make cash payments hereunder.

(9) **Stockholder Rights.** This Debenture shall not entitle the Holder to any of the rights of a stockholder of the Company, including without limitation, the right to vote, to receive dividends and other distributions, or to receive any notice of, or to attend, meetings of stockholders or any other proceedings of the Company, unless and to the extent converted into shares of Common Stock in accordance with the terms hereof.

(10) CHOICE OF LAW; VENUE; WAIVER OF JURY TRIAL

(a) Governing Law. This Debenture and the rights and obligations of the Parties hereunder shall, in all respects, be governed by, and construed in accordance with, the laws (excluding the principles of conflict of laws) of the State of New York (the "Governing Jurisdiction") (including Section 5-1401 and Section 5-1402 of the General Obligations Law of the State of New York), including all matters of construction, validity and performance.

(b) Jurisdiction; Venue; Service.

(i) The Company and the Holder each hereby irrevocably consent to the non-exclusive personal jurisdiction of the state courts of the Governing Jurisdiction and, if a basis for federal jurisdiction exists, the non-exclusive personal jurisdiction of any United States District Court for the Governing Jurisdiction.

(ii) The Company and the Holder each agrees that venue shall be proper in any court of the Governing Jurisdiction or, if a basis for federal jurisdiction exists, in any United States District Court in the Governing Jurisdiction. The Company waives any right to object to the maintenance of any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, in any of the state or federal courts of the Governing Jurisdiction on the basis of improper venue or inconvenience of forum.

(iii) Any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or tort or otherwise, brought by the Company against the Holder arising out of or based upon this Debenture or any matter relating to this Debenture, or any other Transaction Document, or any contemplated transaction, shall be brought in a court only in the Governing Jurisdiction. The Company shall not file any counterclaim against the Holder in any suit, claim, action, litigation or proceeding brought by the Holder against the Company in a jurisdiction outside of the Governing Jurisdiction unless under the rules of the court in which the Holder brought such suit, claim, action, litigation or proceeding the counterclaim is mandatory, and not permissive, and would be considered waived unless filed as a counterclaim in the suit, claim, action, litigation or proceeding instituted by the Holder against the Company. The Company agrees that any forum outside the Governing Jurisdiction is an inconvenient forum and that any suit, claim, action, litigation or proceeding brought by the Company against the Holder in any court outside the Governing Jurisdiction should be dismissed or transferred to a court located in the Governing Jurisdiction. Furthermore, the Company irrevocably and unconditionally agrees that it will not bring or commence any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Holder arising out of or based upon this Debenture or any matter relating to this Debenture, or any other Transaction Document, or any contemplated transaction, in any forum other than the courts of the State of New York sitting in New York County, and the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such suit, claim, action, litigation or proceeding may be heard and determined in such New York State Court or, to the fullest extent permitted by applicable law, in such federal court. The Company and the Holder agree that a final judgment in any such suit, claim, action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(iv) The Company and the Holder irrevocably consent to the service of process out of any of the aforementioned courts in any such suit, claim, action, litigation or proceeding by e-mail or the mailing of copies thereof by registered or certified mail postage

prepaid, to it at the e-mail address or physical address, as applicable, provided for notices in this Debenture, such service to become effective thirty (30) days after the date of e-mail or mailing, as applicable.

(v) Nothing herein shall affect the right of the Holder to serve process in any other manner permitted by law or to commence legal proceedings or to otherwise proceed against the Company or any other Person in the Governing Jurisdiction or in any other jurisdiction.

(c) WAIVER OF JURY TRIAL. THE PARTIES MUTUALLY WAIVE ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS OF ANY KIND ARISING OUT OF OR BASED UPON THIS DEBENTURE OR ANY MATTER RELATING TO THIS DEBENTURE, OR ANY OTHER TRANSACTION DOCUMENT, OR ANY CONTEMPLATED TRANSACTION. THE PARTIES ACKNOWLEDGE THAT THIS IS A WAIVER OF A LEGAL RIGHT AND THAT THE PARTIES EACH MAKE THIS WAIVER VOLUNTARILY AND KNOWINGLY AFTER CONSULTATION WITH COUNSEL OF THEIR RESPECTIVE CHOICE. THE PARTIES AGREE THAT ALL SUCH CLAIMS SHALL BE TRIED BEFORE A JUDGE OF A COURT HAVING JURISDICTION, WITHOUT A JURY.

(11) TAX MATTERS.

(a) On or prior to the Issuance Date (and from time to time thereafter upon the reasonable request of the Company), the Holder shall provide the Company with a duly completed and executed Internal Revenue Service Form W-9 or appropriate W-8 (and, if applicable, a certificate establishing that such Holder satisfies the portfolio interest exemption).

(b) No Debenture shall be held or owned or purchased or otherwise acquired by either a “specified foreign entity” or a “foreign-influenced entity” (as such terms are defined in Section 7701(a)(51)(B) or (D), as applicable, of the Internal Revenue Code of 1986, as amended (the “Code”), or in temporary, proposed or final United States Treasury Regulations or other guidance promulgated or proposed thereunder or issued in respect thereof).

(12) Waivers; Etc. Any waiver by the Holder of a breach of any provision of this Debenture shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Debenture. The failure of the Holder to insist upon strict adherence to any term of this Debenture on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Debenture. No provision of this Debenture may be waived or amended other than by a written agreement signed by the parties to this Debenture. No custom or practice of the parties at variance with the terms hereof shall constitute a waiver by any party of its right to exercise any right, power or remedy available to it hereunder or any other right, power or remedy or to demand strict compliance with the terms of this Debenture.

(13) Invalidity; Etc. If any provision of this Debenture is invalid, illegal or unenforceable, the balance of this Debenture shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances. If it shall be found that any Interest or other amount deemed Interest due hereunder shall violate applicable laws governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum permitted rate of interest. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the Principal of or Interest on this Debenture as contemplated herein,

wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Debenture, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such power as though no such law has been enacted.

(14) CERTAIN DEFINITIONS. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Securities Purchase Agreement. For purposes of this Debenture, the following terms shall have the following meanings:

(a) "Affiliate" of any Person means any other Person which directly or indirectly controls or is controlled by, or is under direct or indirect common control with, the referent Person. For purposes of this definition, "control" of a Person shall mean the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

(b) "Amortization Event" shall mean (i) the daily VWAP is less than the Floor Price then in effect for five (5) Trading Days during a period of seven (7) consecutive Trading Days, (ii) the Company has issued in excess of 99% of the Common Stock available under the Exchange Cap, where applicable, or (iii) any time from and after the six month anniversary of the Issuance Date, the Holder is unable to sell Underlying Shares pursuant to Rule 144 (the first day of each such occurrence, an "Amortization Event Date").

(c) "Amortization Installment Amount" means an amount equal to 20% of the outstanding Principal amount of this Debenture as of the date of the applicable Amortization Event Date.

(d) "Bloomberg" means Bloomberg Financial Markets (or if not available, a similar service provider of nationally recognized standing).

(e) "Business Day" means any day except Saturday, Sunday and any day which shall be a federal legal holiday in the United States or a day on which banking institutions in the State of New York are authorized or required by law or other government action to close.

(f) "Buy-In" shall have the meaning set forth in Section (4)(c)(ii).

(g) "Buy-In Price" shall have the meaning set forth in Section (4)(c)(ii).

(h) "Change of Control Transaction" means the occurrence of (a) an acquisition after the date hereof by an individual or legal entity or "group" (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Company, by contract or otherwise) of in excess of 50% of the voting power of the Company (except that the acquisition of voting securities by the Holder or any other current holder of convertible securities of the Company shall not constitute a Change of Control Transaction for purposes hereof) or (b) the merger, consolidation or sale of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, in one or a series of related transactions. No transfer to a wholly-owned Subsidiary shall be deemed a Change of Control Transaction under this provision.

(i) "Closing Price" means the price per share in the last reported trade of the Common Stock on a Principal Market or on the exchange which the Common Stock is then listed as quoted by Bloomberg.

- (j) “Commission” means the Securities and Exchange Commission.
- (k) “Common Stock” means the shares of common stock, par value \$0.0001, of the Company and stock of any other class into which such shares may hereafter be changed or reclassified.
- (l) “Company Redemption” shall have the meaning assigned in Section (2)(a).
- (m) “Company Redemption Notice” shall have the meaning assigned in Section (2)(a).
- (n) “Conversion Notice” shall have the meaning set forth in Section (4)(c).
- (o) “Conversion Price” shall have the meaning set forth in Section (4)(a)(ii).
- (p) “Convertible Securities” means any stock or securities (other than Options) directly or indirectly convertible into or exercisable or exchangeable for Common Stock.
- (q) “Customer” refers to a third-party (other than the Company or any of its Subsidiaries or Affiliates) party to an EEQ Agreement, an EPC Agreement or an LTSA, in any such case, who is obligated to make payments to the Company and its Subsidiaries thereunder.
- (r) ³“Customer Letter of Credit” means, individually and collective, a letter of credit issued on behalf of a Customer to the Company or any other EV Party in support of such Customer’s obligations under an EEQ Agreement, an EPC Agreement or an LTSA which each such letter of credit shall be in form and substance satisfactory to Holder and from a financial institution acceptable to Holder; as amended, restated, supplemented or otherwise modified or replaced from time to time.
- (s) “EEQ Agreement” means the main/principal written agreement between the Company or any of the other EV Parties, on the one hand, for services under the EEQ Business to be rendered to the Customer thereunder, and all other related agreements and documents; each as amended, restated, supplemented or otherwise modified from time to time.
- (t) “EEQ Business” means engineered equipment business line of the Company and the other EV Parties.
- (u) “EPC Agreement” means the main/principal written agreement between the Company or any of the other EV Parties, on the one hand, for services under the EPC Business to be rendered to the Customer thereunder, and all other related agreements and documents; each as amended, restated, supplemented or otherwise modified from time to time.
- (v) “EPC Business” means the business line of the Company and the other EV Parties whereby such Persons self-perform engineering, procurement, and construction activities.
- (w) “Equity Conditions” means that each of the following conditions is satisfied: (i) on each Trading Day during the three (3) consecutive Trading Days prior to the date of determination (the “Equity Conditions Measuring Period”), either (x) a registration statement covering the resale of the Underlying Stock has been declared effective and available for the

³ NTD: Definition to be finalized at the time of Issuance upon the mutual agreement of the Company and the Holder.

resale of all applicable shares of Common Stock to be issued in connection with the event requiring determination or (y) all applicable shares of Common Stock to be issued in connection with the event requiring determination shall be eligible for sale pursuant to an exemption from the registration requirements of the Securities Act; (ii) on each day during the Equity Conditions Measuring Period, the Common Stock is designated for quotation on the Principal Market and shall not have been suspended from trading on such exchange or market nor shall delisting or suspension by such exchange or market have been threatened or pending in writing by such exchange or market, unless such deficiency has been subsequently resolved; (iii) any applicable shares of Common Stock to be issued in connection with the event requiring determination may be issued in full without violating Section (4)(d) hereof; and (iv) during the Equity Conditions Measuring Period, there shall not have occurred either (A) an Event of Default, (B) an Amortization Event, or (C) an event that with the passage of time or giving of notice would constitute an Event of Default or an Amortization Event.

(x) “Exchange Act” means the Securities Exchange Act of 1934, as amended.

(y) “Exit Premium” means, as of the date of determination, a cash fee (unless otherwise consented in writing by the Holder in its sole discretion): (i) if paid each Calendar Month as required under Section (2)(d) of this Debenture, in an amount equal to (A) the Exit Premium Percentage, *multiplied by* (B) the Principal outstanding under this Debenture as of the last calendar day of the Calendar Month immediately preceding the date of payment; and (ii) if paid in connection with any mandatory or scheduled repayment of Principal or voluntary prepayment of Principal under this Debenture, including any payment under Section 2, on the Maturity Date, upon acceleration or otherwise, in an amount equal to (A) the Exit Premium Percentage, *multiplied by* (B) the Principal amount then repaid or prepaid.

(z) “Exit Premium Percentage” means, as of the date of determination, (i) 0% for the period commencing on the Issuance Date and continuing to, but not including, January 31, 2027, (ii) 0.5% for the Calendar Month of February 2027, (iii) commencing on the first day of each Calendar Month thereafter for such Calendar Month an additional 0.5% over the Exit Premium Percentage for the immediately preceding Calendar Month.

(aa) “Floor Price” means ⁴\$[_____].

(ab) “Fundamental Transaction” means any of the following: (1) the Company effects any merger or consolidation of the Company with or into another Person and the Company is the non-surviving company (other than a merger or consolidation with a wholly owned Subsidiary of the Company for the purpose of redomiciling the Company), (2) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (3) any tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (4) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property.

(ac) “Grantor” means any Person who signs a Security Document entered into pursuant to the Securities Purchase Agreement, this Debenture or any other Transaction Document and grants or purports to grant security interest in or lien on any of its assets in favor of the Buyers.

⁴ NTD: To be the price equal to 20% of the Closing Price as of the Trading Day immediately prior to issuance of the LC Convertible Debenture.

(ad) “Installment Amount” means the total of the Installment Principal Amount set out in the Redemption Schedule, and all accrued and unpaid Interest outstanding as of the applicable Redemption Date.

(ae) “Letter of Credit” means, individually and collectively, Customer Letter of Credit or any Supplier Letter of Credit / Bonds.

(af) “LTSA” means a long-term services arrangement pursuant to which the Company provides services to a Customer.

(ag) “LTSA Business” means the business line of the Company and the other EV Parties whereby such Persons provide services pursuant to a LTSA.

(ah) “Mandatory Redemption Amount” means, as the case may be, an amount equal to (i) for any for any Mandatory Redemption Event under clause (i) of the definition thereof, 100% of the beneficial amount / bonded amount available under all Supplier Letter of Credit / Bonds; or (ii) for any Mandatory Redemption Event under clause (ii) of the definition thereof as a result of a mutual agreement between the Company and its Subsidiaries, on the one hand, and the issuer of the Supplier Letter of Credit / Bonds, on the other hand, then the “Mandatory Redemption Amount” is the amount of the mutually agreed reduced face amount of the Supplier Letter of Credit / Bonds by the parties; determined on a *pro rata* basis for this Debenture and the Other Debentures, in each case, as of the applicable Mandatory Redemption Date.

(ai) “Mandatory Redemption Event” means (i) any demand for payment is made under any Supplier Letter of Credit / Bonds, directly or indirectly, by any supplier of the Company or its Subsidiaries or other Person permitted to make demand thereunder, or (ii) any reduction of the face amount / bonded amount of any Supplier Letter of Credit / Bonds that is made at the mutual agreement of the applicable issuer of the Supplier Letter of Credit / Bonds, on the one hand, and the Company or any of its Subsidiaries, irrespective of when such mutual agreement shall have occurred or be memorialized.

(aj) “Optional Redemption” shall have the meaning assigned in Section (2)(c).

(ak) “Optional Redemption Amount” shall have the meaning assigned in Section (2)(c).

(al) “Optional Redemption Notice” shall have the meaning assigned in Section (2)(c).

(am) “Options” means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

(an) “Other Debentures” means any other outstanding LC Convertible Debentures issued pursuant to the Securities Purchase Agreement and any other debentures, notes, or other instruments issued in exchange, replacement, or modification of the foregoing.

(ao) “Periodic Reports” shall mean all of the Company’s reports required to be filed by the Company with the Commission under applicable laws and regulations (including, without limitation, Regulation S-K), on Form 10-K and Form 10-Q, for so long as any amounts are outstanding under this Debenture or any Other Debenture; *provided* that all such Periodic Reports shall include, when filed, all information, financial statements, audit reports (when applicable) and other information required to be included in such Periodic Reports in compliance with all applicable laws and regulations.

(ap) “Person” means a corporation, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

(aq) “Principal Market” means the New York Stock Exchange; *provided* however, that in the event the Common Stock is ever listed or traded on the Nasdaq Stock Market or any successor thereto, and such exchange is the principal trading market for the Common Stock in the United States, then the “Principal Market” shall mean Nasdaq Stock Market or such successor thereto.

(ar) “Project(s)” means a project(s) under any of the EEQ Business, EPC Business or LTSA Business that is actively in progress, which such Project(s) have been identified by the Company to the Holder as of the Issuance Date and thereafter as of the date a Borrowing Base Certificate is delivered to the Holder in reasonable detail and to the satisfaction of the Holder.

(as) “Redemption Amount” shall have the meaning set forth in Section (2)(b).

(at) “Redemption Date” means either (i) except in respect of any Mandatory Redemption Event, each date listed under the “Redemption Date” column in the Redemption Schedule and shall include the Maturity Date and (ii) for any Mandatory Redemption Event, the first Business Day immediately following the occurrence of such Mandatory Redemption Event.

(au) “Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(av) “Subsidiary” shall mean any Person in which the Company, directly or indirectly, (x) owns a majority of the outstanding capital stock or holds a majority of the equity or similar interest of such Person or (y) controls or operates all or substantially all of the business, operations or administration of such Person, and the foregoing are collectively referred to herein as “Subsidiaries.”

(aw) “Supplier Letter of Credit / Bonds” means, collectively and individually, (i) letter(s) of credit issued by HSBC Bank or another financial institution approved by the Holder on behalf of Energy Vault in support of the Energy Vault’s obligations to one or more suppliers supporting the Projects and (ii) performance bonds or other similar instruments, issued by unrelated third parties approved by the Holder on behalf of Energy Vault in support of the Energy Vault’s obligations to one or more suppliers supporting the Projects; in each case, as amended, restated, supplemented or otherwise modified or replaced from time to time.

