



Warranty partner



ESS INC. AND MUNICH RE EXPAND INDUSTRY-LEADING WARRANTY INSURANCE COVERAGE

Company's 10-year battery warranty backed by Munich Re now covers Energy Center™ solution and next-gen electrolyte management system for utility-scale applications

PORTLAND, OREGON – September 16, 2021 – [ESS Inc.](#), the leading manufacturer of safe, low-cost and long-duration energy storage systems, announced expanded coverage of its industry-leading 10-year warranty insurance coverage for its Energy Center product through [Munich Re](#), the world's largest reinsurance company. The innovative policy provides a warranty backstop for ESS Inc.'s proprietary flow battery technology and electrolyte management system, supporting the system performance guarantee regardless of project size or location.

ESS has also collaborated with Munich Re to similarly expand its Project Cover to ensure a bankable product offering for the Energy Center. The Cover eliminates any technology or business continuity risk for operators and can be extended to provide long-term assurance of project performance to system owners, investors and lenders.

“As a leader in the long-duration energy storage industry, we’re constantly looking to innovate and break ground on new programs that increase confidence in our utility-scale storage solutions,” said Eric Dresselhuys, CEO of ESS Inc. “We are pleased to see our partnership with Munich Re continue to grow and now include a comprehensive insurance policy to cover our Energy Center solution built for global utility and IPP markets. This policy continues to position ESS as the leading and most bankable long-duration storage player. Utility-scale project developers and asset owners can now deploy our flow batteries with greater confidence in securing financing, system operations, and successful performance outcomes.”

“We stand firmly behind ESS Inc.'s flow battery technology and are pleased to see their strong commitment and progress in technology innovation,” said Michael Schrempp, global head of green tech solutions at Munich Re. “Our goal in providing a comprehensive policy across their product line is to enable ESS to expand deployment of its solution at scale globally.”

About Munich Re

Munich Re is one of the world's leading providers of reinsurance, primary insurance and insurance-related risk solutions. The group consists of the reinsurance and ERGO business segments, as well as the capital investment company MEAG. Munich Re is globally active and operates in all lines of the insurance business. Since it was founded in 1880, Munich Re has been known for its unrivalled risk-related expertise and its sound financial position. Its tailor-

made solutions and close proximity to its customers make Munich Re one of the world's most sought-after risk partners for businesses, institutions, and private individuals.

About ESS Inc.

ESS Inc. designs, builds and deploys environmentally sustainable, low-cost, iron flow batteries for long-duration commercial and utility-scale energy storage applications requiring from 4 to 12 hours of flexible energy capacity. The Energy Warehouse™ and Energy Center™ use earth-abundant iron, salt, and water for the electrolyte, resulting in an environmentally benign, long-life energy storage solution for the world's renewable energy infrastructure. Established in 2011, ESS Inc. enables project developers, utilities, and commercial and industrial facility owners to make the transition to more flexible non-lithium-ion storage that is better suited for the grid and the environment. For more information visit www.essinc.com.

ESS recently announced it would become a public company through a merger with a special purpose acquisition company, ACON S2 Acquisition Corp. (NASDAQ: STWO). Closing of the merger is subject to approval by the shareholders of both ESS and ACON S2 Acquisition Corp. and the satisfaction or waiver of certain other conditions.

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Additional Information and Where to Find It

This communication is being made in respect of the proposed transaction involving ESS and ACON S2 Acquisition Corp. ("ACON S2"). A full description of the terms of the transaction is provided in the registration statement on Form S4 (File No. 333-257232) filed with the SEC by ACON S2 that includes a prospectus with respect to the combined company's securities to be issued in connection with the business combination and a proxy statement with respect to the shareholder meeting of ACON S2 to vote on the business combination. ACON S2 urges its investors, shareholders and other interested persons to read, when available, the preliminary proxy statement/prospectus as well as other documents filed with the SEC because these documents will contain important information about ACON S2, ESS and the transaction. After the registration statement is declared effective, the definitive proxy statement/prospectus to be included in the registration statement will be mailed to shareholders of ACON S2 as of a record date to be established for voting on the proposed business combination. Once available, shareholders will also be able to obtain a copy of the S4, including the proxy statement/prospectus, and other documents filed with the SEC without charge, by directing a request to: ACON S2, 1133 Connecticut Avenue NW Suite 700, Washington, DC 20036. The preliminary and definitive proxy statement/prospectus to be included in the registration statement, once available, can also be obtained, without charge, at the SEC's website (www.sec.gov).

Participants in the Solicitation

ACON S2 and ESS and their respective directors and officers may be deemed to be participants in the solicitation of proxies from ACON S2's stockholders in connection with the proposed transaction. Information about ACON S2's directors and executive officers and their ownership of ACON S2's securities is set forth in ACON S2's filings with the SEC. To the extent that holdings of ACON S2's securities have changed since the amounts printed in ACON S2's Registration Statement on Form S-1, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. Additional information regarding the interests of those persons and other persons who may be deemed participants in the proposed transaction may be obtained by reading the proxy

statement/consent solicitation statement/prospectus regarding the proposed transaction when it becomes available. You may obtain free copies of these documents as described in the preceding paragraph.

No Offer or Solicitation

This communication is not a proxy statement or solicitation of a proxy, consent or authorization with respect to any securities or in respect of the potential transaction and shall not constitute an offer to sell or a solicitation of an offer to buy the securities of ACON S2, ESS or the combined company, nor shall there be any sale of any such securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act.

Forward-Looking Statements

This communication contains certain forward-looking statements, including statements regarding ACON S2's, ESS' or their management teams' expectations, hopes, beliefs, intentions or strategies regarding the future. The words "anticipate", "believe", "continue", "could", "estimate", "expect", "intends", "may", "might", "plan", "possible", "potential", "predict", "project", "should", "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements are based on ACON S2's and ESS' current expectations and beliefs concerning future developments and their potential effects on ACON S2, ESS or any successor entity of the proposed transactions. Many factors could cause actual future events to differ materially from the forward-looking statements in this presentation, including but not limited to: (i) the risk that the proposed transactions may not be completed in a timely manner or at all, which may adversely affect the price of ACON S2's securities, (ii) the failure to satisfy the conditions to the consummation of the proposed transactions, (iii) the occurrence of any event, change or other circumstance that could give rise to the termination of the business combination, (iv) the effect of the announcement or pendency of the proposed transactions on ESS' business relationships, operating results and business generally, (v) risks that the proposed transactions disrupt current plans and operations of ESS, (vi) changes in the competitive and highly regulated industries in which ESS plans to operate, variations in operating performance across competitors, changes in laws and regulations affecting ESS' business and changes in the combined capital structure and (vii) the ability to implement business plans, forecasts and other expectations after the completion of the proposed transactions, and identify and realize additional opportunities. There can be no assurance that the future developments affecting ACON S2, ESS or any successor entity of the proposed transactions will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond ACON S2's or ESS' control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. You should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of ACON S2's registration statement on Form S-1 (File No. 333-248515), the registration statement on Form S4 (File No. 333-257232) filed in connection with the business combination, and other documents filed by ACON S2 from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Except as required by law, ACON S2 and ESS are not undertaking any obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. Neither ACON S2 nor ESS gives any assurance that either the ACON S2 or ESS, or the combined company, will achieve its expectations.

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