



Item 13 - Resolution regarding implementing an incentive program for employees in the US.

A. Implementing an incentive program

The board of directors propose that the general meeting resolve to implement a long-term incentive program for certain key employees in the Company and its subsidiaries (the "**Group**") that are employed in the United States and who are domiciled for tax purposes in the United States by issuing so-called incentive stock options in accordance with Section 422 of the U.S. Internal Revenue Code of 1986 (as amended) ("**Incentive Program USA 2024/2028**"). As for the proposal according to item 12, the aim is to create the conditions to strengthen the motivation of employees that the Group has identified as important and trusted in the short and long term. The proposal furthermore aims to strengthen the Company's possibility to recruit key employees. The board considers that an incentive program according to the present proposal is beneficial for the Group and the Company's shareholders.

B. Participants and allotment of stock options

The board proposes that the general meeting resolves on the following terms and conditions for the incentive stock options ("**Stock Options**") within the framework of the Incentive Program USA 2024/2028.

- (1) The Stock Options shall be allocated to one or more key employee who are residing in the United States and who are domiciled for tax purposes in the United States (a "**Participant**"), with a total of not more than 300,000 Stock Options which shall be allotted with respect to not more than 300,000 shares. The board shall resolve on allocation based on experience, ability and performance.
- (2) Allotment of the Stock Options shall take place no later than 31 December 2024. The Stock Options shall be granted free of charge. Only an employee who is part of the aforementioned category shall be offered the right to be awarded Stock Options and that on the condition that they have entered into a separate agreement regarding incentive stock options with the Company.
- (3) Each Stock Option entitles the holder to acquire one (1) share in the Company.
- (4) The allocated Stock Options are vested during 48 months from the date of allotment and may only be used to acquire shares if the Participant is still employed by a company within the Group. To ensure that the Stock Options will be taxed as incentive stock options, and that only up to USD 100,000 worth of Stock Options may become exercisable in any one calendar year, the subscription period for shares may be spread out over several years.

- (5) The subscription price for each share will correspond to the fair market value of the shares in the Company at the grant date of the Stock Option.
- (6) Upon the Participant's notice of subscription of shares based on the Stock Option, the board shall convene a general meeting and propose that the general meeting of the shareholders in the Company resolve to issue the subscribed shares. In the event that the shareholders' approval is not obtained, the Company shall be entitled to compensate the Participant with an amount corresponding to 100 percent of the fair market value of the shares that the Participant was entitled to subscribe for according to the stock option agreement, less the aggregate subscription price for such shares. The fair market value for purposes of the preceding sentence shall be the weighted average share price for the shares in the Company the 30-day period preceding the valuation date.
- (7) The board shall be responsible for managing the Incentive Program USA 2024/2028 within the framework of the main terms and conditions stated above.

C. Further information regarding the incentive program

(1) *Dilution*

Provided that the general meeting resolves to issue shares according to the Incentive program USA 2024/2028, a maximum number of 300,000 shares will be issued which corresponds to a dilution of approximately 0.4 percent based on the number of outstanding shares in the Company post completion of the pending Rights issue 2024, subject, however, to the recalculation of the number of shares that each warrant entitles to subscription of.

(2) *Costs for the Company*

The Company's costs for the Incentive Program USA 2024/2028 are calculated to only consist of costs for the development, implementation and administration of the program as well as reconciliation of the tax situation.

(3) *Preparation of the proposal*

The principles for the incentive program have been prepared by the board. The proposal has been prepared with the support of external advisers. The board has subsequently decided to present this proposal to the general meeting.

(4) *Other incentive programs*

The Company has one current incentive program that includes a total of 6,210,999 options according to which each option gives the right to subscribe for one share in the Company. The total dilution according to these programs amounts to 9.0 percent of outstanding shares in the Company post completion of the pending Rights issue 2024, subject, however, to

recalculation of the number of shares that each outstanding warrant entitles to subscription of as a result of the pending Rights issue 2024.

(5) *Majority requirement*

The proposal according to A-B above shall be regarded as one resolution.

The general meeting's resolution regarding this item is valid only if supported by nine tenth (9/10) of both the votes cast and the shares represented at the meeting.

AVAILABLE DOCUMENTS AND INFORMATION

Annual accounts, the auditor's statement and other documents that according to the Swedish Companies Act must be available at the AGM, are also available at the company's main office Bergfotsgatan 5A, 431 37, Mölndal and on the company website www.freemelt.com latest Friday May 3rd, 2024. The documentation will be sent to shareholders who request it and provide their e-mail or postal address.

The shareholders are hereby notified regarding their right to, at the extra general meeting, request information from the board of directors and managing director according to Ch. 7 § 32 of the Swedish Companies Act.

Number of shares and votes

The total number of shares and votes in the Company as of the date of the notice amounts to 47,600,000. The Company does not own any of its own shares. The pending Rights issue will result in a maximum increase of the total number of shares by 21 155 555.

Processing of personal data

For information on how personal data is processed in relation the meeting, see the Privacy notice available on Euroclear Sweden AB's website: https://www.euroclear.com/dam/ESw/Legal/Privacy-notice_bolagsstammengelska.pdf.

Mölndal April 2024

Freemelt Holding AB (publ)

The Board of Directors