(ax) “Trading Day” means a day on which the shares of Common Stock are quoted or traded on a Principal Market on which the shares of Common Stock are then quoted or listed; *provided*, that in the event that the shares of Common Stock are not listed or quoted, then Trading Day shall mean a Business Day.

(ay) “Underlying Shares” means the shares of Common Stock issuable upon conversion of this Debenture in accordance with the terms hereof.

(az) “VWAP” means, for any Trading Day as of any date, the daily volume-weighted average price of the Common Stock for such Trading Day on the Principal Market during regular trading hours as reported by Bloomberg L.P.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this LC Convertible Debenture to be duly executed by a duly authorized officer as of the date set forth above.

COMPANY:
ENERGY VAULT HOLDINGS, INC.

By: __
Name: Michael Beer
Title: Chief Financial Officer

EXHIBIT I
REDEMPTION SCHEDULE

EXHIBIT II(a)(i)

COMPANY REDEMPTION NOTICE

Date: [_____]

VIA E-MAIL: trading@yorkvilleadvisors.com and [_____]

This letter shall serve as Company Redemption Notice by Energy Vault Holdings, Inc. (“Company”) in accordance with Section (2)(a)(i) of the LC Convertible Debenture issued to YA II PN, Ltd. (the “Holder”) on [____], 202[____] (the “Debenture”). Unless otherwise specified, capitalized terms used in this letter shall have the meaning assigned to them in the Debenture.

Debenture Number:	NRGV-LC[_____]
Applicable Redemption Date:	[_____]
Applicable Principal Amount:	[\$ _____]
Interest:	[\$ _____]
Exit Premium:	[\$ _____]
Total Installment Amount:	[\$ _____]

The Company hereby elects the following in respect of the above referenced Installment Amount:

- ____ The Equity Conditions are satisfied and the applicable Installment Amount may be converted by the Holder in whole, or in part, pursuant Section (4)(b) anytime after the applicable Redemption Date; or
- ____ The Company elects to redeem in cash the applicable Installment Amount pursuant to a Company Redemption.

Sincerely,

Authorized Signatory

EXHIBIT II(a)(ii)

MANDATORY REDEMPTION NOTICE

Date: [_____]

VIA E-MAIL: trading@yorkvilleadvisors.com and [_____]

This letter shall serve as Mandatory Redemption Notice by Energy Vault Holdings, Inc. (“Company”) in accordance with Section (2)(a)(ii) of the LC Convertible Debenture issued to YA II PN, Ltd. (the “Holder”) on [___], 202[___] (the “Debenture”). Unless otherwise specified, capitalized terms used in this letter shall have the meaning assigned to them in the Debenture.

The Company hereby notifies the Holder that a Mandatory Redemption Event has occurred or is anticipated to occur as set forth below.

	Debenture Number:	<u>NRGV-LC [___]</u>
1	Applicable Redemption Date:	_____
2	Aggregate principal amount outstanding under the Debenture and all Other Debentures outstanding	\$ _____
3.	Aggregate accrued and unpaid Interest under the Debenture	\$ _____
4.	Exit Premium due for the Debenture	\$ _____
5.	Aggregate face amount / bonded amount of all Supplier Letter of Credit / Bonds (if applicable)	\$ _____
6.	Mutually agreed reduction amount (if applicable)	\$ _____
7	Mandatory Redemption Amount (Item 5 or Item 6, as applicable (see definition of Mandatory Redemption Amount), determined on a <i>pro rata</i> basis)	\$ _____

Sincerely,

Authorized Signatory

—

EXHIBIT III

CONVERSION NOTICE

(To be executed by the Holder in order to Convert the Debenture)

TO: ENERGY VAULT HOLDINGS, INC.

Via Email:

(15) The undersigned hereby irrevocably elects to convert a portion of the outstanding and unpaid Conversion Amount of Debenture No. NRGV-LC[] into Shares of Common Stock of **ENERGY VAULT HOLDINGS, INC.**, according to the conditions stated therein, as of the Conversion Date written below.

Conversion Date:

Principal Amount to be Converted:

Accrued Interest to be Converted

Exit Premium to be Converted:

Total Conversion Amount to be converted:

Market Price:

Conversion Price:

Number of shares of Common Stock to be issued:

Please issue the shares of Common Stock in the following name and deliver them to the following account:

Issue to:

Broker DTC Participant Code:

Account Number:

Authorized Signature:

Name:

Title:

Energy Vault Holdings, Inc.
Compensation Program for Non-Executive Directors

(as amended and restated, effective July 30, 2025)

Non-employee members of the Board of Directors (“**Board**”) of Energy Vault Holdings, Inc. (the “**Company**”) shall receive cash and equity compensation as set forth in this Non-Executive Director Compensation Program (this “**Program**”). The cash and equity compensation described in this Program shall be paid or be made, as applicable, automatically and without further action of the Board, to each Non-Employee Director (“**Director**”) who is entitled to receive such cash or equity compensation, unless such Director declines the receipt of such cash or equity compensation by written notice to the Company.

I. Cash Compensation

- A. Cash Retainer.** Each Director will receive an annual cash retainer for their service on the Board equal to \$75,000 (the “**Cash Retainer**”).
1. The Cash Retainer shall be paid quarterly in arrears not later than the fifteenth (15th) day following the end of each fiscal quarter for the first, second and third fiscal quarters. The Cash Retainer for the fourth fiscal quarter shall be paid not later than the fifteenth (15th) day of the last month prior to the end of the fourth fiscal quarter. For the avoidance of doubt, Cash Retainers will be paid not later than the fifteenth (15th) day of April, July, October and December unless that day is not a business day, in such case the Cash Retainer will be paid on the next succeeding business day.
 2. In the event a Director does not serve as a Director for an entire calendar quarter, the Cash Retainer paid to such Director shall be prorated for the portion of such calendar quarter actually served as a Director.
- B. Expense Reimbursements.** Upon submission of appropriate documentation, Directors will be reimbursed for reasonable expenses, including hotel accommodations and airline tickets with a maximum fare of first class, that are incurred in connection with attendance at meetings of the Board and its committees.

II. Equity Compensation

- A. General.** Each Director shall be granted Restricted Stock Units (as defined in the Company’s 2022 Equity Incentive Plan or any other applicable Company equity incentive plan then-maintained by the Company (in each case, as it may be amended and/or restated from time to time) (“**Equity Plan**”) (each, an “**RSU Award**”) as set forth in this Program. The Restricted Stock Units shall be granted under and subject to the terms and provisions of the Equity Plan and an award agreement thereunder.
- B. Amounts.** Each RSU Award shall be granted in the following amounts:
-

<i>Initial RSU Award:</i> <i>Committee Chairs</i>	A number of Restricted Stock Units (rounded down to the nearest whole number) equal to \$215,000 divided by the Reference Price. ¹
<i>Initial RSU Award:</i> <i>Non-Employee Directors other than Committee Chairs</i>	A number of Restricted Stock Units (rounded down to the nearest whole number) equal to \$200,000 divided by the Reference Price.
<i>Subsequent RSU Award:</i> <i>Committee Chairs</i>	A number of Restricted Stock Units (rounded down to the nearest whole number) equal to \$115,000 divided by the Reference Price.
<i>Subsequent RSU Award:</i> <i>Non-Employee Directors other than Committee Chairs</i>	A number of Restricted Stock Units (rounded down to the nearest whole number) equal to \$100,000 divided by the Reference Price.

- C. Initial RSU Awards. Each Director who is initially elected or appointed to the Board shall receive the Initial RSU Award as soon as practicable following his or her election or appointment to the Board. No Director shall be granted more than one Initial RSU Award.
- D. Subsequent RSU Awards.
1. Grant. A Director who (i) has been serving as a Director on the Board as of the date of any regular annual meeting of the Company's stockholders ("***Annual Meeting***") and (ii) will continue to serve as a Director immediately following such meeting, shall be automatically granted a Subsequent RSU Award on the date of such Annual Meeting. For the avoidance of doubt, a Director elected for the first time to the Board at an Annual Meeting but not otherwise previously appointed shall only receive an Initial RSU Award in connection with such election and shall not receive any Subsequent RSU Award on the date of such meeting as well.
 2. Partial Years of Service. To the extent a Director has served on the Board for less than one year as of the date of an Annual Meeting, the Subsequent RSU Award will be prorated by multiplying the applicable number of Restricted Stock Units by a fraction, the numerator of which is the number of calendar days during the immediately preceding year that the Director served on the Board and the denominator of which is 365.
- E. Termination of Employment of Employee Directors. Members of the Board who are employees of the Company or any parent or subsidiary of the Company who subsequently terminate their employment with the Company and any parent or subsidiary of the Company and remain on the Board will not receive an Initial

¹ "***Reference Price***" shall mean the price calculated in accordance with the Company's equity grant procedures.

RSU Award, but to the extent that they are otherwise entitled, will receive, after termination of employment with the Company and any parent or subsidiary of the Company, a Subsequent RSU Award.

F. Vesting of RSUs Granted to Directors.

1. Initial RSU Awards. Each Initial RSU Award shall vest in substantially equal installments on each of the first three (3) anniversaries of the effective date of grant, such that the Initial RSU Award shall be fully vested on the third (3rd) anniversary of the effective date of grant, subject to the Director's continued service on the Board through each such vesting date; provided, that, any portion of the Initial RSU Award that would otherwise vest as to a fractional amount will not vest until the fractional portions become a whole.
2. Subsequent RSU Awards. Each Subsequent RSU Award shall vest in a single installment on the earlier of (i) the date of the next Annual Meeting occurring after the date of grant or (ii) the first anniversary of the date of grant, subject to the Director's continued service on the Board through such vesting date.
3. Forfeiture of RSU Awards; Change in Control Vesting. Unless the Administrator (as defined in the Equity Plan) otherwise determines, any portion of an RSU Award which is unvested at the time of a Director's termination of service on the Board as a Director shall be immediately forfeited upon such termination of service and shall not thereafter become vested. All of a Director's outstanding RSU Awards shall vest in full immediately prior to the occurrence of a Change in Control (as defined in the Equity Plan), subject to the Director's continued service on the Board through the occurrence of the Change in Control.
4. Settlement. Each RSU will be settled by issuing one share of the Company's common stock upon vesting unless a deferral program is implemented.

G. Miscellaneous

1. Effective Date. This Program amends and restates the Company's Compensation Program for Directors that was effective as of the original effective date in connection with the closing of the business combination between Energy Vault, Inc. and the Company (f/k/a Novus Capital Corporation II).
2. Stock Ownership. Directors are expected to have an equity ownership interest equal to four times the annual cash retainer for Board service. Directors are expected to comply with this guideline within five years of becoming subject to the guideline.
3. Other Terms. This Program shall remain in effect until it is revised or rescinded by further action of the Board. This Program may be amended, modified or terminated by the Board at any time in its sole discretion. The terms and conditions of this Program shall supersede any prior cash and/or equity compensation arrangements for service as a member of the Board

between the Company and any of its Directors, except for equity compensation previously granted to a Director.

* * * * *



Energy Vault SA
Via Cantonale 19
Lugano 6900
SWITZERLAND

Robert Piconi
[***]

10 September 2025

2025 Retention Bonus

Dear Rob,

At Energy Vault, we realize that our people are our strength. We also realize that the best way to succeed in our competitive marketplace is to retain our best people. In this spirit, we are proud to offer you the opportunity to earn a Retention Bonus. The terms and conditions of our offer are detailed below.

In exchange for your promise to: (i) remain employed by Energy Vault in good standing through various earning dates (“Earning Dates”) below and (ii) continue to comply with the terms and conditions of any agreement between you and Energy Vault (including the Employee Confidentiality, Non-Disclosure, and Inventions Assignment Agreement, you executed on 11 November 2022) through each applicable Earning Date, you will be eligible to earn a total Retention Bonus in the gross amount of CHF 386’300 (the “Retention Bonus”), subject to withholdings and deductions, and subject to the terms and conditions set forth below.

The Retention Bonus will be paid to you in two installments (each, an “Installment Payment”) as an advance on the as-of-yet unearned portion of the overall Retention Bonus on designated “Advance Dates,” in accordance with the schedule below:

Advance Date	Earning Date	Percentage of Total Retention Bonus Earned/Paid	Installment Payment Amount
September 15, 2025	October 31, 2026	50%	CHF 193’150
September 15, 2025	October 31, 2026	50%	CHF 193’150

The amounts paid on each Advance Date above are recoverable advances. Each of the two Installment Payments will not be earned or vested until the corresponding Earning Date for each Installment Payment in the chart above.

If your employment is terminated by Energy Vault for Justified Reason (in the sense of article 340c para. 2 CO) based on your behavior or performance (as defined below) or you voluntarily terminate your employment with Energy Vault for any reason, in either case, prior to the Earning Date that corresponds to any of the advanced Installment Payments, Energy Vault will have no obligation to make any further Retention Bonus payments to you and you shall repay Energy Vault the full gross amount of any unearned advanced Installment Payments previously paid to you. Any amounts owed by you in respect of the foregoing repayment obligations shall be remitted to Energy Vault within thirty (30) days following the termination of your employment. If the termination of employment by either you or Energy Vault is due to special circumstances such as medical or family emergencies, redundancy, etc., Energy Vault may, at its sole discretion and on a case by case basis, waive or modify the repayment obligation.

For purposes of this letter agreement, “Justified Reason” in the sense of article 340c para. 2 CO shall include, but is not limited to: (a) willful failure to substantially perform your job duties for Energy Vault (other than any such failure resulting from your physical or mental illness) or failure in any material respect to carry out or comply with any lawful and reasonable directive of your supervisor, the CEO or the Company’s Board of Directors; (b) dishonesty, willful misconduct or fraud in connection with your employment by Energy Vault; (c) commission of a reportable violation of any applicable law, especially banking, securities or commodities laws, rules or regulations that constitutes a serious offense that could or does result in a significant fine; (d) conviction or plea of nolo contendere (or equivalent) to or commission of a felony or any crime involving moral turpitude; (e) engaging in sexual, racial, or other forms of unlawful discrimination, harassment, or retaliation; or (f) a material violation of the Company’s Code of Conduct.

This Retention Bonus offer is not a guarantee of continued employment through the date listed on the chart above. Although you are eligible to earn a Retention Bonus through this program, you will remain subject to your employment agreement, which means that either you or Energy Vault may end our employment relationship according to the contractual notice period. Except as explicitly modified or amended by this Retention Agreement, all other provisions of the Employment Agreement shall remain in full force and effect.

Any amendments to this Retention Agreement shall be made in writing to have legal effect, whereby an exchange of emails shall be considered sufficient

This Retention Agreement shall be governed by and construed in accordance with the substantive laws of Switzerland. All disputes arising out of or in connection with this Retention Agreement shall be subject to the jurisdiction of the courts of the domicile or seat of the defendant, or your ordinary place of work.

Please note that the existence of this Retention Agreement and the Retention Bonus is confidential and must not be discussed or disclosed to any third party. You agree and confirm that you will not disclose any information about this Retention Agreement or the Retention Bonus to any third party except if required by law or ordered by a competent court or authority.

Very truly yours,

Gonca Icoren
Chief People Officer
For and on behalf of **Energy Vault SA**

/s/Gonca Icoren
Gonca Icoren

Accepted and agreed:

/s/ Robert Piconi 15 September 2025
Robert Piconi Date

Energy Vault SA – Via Cantonale 19 – 6900 Lugano – Switzerland
Isr. Registro del Commercio del Canton Ticino n. **CHE-134.914.795**



Energy Vault SA
Via Cantonale 19
Lugano 6900
SWITZERLAND

Robert Piconi
[***]

16 December 2025

2025 Retention Bonus

Dear Rob,

At Energy Vault, we realize that our people are our strength. We also realize that the best way to succeed in our competitive marketplace is to retain our best people. In this spirit, we are proud to offer you the opportunity to earn a Retention Bonus. The terms and conditions of our offer are detailed below.

In exchange for your promise to: (i) remain employed by Energy Vault in good standing through various earning dates (“Earning Dates”) below and (ii) continue to comply with the terms and conditions of any agreement between you and Energy Vault (including the Employee Confidentiality, Non-Disclosure, and Inventions Assignment Agreement, you executed on 11 November 2022) through each applicable Earning Date, you will be eligible to earn a total Retention Bonus in the gross amount of CHF 193’150 (the “Retention Bonus”), subject to withholdings and deductions, and subject to the terms and conditions set forth below.

The Retention Bonus will be paid to you in one installment “Installment Payment” as an advance on the designated “Advance Date,” in accordance with the schedule below:

Advance Date	Earning Date	Percentage of Total Retention Bonus Earned/Paid	Installment Payment Amount
December 16, 2025	December 31, 2026	100%	CHF 193’150

The amount paid on the Advance Date above is a recoverable advance. The Installment Payment will not be earned or vested until the corresponding Earning Date.

If your employment is terminated by Energy Vault for Justified Reason (in the sense of article 340c para. 2 CO) based on your behavior or performance (as defined below) or you voluntarily terminate your employment with Energy Vault for any reason, in either case, prior to the Earning Date that corresponds to any of the advanced Installment Payments, Energy Vault will have no obligation to make any further Retention Bonus payments to you and you shall repay Energy Vault the full gross amount of any unearned advanced Installment Payments previously paid to you. Any amounts owed by you in respect of the foregoing repayment obligations shall be remitted to Energy Vault within thirty (30) days following the termination of your employment. If the termination of employment by either you or Energy Vault is due to special circumstances such as medical or family emergencies, redundancy, etc., Energy Vault may, at its sole discretion and on a case by case basis, waive or modify the repayment obligation.

For purposes of this letter agreement, “Justified Reason” in the sense of article 340c para. 2 CO shall include, but is not limited to: (a) willful failure to substantially perform your job duties for Energy Vault (other than any such failure resulting from your physical or mental illness) or failure in any material respect to carry out or comply with any lawful and reasonable directive of your supervisor, the CEO or the Company’s Board of Directors; (b) dishonesty, willful misconduct or fraud in connection with your employment by Energy Vault; (c) commission of a reportable violation of any applicable law, especially banking, securities or commodities laws, rules or regulations that constitutes a serious offense that could or does result in a significant fine; (d) conviction or plea of nolo contendere (or equivalent) to or commission of a felony or any crime involving moral turpitude; (e) engaging in sexual, racial, or other forms of unlawful discrimination, harassment, or retaliation; or (f) a material violation of the Company’s Code of Conduct.

This Retention Bonus offer is not a guarantee of continued employment through the date listed on the chart above. Although you are eligible to earn a Retention Bonus through this program, you will remain subject to your employment agreement, which means that either you or Energy Vault may end our employment relationship according to the contractual notice period. Except as explicitly modified or amended by this Retention Agreement, all other provisions of the Employment Agreement shall remain in full force and effect.

Any amendments to this Retention Agreement shall be made in writing to have legal effect, whereby an exchange of emails shall be considered sufficient

This Retention Agreement shall be governed by and construed in accordance with the substantive laws of Switzerland. All disputes arising out of or in connection with this Retention Agreement shall be subject to the jurisdiction of the courts of the domicile or seat of the defendant, or your ordinary place of work.

Please note that the existence of this Retention Agreement and the Retention Bonus is confidential and must not be discussed or disclosed to any third party. You agree and confirm

that you will not disclose any information about this Retention Agreement or the Retention Bonus to any third party except if required by law or ordered by a competent court or authority.

Very truly yours,

Gonca Icoren
Chief People Officer
For and on behalf of **Energy Vault SA**

/s/Gonca Icoren
Gonca Icoren

Accepted and agreed:

/s/ Robert Piconi 16 December 2025
Robert Piconi Date

EXHIBIT 10.15

SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT (this “Agreement”), dated as of May 18, 2026, is between **ENERGY VAULT HOLDINGS, INC.**, a company incorporated under the laws of the State of Delaware, with principal executive offices located at 4165 East Thousand Oaks Blvd., Suite 100, Westlake Village, CA, 91362 (the “Company”), and each of the investors listed on the Schedule of Buyers attached as Schedule I hereto (individually, a “Buyer” and collectively the “Buyers”).

WITNESSETH

WHEREAS, the Company and each Buyer desire to enter into this Agreement for the Company to sell and the Buyers to purchase one or more Convertible Debentures (as defined below) pursuant to an exemption from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”), and/or Rule 506 of Regulation D (“Regulation D”) promulgated by the U.S. Securities and Exchange Commission (the “SEC”) thereunder;

WHEREAS, upon the terms and conditions contained herein, the Company shall issue and sell to the Buyer(s), as provided herein, and the Buyer(s) shall purchase convertible debentures in the form attached hereto as “Exhibit A” (the “AR Convertible Debentures”) in the aggregate initial committed principal amount of up to \$42,000,000.00 (the “AR Subscription Amount”), which AR Subscription Amount, following repayment of the principal obligations under the AR Convertible Debentures, may be subsequently increased upon the mutual agreement of the applicable Buyer and the Company as herein provided (any such increase to be evidenced by an additional AR Convertible Debenture);

WHEREAS, upon the terms and conditions contained herein, the Company may issue and sell to the Buyer(s), as provided herein, and the Buyer(s) may purchase convertible debentures in substantially the form attached hereto as “Exhibit B” (or as otherwise may be mutually agreed upon by the applicable Buyer and the Company, the “LC Convertible Debentures”; and the AR Convertible Debentures and the LC Convertible Debentures herein referred to, collectively, as the “Convertible Debentures” and, each individually, as a “Convertible Debenture”) in the aggregate principal amount to be agreed upon between the Company and the Buyers from time to time and (the “LC Subscription Amount”; and the AR Subscription Amount and the LC Subscription Amount herein referred to, collectively, as the “Subscription Amounts”, and each individually, as a “Subscription Amount”));

WHEREAS, each Convertible Debenture shall be convertible into shares of the Company’s common stock, par value \$0.0001 per share (the “Common Shares”) (as converted, the “Conversion Shares”), and shall be purchased as herein provided at a purchase price equal to 95% of the applicable Subscription Amount (the “Purchase Price”) in the respective amounts set forth opposite such Buyer(s) name on Schedule I to this Agreement;

WHEREAS, the initial AR Subscription Amount shall be purchased upon the signing of this Agreement (the “First Closing”) and, if the applicable Buyer(s) and the Company agree to increase the AR Subscription Amount as provided herein or if the applicable Buyer(s) and the

Company agree to sell and purchase any LC Convertible Debentures as provided herein, such additional amount(s) shall be purchased at one or more subsequent closing(s) (each a “Subsequent Closing”; and the First Closing and each Subsequent Closing, collectively referred to herein as the (“Closings”) and, each individually, a (“Closing”));

WHEREAS, contemporaneously with the execution and delivery of this Agreement, the Company is delivering Irrevocable Transfer Agent Instructions (the “Irrevocable Transfer Agent Instructions”) to its transfer agent in the form attached hereto as “Exhibit C;” and

WHEREAS, the Convertible Debentures and the Conversion Shares are collectively referred to herein as the “Securities.”

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and each Buyer hereby agree as follows:

1. PURCHASE AND SALE OF CONVERTIBLE DEBENTURES.

(a) Purchase of Convertible Debentures. Subject to the satisfaction (or waiver in accordance with the terms of Section 9(k)) of the conditions set forth in Sections 6 and 7 below, the Company shall issue and sell to each Buyer, and each Buyer severally, but not jointly, agrees to purchase from the Company at each Closing, Convertible Debentures with principal amounts corresponding to the Subscription Amounts set forth opposite each Buyer’s name on Schedule I attached hereto (as such Schedule I may be amended following the First Closing by the applicable Buyer(s) to acknowledge the Subscription Amount for the AR Debentures to be increased as herein provided or for any purchase of any LC Debentures agreed to by the applicable Buyer in its discretion, provided that the aggregate Subscription Amount that may be purchased and sold under this Agreement shall not exceed \$75,000,000). The right of the Company to offer to sell a Convertible Debenture to any Buyer hereunder, and the right of any Buyer to agree to purchase any Convertible Debenture hereunder shall terminate on May 14, 2027.

(b) Closing Dates. Each Closing shall occur remotely by conference call and electronic delivery of documentation. The date and time of each Closing shall be as follows: (i) the First Closing shall be 10:00 a.m., New York time, on the first Business Day on which the conditions to the Closing set forth in Sections 6 and 7 below are satisfied or waived (in accordance with the terms of Section 9(k)) (or such other date as is mutually agreed to by the Company and each Buyer) (the “First Closing Date”), and (ii) at the applicable Buyer(s) sole discretion, any subsequent Closing shall be 10:00 a.m., New York time, on the date mutually agreed to between the Company and such Buyer(s), provided the conditions to the Closing set forth in Sections 6 and 7 below and such other conditions required by the applicable Buyer(s) are satisfied or waived (in accordance with the terms of Section 9(k)) (or such other date as is mutually agreed to by the Company and each Buyer) (a “Subsequent Closing Date” and collectively with the First Closing Date, the “Closing Dates”). As used herein “Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to remain closed.

(c) Form of Payment; Deliveries. Subject to the satisfaction (or waiver in accordance with the terms of Section 9(k)) of the terms and conditions of this Agreement, on each Closing Date, (i) the Buyers shall deliver to the Company, in immediately available funds to a bank account designated in writing by the Company, the Purchase Price for the Convertible Debentures to be issued and sold to such Buyer at such Closing, minus any reasonable and documented fees or expenses to be paid directly from the proceeds of such Closing as set forth herein, and (ii) the Company shall deliver to each Buyer the Convertible Debenture which such Buyer is purchasing at such Closing with a principal amount corresponding with the Subscription Amount set forth opposite such Buyer's name on Schedule I hereto, duly executed on behalf of the Company.

(d) Maximum Shares. Notwithstanding anything in this Agreement to the contrary, the Company shall not issue any Common Shares pursuant to the transactions contemplated hereby or any other Transaction Documents (as defined below) if the issuance of Common Shares, together with any Common Shares issued in connection with any other related transactions that may be considered part of the same series of transactions, would exceed the aggregate number of Common Shares that the Company may issue in a transaction in compliance with the Company's obligations under the rules or regulations of the New York Stock Exchange ("NYSE") (the number of shares which may be issued without violating such rules and regulations is 33,251,333, which the Company represents to the Buyers is 19.99% of the number of Common Shares outstanding as of September 22, 2025) without the need to obtain the approval of its stockholders as may be required by the applicable rules of the NYSE for issuances of Common Shares (the number of shares which may be issued without violating such rules and regulations shall be referred to as the "Exchange Cap"), except that such limitation shall not apply in the event that the Company (A) obtains the approval of its stockholders as required by the applicable rules of the NYSE for issuances of Common Shares in excess of such amount or (B) obtains advice from outside counsel to the Company that such approval is not required. The Exchange Cap shall be appropriately adjusted for any stock dividend, stock split, reverse stock split or similar transaction.

2. BUYER'S REPRESENTATIONS AND WARRANTIES.

Each Buyer, severally and not jointly, represents and warrants to the Company with respect to only itself that, as of the date hereof and as of each Closing Date:

(a) Investment Purpose. Each Buyer is acquiring the Securities for its own account for investment purposes and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered under or exempt from the registration requirements of the Securities Act; provided, however, that by making the representations herein, such Buyer does not agree, or make any representation or warranty, to hold any of the Securities for any minimum or other specific term and reserves the right to dispose of the Securities at any time in accordance with, or pursuant to, a registration statement covering such Securities or an available exemption under the Securities Act. Such Buyer does not presently have any agreement or understanding, directly or indirectly, with any Person (as defined below) to distribute any of the Securities in violation of applicable securities laws. As used herein, "Person" means a corporation, a limited liability company, an association, a partnership, an organization, a business, an individual, a governmental or political subdivision thereof or a governmental agency.

(b) Accredited Investor Status. Each Buyer is an “Accredited Investor” as that term is defined in Rule 501(a)(3) of Regulation D.

(c) Reliance on Exemptions. Each Buyer understands that the Securities are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and such Buyer’s compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Buyer set forth herein in order to determine the availability of such exemptions and the eligibility of such Buyer to acquire the Securities.

(d) Information. Each Buyer and its advisors (and its counsel), if any, have been furnished with all materials relating to the business, finances and operations of the Company and information the Buyer deemed material to making an informed investment decision regarding its purchase of the Securities, which have been requested by such Buyer. Each Buyer and its advisors, if any, have been afforded the opportunity to ask questions of the Company and its management. Neither such inquiries nor any other due diligence investigations conducted by such Buyer or its advisors, if any, or its representatives shall modify, amend or affect such Buyer’s right to rely on the Company’s representations and warranties contained in Section 3 below. Each Buyer understands that its investment in the Securities involves a high degree of risk. Each Buyer understands that nothing in this Agreement or any other material presented by or on behalf of the Company to any Buyer in connection with the purchase of the Securities constitutes legal, tax, or investment advice. Each Buyer has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Securities, and each Buyer has had an opportunity to seek and has sought such accounting, legal and tax advice from its own advisors as it has considered necessary to make an informed investment decision with respect to its acquisition of the Securities. Each Buyer acknowledges that it is aware that there are substantial risks incident to the purchase and ownership of the Securities. Each Buyer acknowledges that it (i) is a sophisticated investor, experienced in investing in business and financial transactions and capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a security or securities, and (ii) has exercised independent judgment in evaluating its purchase of the Securities. Alone, or together with any professional advisor(s), each Buyer represents and acknowledges that such Buyer has adequately analyzed and fully considered the risks of an investment in the Securities and determined that the Securities are a suitable investment for such Buyer and that such Buyer is able at this time and in the foreseeable future to bear the economic risk of a loss of the Buyer’s investment in the Company.

(e) Transfer or Resale. Each Buyer understands that: (i) the Securities have not been registered under the Securities Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, (B) such Buyer shall have delivered to the Company an opinion of counsel, in a generally acceptable form, to the effect that such Securities to be sold, assigned or transferred may be sold, assigned or transferred pursuant to an exemption from such registration requirements, or (C) such Buyer provides the Company with reasonable assurances (in the form of seller and broker representation letters) that such Securities can be sold, assigned or transferred pursuant to Rule 144 promulgated under the Securities Act, as amended (or a successor rule thereto) (collectively, “Rule 144”), in each case

following the applicable holding period set forth therein; and (ii) any sale of the Securities made in reliance on Rule 144 may be made only in accordance with the terms of Rule 144 and further, if Rule 144 is not applicable, any resale of the Securities under circumstances in which the seller (or the Person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the SEC thereunder. Notwithstanding the foregoing, the Securities may be pledged in connection with a bona fide margin account or other loan or financing arrangement secured by the Securities and such pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and no Buyer effecting a pledge of Securities shall be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement or any other Transaction Document, including, without limitation, this Section 2(e).

(f) Legends. Each Buyer agrees to the imprinting, so long as its required by this Section 2(f), of a restrictive legend on the Securities in substantially the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE AND THOSE SECURITIES INTO WHICH THEY ARE CONVERTIBLE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES AND THOSE SECURITIES INTO WHICH THEY ARE CONVERTIBLE HAVE BEEN ACQUIRED SOLELY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD RESALE AND MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS, OR AN OPINION OF COUNSEL, IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR APPLICABLE STATE SECURITIES LAWS. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

Certificates evidencing the Conversion Shares shall not contain any legend (including the legend set forth above), (i) while a registration statement covering the resale of such security is effective under the Securities Act, (ii) following any sale of such Conversion Shares pursuant to Rule 144, (iii) if such Conversion Shares are eligible for sale under Rule 144, or (iv) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the SEC). If a legend is not required pursuant to the foregoing, the Company shall no later than two (2) Trading Days (or such earlier date as required pursuant to the Exchange Act (as defined below) or other applicable law, rule or regulation for the settlement of a trade initiated on the date such Buyer delivers such legended certificate representing such securities to the Company) following the delivery by a Buyer to the Company or the transfer agent (with notice to the Company) of a legended certificate representing such securities (endorsed or with stock powers attached, and otherwise in form necessary to affect the reissuance and/or transfer, if applicable), together with any other deliveries from such Buyer as may be required

above in this Section 2(f), as directed by such Buyer, either: (A) provided that the Company's transfer agent is participating in the DTC Fast Automated Securities Transfer Program, credit the aggregate number of shares of Common Shares to which such Buyer shall be entitled to such Buyer's or its designee's balance account with DTC through its Deposit/Withdrawal at Custodian system or (B) if the Company's transfer agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver (via reputable overnight courier) to such Buyer, a certificate representing such securities that is free from all restrictive and other legends, registered in the name of such Buyer or its designee. The Company shall be responsible for any transfer agent fees or DTC fees with respect to any issuance of Securities or the removal of any legends with respect to any Securities in accordance herewith. The Buyer agrees that the removal of a restrictive legend from certificates representing Securities as set forth in this Section 2(f) is predicated upon the Company's reliance that the Buyer will sell any Securities pursuant to either the registration requirements of the Securities Act, including any applicable prospectus delivery requirements, or an exemption therefrom, and that if Securities are sold pursuant to a registration statement, they will be sold in compliance with the plan of distribution set forth therein.

(g) Organization; Authority. Such Buyer is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents to which it is a party and otherwise to carry out its obligations hereunder and thereunder.

(h) Authorization, Enforcement. The Transaction Documents to which each such Buyer is a party have been duly and validly authorized, executed and delivered on behalf of such Buyer and shall constitute the legal, valid and binding obligations of such Buyer enforceable against such Buyer in accordance with their terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(i) No Conflicts. The execution, delivery and performance by such Buyer of this Agreement and the consummation by such Buyer of the transactions contemplated hereby will not (i) result in a material violation of the organizational documents of such Buyer, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which such Buyer is a party or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to such Buyer, except, in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (as defined below) on the ability of such Buyer to perform its obligations hereunder.

(j) Certain Trading Activities. The Buyer has not directly or indirectly, nor has any Person acting on behalf of or pursuant to any understanding with the Buyer, engaged in any transactions in the securities of the Company (including, without limitation, any Short Sales (as defined below) involving the Company's securities) during the period commencing as of the time that the Buyer first contacted the Company or the Company's agents regarding the specific

investment in the Company contemplated by this Agreement and ending immediately prior to the execution of this Agreement by such Buyer.

(k) No General Solicitation. Each Buyer is not purchasing or acquiring the Securities as a result of any general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Securities.

(l) Not an Affiliate. Each Buyer is not (i) an officer or director of the Company or any of its Subsidiaries, (ii) an “affiliate” (as defined in Rule 144) of the Company or any of its Subsidiaries or (iii) a “beneficial owner” of more than 10% of the shares of Common Shares (as defined for purposes of Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)).

(m) Not a Specified Foreign Entity or Foreign-Influenced Entity. The Buyer is neither a “specified foreign entity” nor a “foreign-influenced entity” (as such terms are defined in Section 7701(a)(51)(B) or (D), as applicable, of the Internal Revenue Code of 1986, as amended (the “Code”), or in temporary, proposed or final United States Treasury Regulations or other guidance promulgated or proposed thereunder or issued in respect thereof).

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND SUBSIDIARIES.

Except as set forth (i) under the corresponding section of the disclosure schedule (dated as of the date of this Agreement) delivered to the Buyer by the Company on the date of this Agreement (the “Disclosure Schedule”) which Disclosure Schedule shall be deemed a part hereof and to qualify any representation or warranty otherwise made herein to the extent of such disclosure, or (ii) in the SEC Documents (as defined below) that are available on the SEC’s website through the EDGAR system at least one (1) Business Day prior to the date of this Agreement (unless the context provides otherwise), the Company hereby makes the representations and warranties set forth below to each Buyer:

(a) Organization and Qualification. Each of the Company, Energy Vault, Inc., a Delaware corporation and wholly-owned subsidiary of the Company (“Energy Vault”), and each other Guarantor (as defined below) is an entity duly formed, validly existing and in good standing under the laws of the jurisdiction in which such Person is formed and has the requisite power and authority to own its properties and to carry on its business as now being conducted and as presently proposed to be conducted. The Company, Energy Vault and each other Guarantor is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a Material Adverse Effect (as defined below). As used in this Agreement, (A) “Guarantor” means each Person who signs a guaranty in favor of a Buyer to guarantee or which purports to guarantee the obligations of the Company and the other “Guarantors” under the Transaction Documents and (B) “Material Adverse Effect” means any material adverse effect on (i) the business, properties, assets, liabilities, operations (including results thereof), condition (financial or otherwise) or prospects of the Company and Energy Vault, Inc., taken as a whole, (ii) the transactions contemplated hereby or in any of the other Transaction

Documents or any other agreements or instruments to be entered into by the Company in connection herewith or therewith, (iii) the authority or ability of the Company, Energy Vault or any other Guarantor to perform any of its obligations under any of the Transaction Documents or (iv) on the Collateral under the Security Documents. “Subsidiaries” means any Person in which the Company, directly or indirectly, owns a majority of the outstanding capital stock having voting power or holds a majority of the equity or similar interest of such Person, and each of the foregoing, is individually referred to herein as a “Subsidiary.”

(b) Authorization; Enforcement; Validity. The Company and each Guarantor has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and the other Transaction Documents, and the Company has the requisite corporate power and authority to issue the Securities in accordance with the terms hereof and thereof. The execution and delivery of this Agreement and the other Transaction Documents by the Company and each Guarantor and the consummation by the Company and each Guarantor of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Convertible Debentures, the reservation for issuance and issuance of the Conversion Shares issuable upon conversion of the Convertible Debentures), have been duly authorized by the Company’s and such Guarantor’s board of directors (or other applicable governing body). This Agreement has been, and the other Transaction Documents to which the Company or any Guarantor is a party will be prior to the Closing, duly executed and delivered by the Company and such Guarantor, and each constitutes the legal, valid and binding obligations of the Company and such Guarantor, enforceable against the Company and such Guarantor in accordance with its respective terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors’ rights and remedies and except as rights to indemnification and to contribution may be limited by federal or state securities law. As used herein, (a) “Transaction Documents” means, collectively, this Agreement, the Convertible Debentures, the Irrevocable Transfer Agent Instructions, each Guaranty Agreement (as defined below), each Security Document (as defined below) and each of the other agreements and instruments entered into by the Company or any Guarantor or delivered by the Company or any Guarantor in connection with the transactions contemplated hereby and thereby, as may be amended, restated, supplemented or otherwise modified from time to time; (b) “Security Documents” means, collectively, (i) a guaranty and security agreement, in form, scope and substance reasonably satisfactory to the Buyer(s) (a “GSA”) executed by the Company and each Guarantor, (ii) each other agreement, instrument or document entered into by the Company or any Guarantor to grant a security interest in the assets and properties of the Company or such Guarantor in favor of the Buyer(s) as herein provided, (iii) all filings made in connection with any of the foregoing to perfect such interests, and (iv) any other document pursuant to which a security interest or pledge is made in favor of the Buyer(s) to security the obligations arising under the Transaction Documents; in each case, as amended, restated, supplemented, or otherwise modified from time to time; and (c) “Guaranty Agreement” means, collectively and individually, (1) Section 2.01 of the GSA and (ii) each other guaranty arrangement or guaranty agreement, in form scope and substance reasonably satisfactory to the Buyer(s); in each case, as amended, restated, supplemented or otherwise modified from time to time.

(c) Issuance of Securities. The issuance of the Securities has been duly authorized and, upon issuance and payment in accordance with the terms of the Transaction Documents the

Securities shall be validly issued, fully paid and non-assessable and free from all preemptive or similar rights, mortgages, defects, claims, liens, pledges, charges, liens for taxes, rights of first refusal, encumbrances, security interests and other encumbrances (collectively “Liens”) with respect to the issuance thereof. As of each Closing Date, the Company shall have reserved from its duly authorized capital stock not less than the Required Reserve Amount (as defined herein). Upon issuance or conversion in accordance with the Convertible Debentures, the Conversion Shares, when issued, will be validly issued, fully paid and nonassessable and free from all preemptive or similar rights or Liens with respect to the issue thereof, with the holders being entitled to all rights accorded to a holder of Common Shares.

(d) No Conflicts. The execution, delivery and performance of the Transaction Documents by the Company and each Guarantor and the consummation by the Company and such Guarantor of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Convertible Debentures, the Conversion Shares, and the reservation for issuance of the Conversion Shares) will not (i) result in a violation of the Articles of Incorporation (as defined below), Bylaws (as defined below), certificate of formation, memorandum of association, articles of association, bylaws or other organizational documents of the Company or any of its Subsidiaries, or any capital stock or other securities of the Company or any of its Subsidiaries, (ii) conflict with, or constitute a default under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including, without limitation, U.S. federal and state securities laws and regulations, the securities laws of the jurisdictions of the Company’s incorporation or in which it or its subsidiaries operate and the rules and regulations of the New York Stock Exchange (the “Principal Market,” provided however, that in the event the Company’s Common Shares is ever listed or traded on any of the Nasdaq Capital Market, the NYSE American, the Nasdaq Global Select Market or the Nasdaq Global Market, the “Principal Market” shall mean that market on which the Common Shares is then listed or traded) and including all applicable laws, rules and regulations of the jurisdiction of incorporation of the Company) applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected, and in the case of (ii) or (iii) which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(e) Consents. Assuming the accuracy of each Buyer’s representations and warranties in Section 2, the Company is not required to obtain any consent from, authorization or order of, or make any filing or registration with (other than any filings as may be required by any federal or state securities agencies and any filings as may be required by the Principal Market), any Governmental Entity (as defined below) or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its obligations under or contemplated by the Transaction Documents, in each case, in accordance with the terms hereof or thereof, the failure of which to obtain would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. All consents, authorizations, orders, filings and registrations which the Company or any Subsidiary is required to obtain pursuant to the preceding sentence have been or will be obtained or effected on or prior to each Closing Date, and neither the Company nor any of its Subsidiaries are aware of any facts or circumstances which might prevent the Company or any of its Subsidiaries from obtaining or effecting any of the registration, application or filings contemplated by the Transaction Documents. The Company is not in violation of the

requirements of the Principal Market and has no knowledge of any facts or circumstances which could reasonably lead to delisting or suspension of the Common Shares in the foreseeable future. The Company has notified the Principal Market of the issuance of all of the Securities hereunder, which the Company does not anticipate to require obtaining the approval of the shareholders of the Company or any other Person or Governmental Entity. “Governmental Entity” means any nation, state, county, city, town, village, district, or other political jurisdiction of any nature, federal, state, local, municipal, foreign, or other government, governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal), multi-national organization or body; or body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature or instrumentality of any of the foregoing, including any entity or enterprise owned or controlled by a government or a public international organization or any of the foregoing, in each case with competent jurisdiction.

(f) Acknowledgment Regarding Buyer’s Purchase of Securities. The Company acknowledges and agrees that each Buyer is acting solely in the capacity of an arm’s length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby and that no Buyer is (i) an officer or director of the Company or any of its Subsidiaries, (ii) to its knowledge, an “affiliate” (as defined in Rule 144 promulgated under the Securities Act (or a successor rule thereto) (collectively, “Rule 144”)) of the Company or any of its Subsidiaries or (iii) to its knowledge, a “beneficial owner” of more than 10% of the Common Shares (as defined for purposes of Rule 13d-3 of the Exchange Act). The Company further acknowledges that no Buyer (nor any affiliate of any Buyer) is acting as a financial advisor or fiduciary of the Company or any of its Subsidiaries (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated hereby and thereby, and any advice given by a Buyer or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated hereby and thereby is merely incidental to such Buyer’s purchase of the Securities. The Company further represents to each Buyer that the Company’s decision to enter into the Transaction Documents to which it is a party has been based solely on the independent evaluation by the Company and its representatives.

(g) No Integrated Offering. None of the Company, its Subsidiaries or any of their affiliates, nor any Person acting on their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause this offering of the Securities to require approval of shareholders of the Company under any applicable shareholders approval provisions, including, without limitation, under the rules and regulations of any exchange or automated quotation system on which any of the securities of the Company are listed or designated for quotation. None of the Company, its Subsidiaries, their affiliates nor any Person acting on their behalf will take any action or steps that would cause the offering of any of the Securities to be integrated with other offerings of securities of the Company.

(h) Dilutive Effect. The Company understands and acknowledges that the number of Conversion Shares will increase in certain circumstances. The Company further acknowledges its obligation to issue the Conversion Shares upon conversion of the Convertible Debentures in accordance with the terms thereof is, absolute and unconditional regardless of the dilutive effect that such issuance may have on the ownership interests of other shareholders of the Company.

(i) Application of Takeover Protections; Rights Agreement. The Company and its board of directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, interested shareholders, business combination, poison pill (including, without limitation, any distribution under a rights agreement), shareholders rights plan or other similar anti-takeover provision under the Articles of Incorporation, Bylaws or other organizational documents or the laws of the jurisdiction of its incorporation or otherwise which is or could become applicable to any Buyer as a result of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Securities and any Buyer's ownership of the Securities.

(j) SEC Documents; Financial Statements. During the two (2) years prior to the date hereof, the Company has timely filed all reports, schedules, forms, proxy statements, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the Exchange Act (all of the foregoing filed prior to the date hereof and all exhibits and appendices included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein being hereinafter referred to as the "SEC Documents"), it being understood, for the avoidance of doubt, that the timely filing of the SEC Documents includes any documents filed by any permitted filing deadline extension under Rule 12b-25 of the Exchange Act. The Company has delivered or has made available to the Buyers or their respective representatives true, correct and complete (except to the extent that the Company has redacted portions of such copies in accordance with applicable laws) copies of each of the SEC Documents not available on the EDGAR system. As of their respective dates, the SEC Documents complied in all material respects with the requirements of the Exchange Act or the Securities Act, as applicable and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of their respective dates, the financial statements of the Company included in the SEC Documents complied in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto as in effect as of the time of filing. Such financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP"), consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company as of the dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments which will not be material, either individually or in the aggregate). The reserves, if any, established by the Company or the lack of reserves, if applicable, are reasonable based upon facts and circumstances known by the Company on the date hereof and there are no loss contingencies that are required to be accrued by the Statement of Financial Accounting Standard No. 5 of the Financial Accounting Standards Board which are not provided for by the Company in its financial statements or otherwise. No other information provided by or on behalf of the Company to any of the Buyers which is not included in the SEC Documents (including, without limitation, information referred to in Section 2(d) or in the Disclosure Schedule to this Agreement) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein not misleading, in the light of the circumstance under which they are or were made. The Company is not currently contemplating to amend or restate any of the

financial statements (including, without limitation, any notes or any letter of the independent accountants of the Company with respect thereto) included in the SEC Documents (the “Financial Statements”), nor is the Company currently aware of facts or circumstances which would require the Company to amend or restate any of the Financial Statements, in each case, in order for any of the Financial Statements to be in compliance with GAAP and the rules and regulations of the SEC. The Company has not been informed by its independent accountants that they recommend that the Company amend or restate any of the Financial Statements or that there is any need for the Company to amend or restate any of the Financial Statements.

(k) Absence of Certain Changes. Since the date of the Company’s most recent audited financial statements contained in a Form 10-K, there has been no Material Adverse Effect. Neither the Company nor any of its Subsidiaries has taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up, nor does the Company or any Subsidiary have any knowledge or reason to believe that any of their respective creditors intend to initiate involuntary bankruptcy proceedings or any actual knowledge of any fact which would reasonably lead a creditor to do so. The Company and its Subsidiaries, individually and on a consolidated basis, are not as of the date hereof, and after giving effect to the transactions contemplated hereby to occur at the Closing, will not be Insolvent (as defined below). For purposes of this Section 3(k), “Insolvent” means, (i) with respect to the Company and its Subsidiaries, on a consolidated basis, (A) the present fair saleable value of the Company’s and its Subsidiaries’ assets is less than the amount required to pay the Company’s and its Subsidiaries’ total Indebtedness (as defined below) or (B) the Company and its Subsidiaries are unable to pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured.

(l) No Undisclosed Events, Liabilities, Developments or Circumstances. Except as has been disclosed in the Company’s SEC Documents, no event, liability, development or circumstance has occurred or exists, or is reasonably expected to exist or occur specific to the Company, any of its Subsidiaries or any of their respective businesses, properties, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise), that (i) would be required to be disclosed by the Company under applicable securities laws on a registration statement filed with the SEC relating to an issuance and sale by the Company of its Common Shares and which has not been publicly announced, (ii) would have a material adverse effect on any Buyer’s investment hereunder or (iii) would reasonably be expected to have a Material Adverse Effect.

(m) Conduct of Business; Regulatory Permits. Neither the Company nor any of its Subsidiaries is in violation of any term under its Articles of Incorporation, any certificate of designation, preferences or rights of any other outstanding series of preferred stock of the Company or any of its Subsidiaries or Bylaws or their organizational charter, certificate of formation, memorandum of association, articles of association, Articles of Incorporation or certificate of incorporation or bylaws, respectively. Neither the Company nor any of its Subsidiaries is in violation of any judgment, decree or order or any statute, ordinance, rule or regulation applicable to the Company or any of its Subsidiaries, and neither the Company nor any of its Subsidiaries will conduct its business in violation of any of the foregoing, except in all cases for violations which would not reasonably be expected to have a Material Adverse Effect. During the one year prior to the date hereof, (i) the Common Shares have been listed or designated for

quotation on the Principal Market, (ii) trading in the Common Shares has not been suspended by the SEC or the Principal Market and (iii) the Company has received no communication, written or oral, from the SEC or the Principal Market regarding the suspension or delisting of the Common Shares from the Principal Market, which has not been publicly disclosed. The Company and each of its Subsidiaries possess all certificates, authorizations and permits issued by the appropriate regulatory authorities necessary to conduct their respective businesses, except where the failure to possess such certificates, authorizations or permits would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit. There is no agreement, commitment, judgment, injunction, order or decree binding upon the Company or any of its Subsidiaries or to which the Company or any of its Subsidiaries is a party which has or would reasonably be expected to have the effect of prohibiting or materially impairing any business practice of the Company or any of its Subsidiaries, any acquisition of property by the Company or any of its Subsidiaries or the conduct of business by the Company or any of its Subsidiaries as currently conducted other than such effects, individually or in the aggregate, which have not had and would not reasonably be expected to have a Material Adverse Effect on the Company or any of its Subsidiaries.

(n) Foreign Corrupt Practices. None of the Company nor any of its Subsidiaries nor, to the Company's knowledge, any director, officer, agent, employee, nor any other Person acting for or on behalf of the Company or any of its Subsidiaries (individually and collectively, a "Company Affiliate") have violated the U.S. Foreign Corrupt Practices Act (the "FCPA") or any other applicable anti-bribery or anti-corruption laws, nor has any Company Affiliate offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, to any officer, employee or any other Person acting in an official capacity for any Governmental Entity to any political party or official thereof or to any candidate for political office (individually and collectively, a "Government Official") or to any Person under circumstances where such Company Affiliate knew or was aware of a high probability that all or a portion of such money or thing of value would be offered, given or promised, directly or indirectly, to any Government Official, for the purpose, in violation of applicable law, of: (i) (A) influencing any act or decision of such Government Official in his/her official capacity, (B) inducing such Government Official to do or omit to do any act in violation of his/her lawful duty, (C) securing any improper advantage, or (D) inducing such Government Official to influence or affect any act or decision of any Governmental Entity, or (ii) assisting the Company or its Subsidiaries in obtaining or retaining business for or with, or directing business to, the Company or its Subsidiaries.

(o) Equity Capitalization.

(i) Authorized and Outstanding Capital Stock. As of the date hereof, the authorized capital stock of the Company consists of (A) 500,000,000 shares of common stock, of which, 178,221,198 are issued and outstanding and (B) 5,000,000 shares of preferred stock, none of which are issued and outstanding. As of the date hereof, the Company has reserved 121,845,343 Common Shares for issuance to parties or Persons other than the Buyers.

(ii) Valid Issuance; Available Shares. All of such outstanding shares are duly authorized and have been validly issued and are fully paid and nonassessable. Set forth in a

Disclosure Schedule to this Agreement is the number of Common Shares that are (A) reserved for issuance pursuant to Convertible Securities (as defined below) (other than the Convertible Debentures) and (B) that are, as of the date hereof, owned by Persons who are “affiliates” (as defined in Rule 405 of the Securities Act and calculated based on the assumption that only officers, directors and holders of at least 10% of the Company’s issued and outstanding Common Shares are “affiliates” without conceding that any such Persons are “affiliates” for purposes of federal securities laws) of the Company or any of its Subsidiaries. To the Company’s knowledge, other than Robert Piconi, the Company’s Chairman, Co-Founder and Chief Executive Officer, no Person owns 10% or more of the Company’s issued and outstanding Common Shares (calculated based on the assumption that all Convertible Securities (as defined below), whether or not presently exercisable or convertible, have been fully exercised or converted (as the case may be) taking account of any limitations on exercise or conversion (including “blockers”) contained therein without conceding that such identified Person is a 10% shareholder for purposes of federal securities laws). “Convertible Securities” means any capital stock or other security of the Company or any of its Subsidiaries that is at any time and under any circumstances directly or indirectly convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any capital stock or other security of the Company (including, without limitation, Common Shares) or any of its Subsidiaries.

(iii) Existing Securities; Obligations. Except as disclosed in the SEC Documents: (A) none of the Company’s or any Subsidiary’s shares, interests or capital stock is subject to preemptive rights or any other similar rights or Liens suffered or permitted by the Company or any Subsidiary; (B) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any shares, interests or capital stock of the Company or any of its Subsidiaries, or contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries is or may become bound to issue additional shares, interests or capital stock of the Company or any of its Subsidiaries or options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any shares, interests or capital stock of the Company or any of its Subsidiaries; (C) there are no agreements or arrangements under which the Company or any of its Subsidiaries is obligated to register the sale of any of their securities under the Securities Act (except pursuant to this Agreement); (D) there are no outstanding securities or instruments of the Company or any of its Subsidiaries which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries is or may become bound to redeem a security of the Company or any of its Subsidiaries; (E) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Securities; and (F) neither the Company nor any Subsidiary has entered into any Variable Rate Transaction.

(iv) Organizational Documents. The Company has furnished to the Buyers or filed on EDGAR true, correct and complete copies of the Company’s Articles of Incorporation, as amended and as in effect on the date hereof (the “Articles of Incorporation”), and the Company’s bylaws, as amended and as in effect on the date hereof (the “Bylaws”), and the terms of all convertible securities and the material rights of the holders thereof in respect thereto.

(p) Indebtedness; Liens and Other Contracts. Other than as set forth in a Disclosure Schedule to this Agreement, neither the Company nor any of its Subsidiaries, (i) has any outstanding debt securities, notes, credit agreements, credit facilities or other agreements, documents or instruments evidencing Indebtedness of the Company or any of its Subsidiaries or by which the Company or any of its Subsidiaries is or may become bound, other than the Existing Indebtedness (as defined below), (ii) is a party to any contract, agreement or instrument, the violation of which, or default under which, by the other party(ies) to such contract, agreement or instrument could reasonably be expected to result in a Material Adverse Effect, (iii) has any Liens outstanding or any financing statements securing obligations in any amounts filed in connection with the Company or any of its Subsidiaries, other than the Existing Indebtedness or any Permitted Liens, (iv) is in violation of any term of, or in default under, any contract, agreement or instrument relating to any Indebtedness, except where such violations and defaults would not result, individually or in the aggregate, in a Material Adverse Effect, or (v) is a party to any contract, agreement or instrument relating to any Indebtedness, the performance of which, in the judgment of the Company's officers, has or is expected to have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries have any liabilities or obligations required to be disclosed in the SEC Documents which are not so disclosed in the SEC Documents, other than those incurred in the ordinary course of the Company's or its Subsidiaries' respective businesses and which, individually or in the aggregate, do not or could not give rise to a Material Adverse Effect. For purposes of this Agreement: (x) "Indebtedness" of any Person means, without duplication, (A) all obligations and indebtedness or liabilities for borrowed money and all obligations evidenced by notes, bonds, debentures, loan agreements or other similar instruments, including obligations so evidenced that were incurred in connection with the acquisition of property, assets or businesses, (B) all obligations issued, undertaken or assumed as the deferred purchase price of property or services (including, without limitation, "capital leases" in accordance with GAAP and "earnouts") (other than trade payables entered into in the ordinary course of business consistent with past practice), (C) all direct or contingent obligations with respect to (i) letters of credit, bankers' acceptance, demand guarantees and similar undertakings, and (ii) surety bonds, performance bonds and other similar instruments, (D) all obligations created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired, whether or not such obligations shall have been assumed by such Person or is limited recourse, (E) net obligations under any hedging agreements or other interest rate management device, foreign currency exchange agreement, currency swap agreement or any similar agreement, (F) all Disqualified Stock of such Person, (G) all Contingent Obligations in respect of indebtedness, obligations or liabilities of others of the kinds referred to in clauses (A) through (F) herein. As used herein, "Contingent Obligation" means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to any Indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto. "Disqualified Stock" means, as to any Person, any shares, units, membership interests, limited liability company interests, general or limited partnership interests, options, warrants, interests, participations, or other equivalents (regardless of how designated) of or in a Person, whether voting or nonvoting, including common stock, preferred stock or other equity security (for purposes of the definition of "Disqualified Stock" herein, "Stock"), which, by

its terms (or by the terms of any security or other Stock into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than solely as a result of a change control or asset sale; *provided* that the terms of such Stock provide that such Stock shall not redeemed or repurchased prior to the earlier of (1) the latest date the Convertible Debentures mature or (2) the latest date the Convertible Debentures have been redeemed in full), pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is ninety-one (91) days following the latest date the Convertible Debentures mature, (b) is convertible into or exchangeable for (i) debt securities or (ii) any Stock referred to in (a) above, in each case, at any time on or prior to the date that is ninety-one (91) days following the latest date the Convertible Debentures mature at the time such Stock was issued, or (c) is entitled to receive scheduled dividends or distributions in cash prior to the date that is ninety-one (91) days following the latest date that the Convertible Debentures mature.

(q) Litigation. Other than as set forth in a Disclosure Schedule to this Agreement, there is no action, suit, arbitration, proceeding, inquiry or investigation before or by the Principal Market, any court, public board, other Governmental Entity, self-regulatory organization or body pending or, to the knowledge of the Company, threatened against or affecting the Company or any of its Subsidiaries, the Common Shares or any of the Company's or its Subsidiaries' officers or directors, whether of a civil or criminal nature or otherwise, in their capacities as such, which would reasonably be expected to result in a Material Adverse Effect. After reasonable inquiry of its employees, the Company is not aware of any event which might result in or form the basis for any such action, suit, arbitration, investigation, inquiry or other proceeding. Without limitation of the foregoing, there has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by the SEC involving the Company, any of its Subsidiaries or any current or former director or officer of the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries is the subject of any order, writ, judgment, injunction, decree, determination or award of any Governmental Entity that would reasonably be expected to result in a Material Adverse Effect.

(r) Intellectual Property Rights. To the Company's knowledge, the Company and its Subsidiaries own or possess adequate rights or licenses to use all trademarks, trade names, service marks, service mark registrations, service names, original works of authorship, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and other intellectual property rights and all applications and registrations therefor ("Intellectual Property Rights") necessary to conduct their respective businesses as now conducted and presently proposed to be conducted. Each of the patents owned by the Company or any of its Subsidiaries is set forth in a Disclosure Schedule to this Agreement. Except as set forth in such Disclosure Schedule, none of the Company's Intellectual Property Rights have expired or terminated or have been abandoned or are expected to expire or terminate or are expected to be abandoned, within three years from the date of this Agreement; provided, however, that the Company may, in its sole discretion, choose to abandon any Intellectual Property Rights if such abandonment, taken individually or in the aggregate, would not be reasonably expected to have a Material Adverse Effect. The Company does not have any knowledge of any infringement by the Company or its Subsidiaries of Intellectual Property Rights of others. There is no claim, action or proceeding being made or brought, or to the knowledge of the Company or any of its Subsidiaries, being threatened, against the Company or any of its Subsidiaries regarding its Intellectual Property Rights violations.

that would reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect. Neither the Company nor any of its Subsidiaries is aware of any facts or circumstances which might give rise to any of the foregoing infringements or claims, actions or proceedings. The Company and its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of all of their Intellectual Property Rights.

(s) Environmental Laws. Except, in each case, as would not be reasonably anticipated to have a Material Adverse Effect, the Company and the Subsidiaries (a) are in compliance with any and all applicable laws relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants, (b) have received and hold all material permits, licenses or other approvals required of them under all such laws to conduct their respective businesses and (c) are in compliance with all material terms and conditions of any such permit, license or approval.

(t) Taxes. Except, in each case, as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, the Company and each of its Subsidiaries: (i) has filed all U.S. federal, state and local and non-U.S. tax returns required to be filed by it in any jurisdiction in which it is subject to tax, (ii) has paid all taxes and other governmental assessments and charges in the nature of a tax that are shown or determined to be due on such tax returns, except those being contested in good faith, and (iii) has not received written notice of any unpaid taxes claimed to be due by the taxing authority of any jurisdiction in which the Company currently files a tax returns or has operations.

(u) Internal Accounting and Disclosure Controls. The Company and each of its Subsidiaries maintains internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that is effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, including that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act, as applicable, is accumulated and communicated to the Company's management, including its principal executive officer or officers and its principal financial officer or officers, as appropriate, to allow timely decisions regarding required disclosure. Neither the Company nor any of its Subsidiaries has received any notice or correspondence from any accountant, Governmental Entity or other Person relating to any potential material weakness or significant deficiency in any part of the internal controls over financial reporting of the Company or any of its Subsidiaries.

(v) Investment Company Status. The Company is not, and upon consummation of the sale of the Securities will not be, an “investment company,” an affiliate of an “investment company,” a company controlled by an “investment company” or an “affiliated person” of, or “promoter” or “principal underwriter” for, an “investment company” as such terms are defined in the Investment Company Act of 1940, as amended.

(w) Insurance. The Company and each of its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries are engaged. Neither the Company nor any such Subsidiary has been refused any insurance coverage sought or applied for, and neither the Company nor any such Subsidiary has any reason to believe that it will be unable to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

(x) Manipulation of Price. Neither the Company nor any of its Subsidiaries has, and, to the knowledge of the Company, no Person acting on their behalf has, directly or indirectly, (i) taken any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company or any of its Subsidiaries to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Securities, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company or any of its Subsidiaries.

(y) Registration Eligibility. The Company is eligible to register the resale of the Conversion Shares by the Buyers using Form S-3 promulgated under the Securities Act.

(z) Shell Company Status. The Company is not, and since February 11, 2022, has not been an issuer identified in, or subject to, Rule 144(i).

(aa) Sanctions Matters. None of the Company nor any of its Subsidiaries or, to the knowledge of the Company, any director, officer or controlled affiliate of the Company or any director or officer of any Subsidiary, is a Person that is, or is owned or controlled by a Person that is (i) the subject of any sanctions administered or enforced by the U.S. Department of Treasury’s Office of Foreign Asset Control (“OFAC”), the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authorities, including, without limitation, designation on OFAC’s Specially Designated Nationals and Blocked Persons List or OFAC’s Foreign Sanctions Evaders List or other relevant sanctions authority (collectively, “Sanctions”), or (ii) located, organized or resident in a country or territory that is the subject of Sanctions that broadly prohibit dealings with that country or territory (including, without limitation, the Crimea, Zaporizhzhia and Kherson regions, the Donetsk People’s Republic and Luhansk People’s Republic in Ukraine, Cuba, Iran, North Korea, Russia, Sudan and Syria (the “Sanctioned Countries”)). Neither the Company nor any of its Subsidiaries nor any director, officer or controlled affiliate of the Company or any of its Subsidiaries, has ever had funds blocked by a United States bank or financial institution, temporarily or otherwise, as a result of OFAC concerns.

(bb) Disclosure. The Company confirms that neither it nor any other Person acting on its behalf has provided any of the Buyers or their agents or counsel with any information that

constitutes material, non-public information concerning the Company or any of its Subsidiaries, other than the existence of the transactions contemplated by this Agreement and the other Transaction Documents. All disclosures provided to the Buyers regarding the Company and its Subsidiaries, their businesses and the transactions contemplated hereby, including the schedules to this Agreement, furnished by or on behalf of the Company or any of its Subsidiaries, taken as a whole, are true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. All financial projections and forecasts that have been prepared by or on behalf of the Company or any of its Subsidiaries and made available to the Buyers have been prepared in good faith based upon reasonable assumptions and represented, at the time each such financial projection or forecast was delivered to each Buyer, the Company's best estimate of future financial performance (it being recognized that such financial projections or forecasts are not to be viewed as facts and that the actual results during the period or periods covered by any such financial projections or forecasts may differ from the projected or forecasted results).

(cc) No General Solicitation. Neither the Company, nor any of its affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D under the Securities Act) in connection with the offer or sale of the Securities.

(dd) Private Placement. Assuming the accuracy of the Buyers' representations and warranties set forth in Section 2, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Buyers as contemplated hereby. The issuance and sale of the Securities hereunder does not contravene the rules and regulations of the Principal Market.

(ee) No Disqualification Events. With respect to Securities to be offered and sold hereunder in reliance on Rule 506(b) under the Securities Act ("Regulation D Securities"), none of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering contemplated hereby, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of sale (each, an "Issuer Covered Person" and, together, "Issuer Covered Persons") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Buyers a copy of any disclosures provided thereunder.

(ff) Other Covered Persons. The Company is not aware of any Person that has been or will be paid (directly or indirectly) remuneration for solicitation of Buyers or potential purchasers in connection with the sale of any Regulation D Securities.

(gg) No Disagreements with Accountants and Lawyers. There are no material disagreements of any kind presently existing, or reasonably anticipated by the Company to arise, between the Company and the accountants and lawyers formerly or presently employed by the Company and the Company is current with respect to any fees owed to its accountants and lawyers which could affect the Company's ability to perform any of its obligations under any of the Transaction Documents. In addition, on or prior to the date hereof, the Company had discussions with its accountants about its financial statements previously filed with the SEC. Based on those discussions, the Company has no reason to believe that it will need to restate any such financial statements or any part thereof.

(hh) Security Documents. The representations and warranties set forth in each of the Security Documents are true and correct as therein provided.

(ii) Equity Ownership. Energy Vault is a wholly owned, direct subsidiary of the Company. Each of Energy Vault SA, a Swiss corporation ("EV SA") and Energy Vault Pty Ltd., an Australian corporation ("EV Australia") is a wholly owned, direct subsidiary of Energy Vault. As used herein, "EV Parties" means, collectively, the Company, Energy Vault, EV SA, EV Australia and any other subsidiary of the Company that becomes a party to the GSA, any Guaranty Agreement or any other Security Document under Section 4(o) hereof, and "EV Party" means any one of them (notwithstanding the foregoing, the inclusion of EV SA and EV Australia as an EV Party is subject to the satisfaction of the post-closing obligation relating to such parties as set forth on Schedule II in paragraph 2 therein).

(jj) South African Project. The Company represents and warrants that the development of the gravity storage system at the Hendrina Power Station in Mpumalanga province, South Africa (the "South African Project") is a project owned and managed by the Company, and no other subsidiary of the Company has an ownership or other financial stake in such South African Project.

4. COVENANTS.

(a) Form D and Blue Sky. The Company shall file a Form D with respect to the Securities as required under Regulation D and to provide a copy thereof to each Buyer promptly after such filing. The Company shall, on or before the Closing Date, take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to, qualify the Securities for sale to the Buyers at the Closing pursuant to this Agreement under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to the Buyers on or prior to the Closing Date. Without limiting any other obligation of the Company under this Agreement, the Company shall timely make all filings and reports relating to the offer and sale of the Securities required under all applicable securities laws (including, without limitation, all applicable federal securities laws and all applicable "Blue Sky" laws), and the Company shall comply with all applicable foreign, federal, state and local laws, statutes, rules, regulations and the like relating to the offering and sale of the Securities to the Buyers.

(b) Reporting Status. For the period beginning on the date hereof, and ending 6 months after the date on which all the Convertible Debentures are no longer outstanding (the "Reporting Period"), the Company shall use commercially reasonable efforts to file on a timely basis all

reports required to be filed with the SEC pursuant to the Exchange Act (it being understood, that, for the avoidance of doubt, the timely filing of the SEC Documents includes any documents filed by permitted filing deadline extension under Rule 12b-25 under the Exchange Act), and the Company shall not terminate its status as an issuer required to file reports under the Exchange Act even if the Exchange Act or the rules and regulations thereunder would no longer require or otherwise permit such termination.

(c) Use of Proceeds. The proceeds of the LC Convertible Debentures shall only be used to cash collateralize one or more Letters of Credit issued by HSBC Bank (or another financial institution reasonably acceptable to the Buyers) to certain suppliers of the Company and its Subsidiaries in connection with the development of projects under the EEQ Business (as defined in the Convertible Debentures). Neither the Company nor any Subsidiary will, directly or indirectly, use the proceeds of the transactions contemplated herein to repay any loans to any executives or employees of the Company or to make any payments in respect of any related party debt. Neither the Company nor any of its Subsidiaries will, directly or indirectly, use the proceeds from the transactions contemplated herein, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person (a) for the purpose of funding or facilitating any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions or is a Sanctioned Country, or (b) in any other manner that will result in a violation of Sanctions or applicable laws by any Person (including any Person participating in the transactions contemplated by this Agreement, whether as underwriter, advisor, investor or otherwise). For the past five years, neither the Company nor any of its Subsidiaries has engaged in, and is now not engaged in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions or was a Sanctioned Country. The Company shall not, without the prior written consent of the Buyer, loan, invest, transfer or “downstream” any cash proceeds, or assets or property acquired with cash proceeds from the issuance and sale of the Convertible Debentures to any Subsidiary other than Energy Vault, Inc., which shall enter into a guarantee in a form acceptable to the Buyer (a “Subsidiary Guaranty”), unless the Buyer and such Subsidiary enter into Subsidiary Guaranty.

(d) Listing. To the extent applicable, the Company shall promptly secure the listing or designation for quotation (as the case may be) of all of the Underlying Securities (as defined below) on the Principal Market, subject to official notice of issuance, and shall use reasonable efforts to maintain such listing or designation for quotation (as the case may be) of all Underlying Securities from time to time issuable under the terms of the Transaction Documents on such Principal Market for the Reporting Period. Neither the Company nor any of its Subsidiaries shall take any action which could be reasonably expected to result in the delisting or suspension of the Common Shares on a Principal Market during the Reporting Period. The Company shall pay all fees and expenses in connection with satisfying its obligations under this Section 4(d). “Underlying Securities” means the (i) the Conversion Shares, and (ii) any common shares of the Company issued or issuable with respect to the Conversion Shares, including, without limitation, (1) as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise and (2) shares of capital stock of the Company into which the shares of Common Shares are converted or exchanged without regard to any limitations on conversion of the Convertible Debentures.

(e) Upfront Payment and Fees. Prior to the date hereof, Company has made to YA II PN, Ltd., as the lead Buyer (“Yorkville”), an unallocated upfront payment of \$125,000. Upon the presentment of customary invoices, the Company shall reimburse Yorkville for fees actually incurred by its outside legal counsel in connection with the negotiation, execution, and delivery of the Transaction Documents and the transactions contemplated thereby, in an amount not to exceed \$250,000.

(f) Pledge of Securities. Notwithstanding anything to the contrary contained in this Agreement, the Company acknowledges and agrees that, subject to compliance with applicable federal and state securities laws, the Securities may be pledged by a Buyer in connection with a bona fide margin agreement or other loan or financing arrangement that is secured by the Securities. The Company hereby agrees to execute and deliver such documentation as a pledgee of the Securities may reasonably request in connection with a pledge of the Securities to such pledgee by a Buyer.

(g) Disclosure of Transactions and Other Material Information.

(i) Disclosure of Transactions. The Company shall, on or before the first Business Day after the date of this Agreement, file with the SEC a current report on Form 8-K (or Quarterly Report on Form 10-Q) describing all the material terms of the transactions contemplated by the Transaction Documents in the form required by the Exchange Act and the Company will attach all the material Transaction Documents (including, required exhibits, the “Current Report”) pursuant to the filing timelines specified in the Exchange Act. From and after the filing of the Current Report, the Company shall have publicly disclosed all material, non-public information (if any) provided to any of the Buyers by the Company or any of its Subsidiaries or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents. In addition, effective upon the filing of the Current Report, the Company acknowledges and agrees that any and all confidentiality or similar obligations with respect to the transactions contemplated by the Transaction Documents under any agreement, whether written or oral, between the Company, any of its Subsidiaries or any of their respective officers, directors, affiliates, employees or agents, on the one hand, and any of the Buyers or any of their affiliates, on the other hand, shall terminate.

(ii) Limitations on Disclosure. The Company shall not, and the Company shall cause each of its Subsidiaries and each of its and their respective officers, directors, employees and agents not to, provide any Buyer with any material, non-public information regarding the Company or any of its Subsidiaries from and after the date hereof without first obtaining the express prior written consent of such Buyer (which may be granted or withheld in such Buyer’s sole discretion). To the extent that the Company delivers any material, non-public information to a Buyer without such Buyer’s consent, the Company hereby covenants and agrees that such Buyer shall not have any duty of confidentiality with respect to, or a duty not to trade on the basis of, such material, non-public information. Without the prior written consent of the applicable Buyer (which may be granted or withheld in such Buyer’s sole discretion), the Company shall not (and shall cause each of its Subsidiaries and affiliates to not) disclose the name of such Buyer in any filing, announcement, release or otherwise.

(h) Reservation of Shares. So long as any of the Convertible Debentures or any of the Existing Convertible Debentures (as defined below) remain outstanding, the Company shall have reserved from its duly authorized capital stock, and shall have instructed its transfer agent to irrevocably reserve, the maximum number of shares of Common Shares issuable upon (i) conversion of all Convertible Debentures (assuming for purposes hereof that (x) such Convertible Debentures are convertible at the Floor Price (as defined therein) as of the date of determination and conversion of all Existing Convertible Debentures (subject to the assumptions and terms set forth in the Existing Securities Purchase Agreement (as defined below) and (y) any such conversion shall not take into account any limitations on the conversion of the Convertible Debentures or any limitations on the conversion of the Existing Convertible Debentures) set forth therein) (the “Required Reserve Amount”); provided that at no time shall the number of shares of Common Shares reserved pursuant to this Section be reduced other than proportionally in connection with any conversion and/or redemption, or reverse stock split. If at any time the number of Common Shares authorized to be issued is not sufficient to meet the Required Reserve Amount, the Company will promptly take all corporate action necessary to authorize and reserve a sufficient number of shares, including, without limitation, calling a special meeting of stockholders to authorize additional shares to meet the Company’s obligations pursuant to the Transaction Documents, in the case of an insufficient number of authorized shares, recommending that stockholders vote in favor of an increase in such authorized number of shares sufficient to meet the Required Reserve Amount. The Company shall not seek, propose, or submit for approval by its shareholders the issuance of Common Shares or other equity securities in any transaction or series of related transactions pursuant to the rules and regulations of the Principal Market, unless the Company simultaneously seeks, proposes, or submits for approval by its shareholders the issuance of all Common Shares issuable in connection with this transaction in excess of the Exchange Cap.

(i) Conduct of Business. The business of the Company and its Subsidiaries shall not be conducted in violation of any law, ordinance or regulation of any Governmental Entity, except where such violations would not reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect.

(j) Short Sales. (i) Except as expressly set forth below, the Buyer covenants that from and after the date hereof through and ending when no Convertible Debentures remain outstanding (the “Restricted Period”), no Buyer or any of its officers, or any entity managed or controlled by the Buyer (collectively, the “Restricted Persons” and each of the foregoing is referred to herein as a “Restricted Person”) shall engage in any “short sale” (as such term is defined in Rule 200 of Regulation SHO of the Exchange Act) of the Common Shares, either for its own principal account or for the principal account of any other Restricted Person, solely to the extent such “short sale” would or does establish a net short position in the Common Shares. Notwithstanding the foregoing, it is expressly understood and agreed that nothing contained herein shall (without implication that the contrary would otherwise be true) prohibit any Restricted Person during the Restricted Period from: (1) selling “long” (as defined under Rule 200 promulgated under Regulation SHO) Common Shares; or (2) selling a number of Common Shares equal to the number of Underlying Shares (as defined in a Convertible Debenture) that such Restricted Person is entitled to receive, but has not yet received from the Company or the transfer agent, (A) upon the completion of a pending conversion of the Convertible Debentures for which a valid Conversion Notice (as defined in the

Convertible Debentures) has been submitted to the Company pursuant to Section 4(b) of the Convertible Debentures.

(k) Trading Information. Upon the Company's request, the Buyer agrees to provide the Company with trading reports setting forth the number and average sales prices of Conversion Shares sold the Buyer during the prior trading week.

(l) Prohibited Transactions. From the date hereof until all of the Convertible Debentures have been repaid or converted into Common Shares, the Company agrees to not directly or indirectly enter into any contract, agreement or other item that would restrict or prohibit any of the Company's obligations to the Buyer(s) under the Transaction Documents, including, without limitation, any payments required by the Company to the Buyer(s) pursuant to the Convertible Debentures.

(m) Limitations on Debt, Liens and Other Matters. From the date hereof until all the Convertible Debentures have been repaid, without the prior written consent of the Buyers, the Company shall not, and shall not permit any of its subsidiaries (whether or not a subsidiary on the date hereof) to, directly or indirectly (i) other than Permitted Indebtedness, enter into, create, incur, assume, guarantee or suffer to exist any Indebtedness; (ii) other than Permitted Liens, enter into, create, incur, assume or suffer to exist any Lien on or with respect to any of its property or assets now owned or hereafter acquired or any interest therein or any income or profits therefrom; (iii) amend its charter documents, including, without limitation, its certificate of incorporation and bylaws, in any manner that materially and adversely affects any rights of the holders of the Convertible Debentures; (iv) make any payments in respect of any related party debt; (v) other than any Permitted Transfers, (A) with respect to subsidiaries of the Company (other than any subsidiary that is an EV Party), transfer or sell any assets or otherwise pledge in any manner any assets (including equity interests and accounts receivable) unless in the ordinary course of business or (B) with respect to any EV Party, transfer or sell any assets or otherwise pledge in any manner any assets (including equity interests, accounts receivable or any ownership or proprietary interests in the South African Project) without the prior written consent of the Buyers; or (vi) enter into, agree to enter into, or effect any Variable Rate Transaction other than with the Yorkville or an affiliate of Yorkville.

As used herein:

"Domestic EV Party" means an EV Party formed or organized under the laws of the United States of America.

"Existing Convertible Debentures" means those Convertible Debentures issued under the Existing Securities Purchase Agreement in favor of the "Buyer(s)" identified therein from time to time (as amended, restated, supplemented, or otherwise modified from time to time).

"Existing Securities Purchase Agreement" means that certain Securities Purchase Agreement, dated as of September 22, 2025 (as amended, restated, supplemented, or otherwise modified from time to time, among the Company and the Buyer(s) identified on Schedule I attached thereto).

"Foreign EV Party" means any EV Party that is not a Domestic EV Party.

“Permitted Indebtedness” shall mean: (i) (A) indebtedness evidenced by the Convertible Debentures or (B) indebtedness evidenced by the Existing Convertible Debentures (as defined below); (ii) indebtedness described on Section 3(p) of the Disclosure Schedules attached hereto (the “Existing Indebtedness”) and any refinancing, renewal, or extension of such Existing Indebtedness; provided, however, that (A) the principal amount of such refinancing, renewal, or extension does not exceed the 110% of principal amount of the Existing Indebtedness outstanding as of the date of this Agreement (plus any accrued and unpaid interest and reasonable and documented fees and expenses incurred in connection therewith), (B) such refinancing, renewal, or extension does not result in an earlier maturity date or increased amortization prior to the maturity date of the Existing Indebtedness being refinanced, renewed, or extended, (C) such refinancing, renewal, or extension is not secured by any assets other than those securing the Existing Indebtedness as of the date of this Agreement, (D) the obligors in respect of such refinancing, renewal, or extension are not changed from those of the Existing Indebtedness as of the date of this Agreement and (E) the terms of such refinancing, renewal, or extension are no more restrictive, taken as a whole, than the terms of the Existing Indebtedness as in effect as of the date of this Agreement, as determined in the good faith judgment of the Company; (iii) indebtedness incurred solely for the purpose of financing the acquisition or lease of any equipment, including capital lease obligations, with no recourse other than to such equipment; (iv) indebtedness (A) which does not mature or otherwise require or permit redemption or repayment prior to or on the 91st day after the maturity date of any Convertible Debentures then outstanding; and (B) which is not secured by any assets of the Company or its subsidiaries; provided, that at the time of the incurrence thereof the Company shall deliver written notice under the Convertible Debentures to redeem in cash a principal amount that would repay the then outstanding principal outstanding under such Convertible Debentures down to \$10,000,000 (unless otherwise waived by the Buyers in the sole discretion) (it being acknowledged that (A) the failure to deliver such written notice shall result in such written notice being deemed to have been delivered and (B) principal payments received as result of the redemption under this sub-clause (iv) shall be applied to the Redemption Schedule by reducing the Installment Amount of future payments coming due in reverse chronological order (i.e. starting with the latest payments first)) and the repayment of principal shall be paid directly to the Buyers from the new financing source with the proceeds of such financing and, if necessary, from unrestricted cash of the Company for any additional amounts required hereunder; (v) indebtedness associated with acquiring new intellectual property assets and licenses, so long as (A) the aggregate amount of such indebtedness incurred or assumed shall not exceed \$5,000,000 at any time, (B) the proceeds thereof are paid to unrelated third party(ies) from which the Company is acquiring the assets, licenses, and other properties on an arm’s length basis on terms and conditions no less favorable to the Company or any of its subsidiaries that are obtainable with a Person which is not one of its affiliates, (C) the terms and conditions of such acquisition of new intellectual property assets and licenses are no less favorable to the Company or its subsidiaries that are obtainable with a Person which is not one of its affiliates, (D) the incurrence or assumption thereof is made on an arm’s length basis; (vi) indebtedness incurred by a Project Subsidiary solely for the purpose of financing a Project, provided that (A) such Indebtedness is non-recourse to the Company and each other Subsidiary (other than with respect to a limited recourse pledge of the equity interests of a Project Subsidiary

by the direct Subsidiary parent of the Project Subsidiary (and not, for the avoidance of doubt, by the Company at any time)) and such limited recourse pledge is non-recourse to the direct Subsidiary parent of any Project Subsidiary but for such equity interests so pledged (such limited recourse pledge arrangement herein referred to as a “Limited Recourse Pledge”), (B) such Indebtedness is secured only by the assets of the Project Subsidiary and by the pledge of the direct Subsidiary parent pursuant to the Limited Recourse Pledge and does not create a Lien on any assets of the Company or its other Subsidiaries (other than the Project Subsidiary and other than in respect of the Limited Recourse Pledge), (C) such Indebtedness does not contain any cross-default or cross-acceleration provision with respect to any Indebtedness of the Company or any of its subsidiaries (other than to other Indebtedness of the Project Subsidiary), and (D) the proceeds of such Indebtedness are used solely for the development, construction, or operation of the specific Project or the purchase of equipment for which the financing is obtained; (vii) (A) any unsecured 6418 Tax Credit Guarantees (as defined below) entered into by the Company and its Subsidiaries prior to the date of this Agreement and (B) any unsecured 6418 Tax Credit Guarantees entered into by the Company or any Subsidiary of the Company (other than a Subsidiary of the Company that is EV Party) on and after the date of this Agreement on terms and conditions and consistent with past practice, provided that the aggregate guaranteed amount of such 6418 Tax Credit Guarantees under this sub-clause (vii)(B), together with the guaranteed amount of all the Tax and Other Guarantees permitted under clause (viii)(B) below, shall not exceed \$200,000,000 in the aggregate and provided that the Company and its Subsidiaries are in compliance with Section (4)(s)(v)(Redemption and Conversion Rights) of this Agreement; (viii) (A) any unsecured Tax and Other Guarantees (as defined below) entered into by the Company and its Subsidiaries prior to the date of this Agreement and (B) any unsecured Tax and Other Guarantees entered into by Subsidiaries of the Company (other than any EV Party) on and after the date of this Agreement which are provided on customary terms, provided that the aggregate guaranteed amount of such Tax and Other Guarantees under this sub-clause (viii)(B), together with the guaranteed amount of all 6418 Tax Credit Guarantees permitted under clause (vii)(B) above, shall not exceed \$200,000,000 in the aggregate and provided that the Company and its Subsidiaries are in compliance with Section (4)(s)(v)(Redemption and Conversion Rights) of this Agreement; and (ix) any indebtedness (other than the indebtedness set out in (i) – (viii) above) incurred after the date hereof, provided that such indebtedness does not exceed \$5,000,000 at any given time and none of the EV Parties guarantee any such indebtedness. As used herein, “6418 Tax Credit Guarantees” means unsecured guarantees provided in connection with any transfer of federal income tax credits under Section 6418 of the Code; and “Tax and Other Guarantees” means unsecured guarantees in connection with (1) a tax equity or preferred equity financing entered into by a Subsidiary of the Company or (2) project debt financing incurred by a Project Subsidiary pursuant to clause (vi) of the definition of Permitted Indebtedness; provided that such guarantees shall be limited to (A) backstopping equity contribution not yet funded for the project or projects being financed or cost overruns, in each case subject to the applicable cap set forth in the respective project finance facility, (B) backstopping tax equity or tax credit transfer bridge loans until a tax equity commitment or tax credit transfer commitment is obtained, (C) cash diversion guarantees arising from or in connection with tax equity, tax credit sale or project debt arrangements, (D) completion guarantees, and (E) backstops

or other credit support provided to support advance rates or other borrowing base components under a project debt financing.

“Permitted Liens” shall mean (1) any security interest granted to the Buyers to secure the obligations under the Convertible Debentures; (2) any prior security interest granted to the Buyers; (3) existing Liens disclosed by the Company on Schedule 3(p) of the Disclosure Schedules attached hereto; (4) inchoate Liens for taxes, assessments or governmental charges or levies not yet due, as to which the grace period, if any, related thereto has not yet expired, or being contested in good faith and by appropriate proceedings for which adequate reserves have been established in accordance with GAAP; (5) Liens of carriers, materialmen, warehousemen, mechanics and landlords and other similar Liens which secure amounts which are not yet overdue by more than 60 days or which are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP; (6) licenses, sublicenses, leases or subleases granted to other persons not materially interfering with the conduct of the business of the Company; (7) Liens securing capitalized lease obligations and purchase money indebtedness incurred solely for the purpose of financing an acquisition or lease permitted under clause (iii) of the definition of Permitted Indebtedness; (8) easements, rights-of-way, restrictions, encroachments, municipal zoning ordinances and other similar charges or encumbrances, and minor title deficiencies, in each case not securing debt and not materially interfering with the conduct of the business of the Company and not materially detracting from the value of the property subject thereto; (9) Liens arising out of the existence of judgments or awards which judgments or awards do not constitute an Event of Default; (10) Liens incurred in the ordinary course of business in connection with workers compensation claims, unemployment insurance, pension liabilities and social security benefits and Liens securing the performance of bids, tenders, leases and contracts in the ordinary course of business, statutory obligations, surety bonds, performance bonds and other obligations of a like nature (other than appeal bonds) incurred in the ordinary course of business (exclusive of obligations in respect of the payment for borrowed money); (11) Liens in favor of a banking institution arising by operation of law encumbering deposits (including the right of set-off) and contractual set-off rights held by such banking institution and which are within the general parameters customary in the banking industry and only burdening deposit accounts or other funds maintained with a creditor depository institution; (12) usual and customary set-off rights in leases and other contracts; (13) escrows in connection with acquisitions and dispositions; (14) royalties and other rights to revenue derived from the sale of the Company’s products that are granted in the ordinary course of business; (15) Liens on the assets of a Project Subsidiary securing Indebtedness permitted under clause (vi) of the definition of Permitted Indebtedness so long as such Liens do not attach to the assets of the Company or any other Subsidiary of the Company; (16) Liens constituting contingent obligations of the applicable Subsidiary of the Company (and not the Company or any other EV Party) arising directly as a result of the unsecured Indebtedness permitted under clause (vii) of the definition of Permitted Indebtedness, which for the avoidance of doubt shall not attach to the assets of the Company, any EV Party or any other Subsidiary of the Company; (17) Liens constituting contingent obligations the applicable Subsidiary of the Company (and not the Company or any other EV Party) arising directly as a result of the unsecured guarantees permitted under clause (viii) of the definition of Permitted Indebtedness, which for the avoidance of doubt shall

not attach to the assets of the Company, any EV Party or any other Subsidiary of the Company; and (18) any Liens, other than the Liens set out in (1)-(17) above, incurred after the date of this Agreement, provided that such Liens do not exceed \$3,000,000 at any given time and such Liens do not attach to any assets of any EV Party without the prior written consent of the Buyers. Notwithstanding the foregoing to the contrary, no Liens shall be permitted on any “Backlog” (as defined in the AR Convertible Debenture(s)) or on any Letter of Credit (as defined in the LC Convertible Debenture(s)).

“Permitted Transfers” means the following transfers and sales of assets permitted under Section (4)(m)(v): (1) a transfer or sale of assets (A) from any EV Party to any Domestic EV Party, (B) from any Foreign EV Party to any other Foreign EV Party, (2) any transfer or sale in connection with the development of projects or real property owned by a non-EV Party in Brunalillo County, New Mexico or Scurry County, Texas, or any similar development with a joint developer developing the projects referenced in this sub-clause (2), or (3) other transfers or sales of assets that result in net cash proceeds from the First Closing Date during the term of this Agreement: (A) in an aggregate amount not to exceed \$3,500,000 for such transfers and sales of assets of the EV Parties, provided that no EV Party may sell or otherwise transfer or pledge in any manner any accounts receivable, any equity interests, any assets included in the determination of “Backlog” (as defined in any AR Convertible Debenture), any Letters of Credit (as defined in any LC Convertible Debenture) or any assets constituting any part of the South African Project under this sub-clause (3)(A), and (B) in an aggregate amount not to exceed \$25,000,000 for such transfers and sales of assets of all Subsidiary(ies) of the Company that are not EV Parties; provided that for each of sub-clause (3)(A) and sub-clause (3)(B) herein, any net cash proceeds received, directly or indirectly, by any EV Party or any Subsidiary(ies) of the Company that are not EV Parties shall give each Buyer the right to receive either a cash redemption, dollar for dollar for the net cash proceeds so received, or to elect to convert, dollar for dollar for the net cash proceeds so received into Common Shares pursuant to the Convertible Debentures selected by each Buyer is its sole discretion, as set forth in Section (4)(s)(v)(2)(Redemption and Conversion Rights) of this Agreement,

“Project” means an energy storage system project and any energy project that is reasonably related, ancillary or complimentary thereto, including any energy generation and energy storage and related infrastructure thereto and any data processing infrastructure.

“Project Documents” means, for any Project, all material agreements and contracts relating to the acquisition, construction, development, ownership, operation and maintenance of such Project, in each case, other than any financing agreement(s) entered into in connection with such Project.

“Project Subsidiary” means a special purpose subsidiary of the Company formed or designated for the sole purpose of development, construction or operation of a Project under designated Project Documents or the sole purpose of financing the purchase of equipment for a Project and any other Subsidiary holding equity securities in such entities.

“Variable Rate Transaction” shall mean a transaction in which the Company (i) issues or sells any equity, warrants, or debt securities that are convertible into, exchangeable or

exercisable for, or include the right to receive additional Common Shares either (A) at a conversion price, exercise price, exchange rate or other price that is based upon and/or varies with the trading prices of or quotations for the Common Shares at any time after the initial issuance of such security, or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company (other than as a result of a change of control, fundamental change, asset sale, casualty, condemnation or eminent domain) or the market for the Common Shares (including any “full ratchet” or “weighted average” antidilution provisions, but not including any standard anti-dilution protection for any payment in respect of a tender offer or exchange offer, reorganization, recapitalization, dividend, distribution, stock split or other similar transaction), or (ii) enters into any “equity line of credit” or effects any offerings or sales pursuant to the equity purchase agreement, dated March 31, 2025, by and between the Company and Hudson Global Ventures, LLC or the equity purchase agreement, dated August 6, 2025, by and between the Company and Helena Global Investment Opportunities I Ltd. For the avoidance of doubt, the foregoing shall not include a transaction in which the Company enters into any “ATM agreement” or other continuous offering or similar offering of Common Shares (collectively, an “ATM Agreement”), or effects any offerings or sales pursuant to an ATM Agreement, including without limitation pursuant to the sales agreement entered into on November 12, 2024 with Jefferies LLC.

(n) [Reserved].

(o) Guaranty and Collateral Matters.

(i) The Company shall, and shall cause each of the EV Parties to guarantee the “Debenture Obligations” as set forth the GSA or such other Guaranty Agreement (if applicable) and to grant security interests and liens on its personal property as provided below in this Section 4(o), in the GSA and the other Security Documents referred to below. The Buyer(s) shall have a first priority, perfected lien on all Collateral (as defined below) purported to be granted under any Security Document at all times.

(ii) The Company shall, and shall cause each EV Party to grant security interests and liens and to take such actions requested by the Buyer(s) to perfect such security interests and liens in all personal and real property of the Company and such EV Parties.

(iii) Within thirty (30) days of any other subsidiary of the Company generating “Backlog” for purposes of the Borrowing Base Aggregate Amount or receiving any Customer Letter of Credit for purposes of the Convertible Debentures, the Company shall cause such Subsidiary (A) to execute and deliver a joinder agreement to the GSA and each other Security Document, as applicable, (B) to execute and deliver such other Security Documents as the Buyer(s) requests and (C) to deliver to the Buyer(s) such opinion letters, insurance certificates, officer’s certificates and other information, documents and instruments, for all documents referred to in this sub-clause (iii), each in form and substance reasonably satisfactory to the Buyer(s), as the Buyer(s) may request in connection therewith.

(iv) The Company shall, and shall cause each Guarantor, to do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, each in form and substance reasonably satisfactory to the Buyer(s), as the Buyer(s) may reasonably request in order to carry out the intent and accomplish the purposes of this Section 4(o).

Notwithstanding the foregoing to the contrary, none of Asset Vault, LLC, a Delaware limited liability company or any of its direct or indirect wholly owned Subsidiaries nor any other Subsidiary of the Company (other than as provided above) shall be required to enter into any Security Document as a “Grantor” or “Pledgor” or any Guaranty Agreement as a “Guarantor” thereunder.

As used herein, “Collateral” means collectively, (a) all assets (including all accounts receivable, letters of credit and related assets of the grantors under the GSA and such other Pledged Collateral (as defined in the GSA)), (b) all “Collateral” or “Pledged Collateral” as defined in any Security Document, and (c) all such other assets and properties pledged or purported to be pledged to the Buyer(s) pursuant to a Security Document from time to time.

(p) Delivery of Borrowing Base Certificate; Officer’s Certificate re Letters of Credit and Bonds; Etc.

(i) As soon as reasonably practicable and in any event no later than five (5) Business Days after the filing of any Form 10-Q or Form 10-K by the Company with the SEC in accordance with the rules and regulations of the SEC (and in any event not later than fifty (50) calendar days following any calendar quarter end or one hundred and five (105) calendar days following any fiscal year end of the Company, as applicable, the Company shall deliver to the Buyers the following:

(1) a Borrowing Base Certificate (as defined in a Convertible Debenture), in form, scope and substance satisfactory to each Buyer (a form of which (without attachments) is attached hereto as “Exhibit D”), certified by the Chief Financial Officer or the Chief Executive Officer of the Company, together with such supporting documentation as requested by any Buyer. The failure to timely deliver any Borrowing Base Certificate shall be an immediate Event of Default and the Borrowing Base Adjusted Amount (as defined in a Convertible Debenture) shall be reduced to \$0. The Company shall deliver an updated Borrowing Base Certificate from time to time at the request of any Buyer; and

(2) an Officer’s Certificate, certified by the Chief Financial Officer or the Chief Executive Officer of the Company, together with supporting documentation requested by any Buyer, which certifies to and attaches a schedule (or updated schedule) of (A) all Supplier Letter of Credit / Bonds (as defined in an LC Convertible Debenture, together with name of the beneficiary thereof and the issuing bank / bond issuer thereof, the face amount / bonded amount available thereunder, the expiry date / termination date thereof, and whether any demands have been made thereunder since the last Officer’s Certificate delivered to the Buyer and such other information as is requested from time to time by any Buyer and (B) all Customer Letters of Credit (as defined in an LC Convertible Debenture), together with the name of the Customer (so long as disclosure thereof shall not constitute Material Non-public Information (or MNPI)) or the Project

for whom such Customer Letter of Credit has been issued, the name of the issuing bank, the face amount thereof, the expiry date thereof and such other information as is requested from time to time by any Buyer and whether any demands have been made thereunder since the last Officer's Certificate delivered to the Buyer.

(ii) The Company will, and will cause any EV Party to, at the Company's expense, permit any auditors or other advisors of the Buyer(s) access to the books and records of the Company or such EV Party to audit the information provided by the Company to the Buyers under this Agreement and the other Transaction Documents and to meet management of such EV Party, all during normal business hours from time to time and upon reasonable request.

(q) Rank. Each Convertible Debenture shall rank pari passu with each other Convertible Debenture issued under this Agreement. Each Convertible Debenture shall rank pari passu with all other senior indebtedness of the Company.

(r) Insurance. The Company and each of its Subsidiaries are (and so long as any Convertible Debenture remains outstanding shall continue to be) insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries are engaged. The Company shall ensure that the Buyers are identified as a lender loss payee on all property insurance policies and as an additional insured on all liability policies (including excess liability policies and umbrella policies) and, in each case, the insurance company shall provide the Buyers at least thirty (30) days prior notice of the termination of any such policies (10 days' prior written notice for non-payment).

(s) Additional Covenants.

(i) Events of Default. For the period commencing on the date hereof to and including the First Closing Date, any violation of this Section 4 shall be and shall be deemed to be an Event of Default for all purposes under this Agreement.

(ii) EV Parties. The Company shall not, nor shall the Company permit any EV Party, to sell or otherwise transfer or dispose of any equity interests of any EV Party or "Guarantor" party to any Guaranty Agreement. At all times all EV Parties (other than the Company) shall be wholly owned, direct or indirect, Subsidiaries of the Company.

(iii) South African Project. The Company shall at all times be the owner of the South African Project and receive all financial benefits and profits therefrom.

(iv) Post-Closing Covenants. On or before the dates set forth on Schedule II attached hereto the Company shall, and shall cause its Subsidiaries to, take the actions set forth therein.

(v) Redemption and Conversion Rights.

(1) Conversion Rights. If while any Convertible Debenture remains outstanding when demand is made under any of the guarantees described in clauses (vii) or (viii) of the definition of "Permitted Indebtedness" and the aggregate demanded amount thereunder is

\$5,000,000 or more, then each Buyer of a Convertible Debenture shall have the right to convert amounts demanded in excess of \$5,000,000 into Common Shares pursuant to the Convertible Debentures selected by each Buyer in its sole discretion. The amounts eligible for conversion pursuant to this Section (4)(s)(v) shall be in addition to amounts eligible for conversion under the applicable Convertible Debentures and shall have the effect of adjusting the Redemption Schedule by reducing the Installment Amount of future payments coming due in reverse chronological order (i.e. starting with the latest payments first). Each Buyer shall have the right in its sole discretion and by providing written notice to the Company within two (2) Business Days of receiving notice from the Company of an instance of the event described above to decline the right to convert amounts in respect of such instance as hereinabove provided, in which case no adjustment shall be made to the Redemption Schedule. Any election to decline the right to convert in any one instance shall not affect a Buyer's right to elect to convert amounts set forth hereinabove at any other time.

(2) Redemption Rights – Permitted Transfers. If while any Convertible Debenture remains outstanding any Permitted Transfer is made pursuant to clause (3) of the definition thereof, then each Buyer of a Convertible Debenture shall have a have the right at the election of the applicable Buyer to (A) receive payment of the net cash proceeds identified therein in cash or, (B) have the right to convert the amount of the net cash proceeds identified therein into Common Shares pursuant to the Convertible Debentures selected by each Buyer in its sole discretion. Amounts received by a Buyer under any Convertible Debenture, whether in cash or by conversion into Common Shares pursuant to this Section (4)(s)(v), shall be in addition to all cash Installment Payments owed under the applicable Convertible Debenture and/or amounts eligible for conversion under the applicable Convertible Debenture and, in each case, shall have the effect of adjusting the Redemption Schedule by reducing the Installment Amount of future payments coming due in reverse chronological order (i.e. starting with the latest payments first).

(3) Redemption Rights – Incurrence of Indebtedness. If the Company incurs any indebtedness permitted under clause (iv) of the definition of “Permitted Indebtedness” the Company shall repay in cash the Convertible Debentures in an amount required under such clause (iv).

5. REGISTER; TRANSFER AGENT INSTRUCTIONS; LEGEND.

(a) Register. The Company shall maintain at its principal executive offices or with the Transfer Agent (or at such other office or agency of the Company as it may designate by notice to each holder of Securities), a register for the Convertible Debentures in which the Company shall record the name and address of the Person in whose name the Convertible Debentures have been issued (including the name and address of each transferee), the principal amount (and stated interest) of Convertible Debentures held by such Person. The Company shall keep the register open and available at all times during business hours for inspection of any Buyer or its legal representatives. The Company shall maintain the register in a manner that complies with the “registered form” requirements in Section 5f.103-1(c) of the United States Treasury Regulations.

(b) Transfer Restrictions. The Securities may only be disposed of in compliance with applicable state and federal securities laws and in compliance with any provision of any other Transaction Document. In connection with any transfer of Securities other than pursuant to an effective registration statement or Rule 144, to the Company or to an affiliate of a Buyer or in

connection with a pledge as contemplated herein, the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights and obligations of a Buyer under this Agreement.

(c) Conversion and Exercise Procedures. The form of Conversion Notice included in the Convertible Debentures set forth the totality of the procedures required of the Buyers in order to convert the Convertible Debentures. Except as provided in Section 2(f) and Section 5(b), no additional legal opinion, other information or instructions shall be required of the Buyers to convert their Convertible Debentures. The Company shall honor conversions of the Convertible Debentures and shall deliver the Conversion Shares in accordance with the terms, conditions and time periods set forth in the Convertible Debentures.

6. CONDITIONS TO THE COMPANY'S OBLIGATION TO SELL.

The obligation of the Company hereunder to issue and sell the Convertible Debentures to each Buyer at each Closing is subject to the satisfaction, at or before each Closing Date, of each of the following conditions, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion in accordance with the terms of Section 9(k):

(a) Such Buyer shall have executed each of the Transaction Documents to which it is a party and delivered the same to the Company.

(b) Such Buyer and each other Buyer shall have delivered to the Company the Purchase Price (less, in the case of any Buyer, the amounts withheld pursuant to Section 4(d), if any) for the Convertible Debentures being purchased by such Buyer at the Closing by wire transfer of immediately available funds in accordance with a letter, duly executed by an officer of the Company, setting forth the wire amounts of each Buyer and the wire transfer instructions of the Company (the "Closing Statement").

(c) The representations and warranties of such Buyer shall be true and correct in all material respects as of the date when made and as of each Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date), and such Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by such Buyer at or prior to such Closing Date.

7. CONDITIONS TO EACH BUYER'S OBLIGATION TO PURCHASE.

The obligation of each Buyer hereunder to purchase its Convertible Debentures at each Closing is subject to the satisfaction, at or before each Closing Date, of each of the following conditions, provided that these conditions are for each Buyer's sole benefit and may be waived by such Buyer at any time in its sole discretion in accordance with the terms of Section 9(k):

(a) The Company shall have duly executed and delivered to such Buyer each of the Transaction Documents (including each Security Document) to which it is a party and the Company shall have duly executed and delivered to such Buyer a Convertible Debenture with a principal amount corresponding to the Subscription Amount set forth opposite such Buyer's name on the Schedule of Buyers attached as Schedule I for the Closing.

(b) Such Buyer shall have received the opinion of counsel to the Company, dated as of the First Closing Date, in the form reasonably acceptable to such Buyer.

(c) The Company shall have delivered to each Buyer a customary officer's certificate, duly executed by an authorized officer of the Company, Energy Vault and each other Guarantor, certifying and attaching copies of the certified charter, as well as any shareholder or operating agreements, of the Company, Energy Vault and each other Guarantor, resolutions of the board of directors (or such other applicable governing body) of the Company, Energy Vault and such other Guarantors approving the transactions under the Transaction Documents (and said approvals shall not have been amended, rescinded or materially modified in any manner and shall be in full force and effect as of the First Closing) and incumbency; and (B) the Company shall have delivered to the Buyers copies of each Subsidiaries certified copies of its charter, as well as any shareholder or operating agreements by or among the shareholders or members of any of the Company's Subsidiaries.

(d) The Company shall have delivered to such Buyer a certificate evidencing the incorporation and good standing of the Company and each Guarantor as of a date within ten (10) days of the Closing Date.

(e) Each Buyer shall have received (A) all customary UCC, tax, pending litigation, judgment, bankruptcy and other diligence searches (and the foreign equivalent thereof for Company and any foreign Subsidiary), in each case, reasonably requested by such Buyer and (B) payoff letters and UCC-3 Amendment (termination statements)(or the foreign equivalent) requested by such Buyer for debt or liens not permitted pursuant to the terms of the Transaction Documents.

(f) The Buyers shall be satisfied that the Buyers have a perfected, first priority security interest and Lien in the Collateral (subject to the post-closing obligations set forth in Section 4(s)).

(g) Each and every representation and warranty of the Company and each Guarantor shall be true and correct in all material respects (other than representations and warranties qualified by materiality, which shall be true and correct in all respects) as of the date when made and as of each Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date) and the Company and such Guarantor shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions set forth in each Transaction Document required to be performed, satisfied or complied with by the Company or such Guarantor at or prior to each Closing Date.

(h) The Common Shares (A) shall be designated for quotation or listed (as applicable) on the Principal Market and (B) shall not have been suspended, as of each Closing Date, by the

SEC or the Principal Market from trading on the Principal Market nor shall suspension by the SEC or the Principal Market have been threatened, as of each Closing Date, either (I) in writing by the SEC or the Principal Market or (II) by receiving a notification from the Principal Market of falling below the minimum maintenance requirements of the Principal Market that is not subject to a cure period.

(i) No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or Governmental Entity of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(j) Since the date of the Company's most recent Form 10-K filing (without amendment) being filed with the SEC in accordance with the rules and regulations of the SEC, no event or series of events shall have occurred that has resulted in or would reasonably be expected to result in a Material Adverse Effect or an Event of Default (as defined in the Convertible Debentures).

(k) Such Buyer shall have received the Closing Statement.

(l) (i) From the date hereof to the applicable Closing Date, trading in the Common Shares shall not have been suspended by the SEC or the Principal Market (except for any suspension of trading of limited duration agreed to by the Company, which suspension shall be terminated prior to the Closing), and (ii) at any time from the date hereof to the applicable Closing Date, trading in securities generally as reported by Bloomberg L.P. shall not have been suspended or limited, or minimum prices shall not have been established on securities whose trades are reported by such service, or on the Principal Market, nor shall a banking moratorium have been declared either by the United States or New York State authorities nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity of such magnitude in its effect on, or any material adverse change in, any financial market which, in each case, in the reasonable judgment of each Buyer, makes it impracticable or inadvisable to purchase the Securities at the Closing.

(m) The board of directors of the Company and each Guarantor has approved the transactions contemplated by the Transaction Documents; said approval has not been amended, rescinded or materially modified and remains in full force and effect as of such Closing, and a true, correct and complete copy of such resolutions duly adopted by the board of directors of the Company and each such Guarantor shall have been provided to the Buyers.

(n) The Company and its Subsidiaries shall have delivered to such Buyer such other documents, instruments or certificates relating to the transactions contemplated by this Agreement as such Buyer or its counsel may reasonably request.

(o) The Company shall have delivered to the Buyer a compliance certificate executed by an executive officer of the Company certifying that Company has complied with all of the conditions precedent to the applicable Closing set forth herein and which may be relied upon by the Buyer as evidence of satisfaction of such conditions without any obligation to independently verify.

8. TERMINATION.

In the event that the First Closing shall not have occurred with respect to a Buyer within five (5) days of the date hereof, then such Buyer shall have the right to terminate its obligations under this Agreement with respect to itself at any time on or after the close of business on such date without liability of such Buyer to any other party; provided, however, (i) the right to terminate this Agreement under this Section 8 shall not be available to such Buyer if the failure of the transactions contemplated by this Agreement to have been consummated by such date is the result of such Buyer's breach of this Agreement and (ii) the abandonment of the sale and purchase of the Convertible Debentures shall be applicable only to such Buyer providing such written notice, provided further that no such termination shall affect any obligation of the Company under this Agreement to reimburse such Buyer for the expenses described herein. Nothing contained in this Section 8 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or the other Transaction Documents or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement or the other Transaction Documents.

9. MISCELLANEOUS.

(a) Governing Law. This Agreement and the rights and obligations of the parties hereunder shall, in all respects, be governed by, and construed in accordance with, the laws (excluding the principles of conflict of laws) of the State of New York (including Section 5-1401 and Section 5-1402 of the General Obligations Law of the State of New York), including all matters of construction, validity and performance.

(b) Jurisdiction; Venue; Service.

(i) The Company hereby irrevocably consents to the non-exclusive personal jurisdiction of the state courts of the State of New York (the "Governing Jurisdiction") and, if a basis for federal jurisdiction exists, the non-exclusive personal jurisdiction of any United States District Court for the Governing Jurisdiction.

(ii) The Company agrees that venue shall be proper in any court of the Governing Jurisdiction selected by the Buyer or, if a basis for federal jurisdiction exists, in any United States District Court in the Governing Jurisdiction. The Company waives any right to object to the maintenance of any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, in any of the state or federal courts of the Governing Jurisdiction on the basis of improper venue or inconvenience of forum.

(iii) Any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or tort or otherwise, brought by the Company against the Buyer arising out of or based upon this Agreement or any matter relating to this Agreement, or any other Transaction Document, or any contemplated transaction, shall be brought in a court only in the Governing Jurisdiction. The Company shall not file any counterclaim against the Buyer in any suit, claim, action, litigation or proceeding brought by the Buyer against the Company in a jurisdiction outside of the Governing Jurisdiction unless under the rules of the court in which the Buyer brought such suit, claim, action, litigation or proceeding the counterclaim is mandatory, and

not permissive, and would be considered waived unless filed as a counterclaim in the suit, claim, action, litigation or proceeding instituted by the Buyer against the Company. The Company agrees that any forum outside the Governing Jurisdiction is an inconvenient forum and that any suit, claim, action, litigation or proceeding brought by the Company against the Buyer in any court outside the Governing Jurisdiction should be dismissed or transferred to a court located in the Governing Jurisdiction. Furthermore, the Company irrevocably and unconditionally agrees that it will not bring or commence any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Buyer arising out of or based upon this Agreement or any matter relating to this Agreement, or any other Transaction Document, or any contemplated transaction, in any forum other than the courts of the State of New York sitting in New York County, and the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such suit, claim, action, litigation or proceeding may be heard and determined in such New York State Court or, to the fullest extent permitted by applicable law, in such federal court. The Company and the Buyer agree that a final judgment in any such suit, claim, action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(iv) The Company and the Buyer irrevocably consent to the service of process out of any of the aforementioned courts in any such suit, claim, action, litigation or proceeding by the mailing of copies thereof by registered or certified mail postage prepaid, to it at the address provided for notices in this Agreement, such service to become effective thirty (30) days after the date of mailing.

(v) Nothing herein shall affect the right of the Buyer to serve process in any other manner permitted by law or to commence legal proceedings or to otherwise proceed against the Company or any other Person in the Governing Jurisdiction or in any other jurisdiction.

(c) WAIVER OF JURY TRIAL. THE PARTIES MUTUALLY WAIVE ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS OF ANY KIND ARISING OUT OF OR BASED UPON THIS AGREEMENT OR ANY MATTER RELATING TO THIS AGREEMENT, OR ANY OTHER TRANSACTION DOCUMENT, OR ANY CONTEMPLATED TRANSACTION. THE PARTIES ACKNOWLEDGE THAT THIS IS A WAIVER OF A LEGAL RIGHT AND THAT THE PARTIES EACH MAKE THIS WAIVER VOLUNTARILY AND KNOWINGLY AFTER CONSULTATION WITH COUNSEL OF THEIR RESPECTIVE CHOICE. THE PARTIES AGREE THAT ALL SUCH CLAIMS SHALL BE TRIED BEFORE A JUDGE OF A COURT HAVING JURISDICTION, WITHOUT A JURY.

(d) Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

(e) Headings; Gender. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms “including,” “includes,” “include” and words of like import shall be construed broadly as if followed by the words “without limitation.” The terms “herein,” “hereunder,” “hereof” and words of like import refer to this entire Agreement instead of just the provision in which they are found.

(f) Entire Agreement, Amendments. This Agreement supersedes all other prior oral or written agreements between the Buyer, the Company, their affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor any Buyer makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be amended other than by an instrument in writing signed by the party to be charged with enforcement.

(g) Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing by letter and email and will be deemed to have been delivered: upon the later of (A) either (i) receipt, when delivered personally or (ii) one (1) Business Day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same and (B) receipt, when sent by electronic mail. The addresses and e-mail addresses for such communications shall be:

If to the Company, to:

ENERGY VAULT HOLDINGS, INC.
4165 East Thousand Oaks Blvd., Suite 100
Westlake Village, California 91362
Attention: General Counsel
E-Mail: legal@energyvault.com

With Copy (which shall not constitute Notice) to:

Vinson & Elkins L.L.P.
1114 Avenue of the Americas, 32nd Floor
New York, NY 10036
Attention: Brenda Lenahan; Katherine Frank; Caitlin Lawrence
Email: blenahan@velaw.com; kfrank@velaw.com; caitlinlawrence@velaw.com

If to a Buyer, to its address and e-mail address set forth on the Schedule of Buyers, with copies to such Buyer's representatives as set forth on the Schedule of Buyers,

With copy to:

David Fine, Esq.
c/o Yorkville Advisors Global, LP
1012 Springfield Avenue
Mountainside, NJ 07092

Email: legal@yorkvilleadvisors.com

or to such other address, e-mail address and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) electronically generated by the sender's e-mail service provider containing the time, date, recipient e-mail address or (C) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iii) above, respectively

(h) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including any purchasers of any of the Convertible Debentures (but excluding any purchasers of Underlying Securities, unless pursuant to a written assignment by such Buyer). The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Buyers. In connection with any transfer of any or all of its Securities, a Buyer may assign all, or a portion, of its rights and obligations hereunder in connection with such Securities without the consent of the Company, in which event such assignee shall be deemed to be a Buyer hereunder with respect to such transferred Securities.

(i) Indemnification.

(i) In consideration of each Buyer's execution and delivery of the Transaction Documents and acquiring the Securities thereunder and in addition to all of the Company's other obligations under the Transaction Documents, the Company shall defend, protect, indemnify and hold harmless each Buyer and each holder of any Securities and all of their stockholders, partners, members, officers, directors and employees (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "Indemnitees") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable and documented attorneys' fees and disbursements (the "Indemnified Liabilities"), incurred by any Indemnitee as a result of, or arising out of, or relating to (i) any misrepresentation or breach of any representation or warranty made by the Company in any of the Transaction Documents, (ii) any breach of any covenant, agreement or obligation of the Company or any Subsidiary contained in any of the Transaction Documents or (iii) any cause of action, suit, proceeding or claim brought or made against such Indemnitee by a third party (including for these purposes a derivative action brought on behalf of the Company or any Subsidiary) or which otherwise involves such Indemnitee that arises out of or results from (A) the execution, delivery, performance or enforcement of any of the Transaction Documents, (B) any transaction financed or to be financed in whole or in part, directly or indirectly, with the proceeds of the issuance of the Securities, or (C) any disclosure properly made to such Buyer pursuant to Section 4(g), or (D) the status of such Buyer or holder of the Securities either as an investor in the Company pursuant to the transactions contemplated by the Transaction Documents or as a party to this Agreement (including, without limitation, as a party in interest or otherwise in any action or proceeding for injunctive or other equitable relief). To the extent that the foregoing undertaking

by the Company may be unenforceable for any reason, the Company shall make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law.

(ii) Promptly after receipt by the Indemnitee under this Section 9(i) of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving an Indemnified Liability, such Indemnitee shall, if a claim in respect thereof is to be made against an indemnified party under this Section 9(i), deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, to assume control of the defense thereof with counsel mutually reasonably satisfactory to the indemnifying party and the Indemnitee; provided, however, that an Indemnitee shall have the right to retain its own counsel with the fees and expenses of such counsel to be paid by the indemnifying party if: (A) the indemnifying party has agreed in writing to pay such fees and expenses; (B) the indemnifying party shall have failed promptly to assume the defense of such Indemnified Liability and to employ counsel reasonably satisfactory to such Indemnitee in any such Indemnified Liability; or (C) the named parties to any such Indemnified Liability (including any impleaded parties) include both Indemnitee and the Company Indemnitee shall have been advised by counsel that a conflict of interest is likely to exist if the same counsel were to represent such Indemnitee and the indemnifying party (in which case, if such Indemnitee notifies the indemnifying party in writing that it elects to employ separate counsel at the expense of the indemnifying party, then the indemnifying party shall not have the right to assume the defense thereof and such counsel shall be at the expense of the indemnifying party), provided further, that in the case of clause (C) above the indemnifying party shall not be responsible for the reasonable fees and expenses of more than one (1) separate legal counsel for the Indemnitees. The Indemnitee shall reasonably cooperate with the indemnifying party in connection with any negotiation or defense of any such action or Indemnified Liability by the Company and shall furnish to the indemnifying party all information reasonably available to the Indemnitee which relates to such action or Indemnified Liability. The indemnifying party shall keep the Indemnitee reasonably apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. The indemnifying party shall not be liable for any settlement of any action, claim or proceeding effected without its prior written consent, provided, however, that the indemnifying party shall not unreasonably withhold, delay or condition its consent. The indemnifying party shall not, without the prior written consent of the Indemnitee, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnitee of a release from all liability in respect to such Indemnified Liability or litigation, and such settlement shall not include any admission as to fault on the part of the Indemnitee. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnitee with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve the indemnifying party of any liability to the Indemnitee under this Section 9, except to the extent that the indemnifying party is materially and adversely prejudiced in its ability to defend such action.

(iii) The indemnification required by this Section 9 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, within ten (10) days after bills supporting the Indemnified Liabilities are received by the indemnifying party.

(iv) The indemnity agreement contained herein shall be in addition to (A) any cause of action or similar right of the Indemnitee against the indemnifying party or others, (B) any liabilities the indemnifying party may be subject to pursuant to the law, and (C) any indemnification agreement contained in any other Transaction Document.

(v) The indemnity agreement contained herein shall survive the termination of this Agreement.

(j) No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

(k) No Waiver. Any waiver by a party of any breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement. The failure of a party to insist upon strict adherence to any term of this Agreement on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. No provision of this Agreement may be waived or amended other than by a written agreement signed by the parties to this Agreement. No custom or practice of the parties at variance with the terms hereof shall constitute a waiver by any party of its right to exercise any right, power or remedy available to it hereunder or any other right, power or remedy or to demand strict compliance with the terms of this Agreement.

[REMAINDER PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each Buyer and the Company have caused their respective signature page to this Securities Purchase Agreement to be duly executed as of the date first written above.

COMPANY:

ENERGY VAULT HOLDINGS, INC.

By: /s/ Michael Beer

Name: Michael Beer

Title: Chief Financial Officer

IN WITNESS WHEREOF, each Buyer and the Company have caused their respective signature page to this Securities Purchase Agreement to be duly executed as of the date first written above.

BUYER:

YA II PN, LTD.

By: Yorkville Advisors Global, LP
Its: Investment Manager

By: Yorkville Advisors Global II, LLC
Its: General Partner

By: /s/ Matt Beckman
Name: Matt Beckman
Title: Member

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES OXLEY ACT of 2002**

I, Robert Piconi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Energy Vault Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 18, 2026

Signature: /s/ Robert Piconi
 Title: Chairman of the Board and Chief Executive Officer
 (Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES OXLEY ACT of 2002**

I, Michael Beer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Energy Vault Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 18, 2026

Signature: /s/ Michael Beer
Title: Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Robert Piconi, Chief Executive Officer of Energy Vault Holdings, Inc. (the “Company”), certify pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. This Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company, at the dates and for the periods presented in the financial statements included in this Report.

Date: May 18, 2026

Signature: /s/ Robert Piconi
Title: Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael Beer, Chief Financial Officer of Energy Vault Holdings, Inc. (the “Company”), certify pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. This Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company, at the dates and for the periods presented in the financial statements included in this Report.

Date: May 18, 2026

Signature: /s/ Michael Beer
Title: Chief Financial Officer
(Principal Financial Officer)