

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 5, 2026

FACTORIAL ENERGY INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-42629
(Commission File Number)

42-2967285
(IRS Employer
Identification No.)

805 Middlesex Turnpike
Billerica, MA 01821
(Address of principal executive offices including zip code)

Registrant's telephone number, including area code: (617) 315-9733

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Series A Common Stock, par value \$0.00001 per share	FAC	The Nasdaq Capital Market
Warrants, each whole warrant exercisable for one share of Series A Common Stock at an exercise price of \$11.50	FACWW	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

INTRODUCTORY NOTE

Overview

Business Combination

On June 5, 2026 (the “Closing Date”), Cartesian Growth Corporation III, a Cayman Islands exempted company (“CGC”), consummated the previously announced business combination pursuant to the terms of the business combination agreement, dated December 17, 2025, by and among CGC, Fenway MS, Inc., a Delaware corporation and wholly-owned subsidiary of CGC (“Merger Sub”), and Factorial Inc., a Delaware corporation (“Factorial”) (as amended by the Amendment No. 1 to Business Combination Agreement, dated as of March 26, 2026 and Amendment No. 2 to Business Combination Agreement, dated as of May 18, 2026, the “Business Combination Agreement”). Pursuant to the terms of the Business Combination Agreement, among other things, the following occurred: (1) the domestication of CGC as a Delaware corporation, in which CGC de-registered from the Register of Companies in the Cayman Islands and transferred by way of continuation out of the Cayman Islands and into the State of Delaware so as to migrate to and domesticate as a Delaware corporation in accordance with CGC’s amended and restated memorandum and articles of association (the “CGC Articles”), Section 388 of the Delaware General Corporation Law (the “DGCL”) and Part XII of the Cayman Islands Companies Act (As Revised) (the “Domestication”); (2) the merger of Merger Sub with and into Factorial with Factorial surviving the merger as a wholly-owned subsidiary of CGC (the “Merger”), in accordance with the Business Combination Agreement and DGCL; and (3) the consummation of the other transactions contemplated by the Business Combination Agreement and documents related thereto (such transactions, together with the Domestication and the Merger, the “Business Combination”). In connection with the consummation of the Business Combination, CGC changed its corporate name to Factorial Energy Inc. (“PubCo”). This Current Report on Form 8-K (this “Current Report”) references and incorporates by reference certain sections in CGC’s definitive proxy statement/[prospectus dated as of, and filed with the Securities and Exchange Commission \(the “Commission”\) pursuant to Rule 424\(b\) on, May 6, 2026](#) (the “Proxy Statement/Prospectus”). Terms used but not defined in this Current Report, or for which definitions are not otherwise incorporated by reference herein, shall have the meaning given to such terms in the Proxy Statement/Prospectus, and such definitions are incorporated herein by reference.

At the extraordinary general meeting of CGC shareholders held on May 27, 2026 (the “EGM”), CGC shareholders considered and adopted, among other matters, the Business Combination Proposal and all of the other proposals related thereto as described in the Proxy Statement/Prospectus.

In connection with the Domestication, immediately prior to the Domestication, (1) CGC effected the redemption of 23,051,313 Class A ordinary shares of CGC, par value \$0.0001 per share (the “CGC Class A Shares”), initially issued in CGC’s initial public offering (the “Public Shares”) that were validly submitted for redemption and not withdrawn; and (2) each holder, including CGC III Sponsor LLC, a Cayman Islands limited liability company and the sponsor of CGC (the “Sponsor”), of each issued and outstanding Class B ordinary share of CGC, par value \$0.0001 per share (the “CGC Class B Shares” or the “Founder Shares,” and together with the CGC Class A Shares, the “CGC Ordinary Shares”) irrevocably and unconditionally elected to convert, on a one-for-one basis, each CGC Class B Share held by it into one CGC Class A Share (the “Class B Share Conversion”). At the effective time of the Domestication, each outstanding CGC Class A Share (excluding Public Shares validly submitted for redemption, but including CGC Class A Shares issued upon the Class B Share Conversion) was reclassified as one share of Series A common stock, par value \$0.00001 per share, of PubCo (the “PubCo Series A Common Stock”).

In accordance with the terms and subject to the conditions of the Business Combination Agreement, at the effective time of the Merger (the “Merger Effective Time”):

- each share of Factorial’s capital stock that was issued and outstanding as of immediately prior to the Merger Effective Time (excluding treasury shares, dissenting shares and shares held by Siyu Huang and Alex Yu (the Factorial Founders)) was automatically cancelled and converted into the right to receive a corresponding number of shares of PubCo Series A Common Stock, equal to the consideration ratio of approximately 3.6684 (the “Consideration Ratio”);
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- each share of Factorial’s capital stock that was issued and outstanding as of immediately prior to the Merger Effective Time held by the Factorial Founders was automatically cancelled and converted into the right to receive a corresponding number of shares of Series B common stock, par value \$0.00001 per share, of PubCo (the “PubCo Series B Common Stock,” and together with the PubCo Series A Common Stock, the “PubCo Common Stock”) equal to the Consideration Ratio;
- each CGC Public Warrant that was issued and outstanding as of immediately prior to the Merger Effective Time was automatically canceled and converted into the right to receive a PubCo Public Warrant and each CGC Private Warrant that was issued and outstanding as of immediately prior to the Merger Effective Time was automatically canceled and converted into the right to receive a PubCo Private Warrant;
- each option to purchase shares of common stock of Factorial (“Factorial Common Stock”) that was outstanding and unexercised as of immediately prior to the Merger Effective Time (each, a “Factorial Option”), whether vested or unvested, ceased to represent the right to purchase Factorial Common Stock and was canceled in exchange for an option to purchase a number of shares of PubCo Series A Common Stock (rounded down to the nearest whole share) equal to the number of shares of Factorial Common Stock subject to the Factorial Option as of immediately prior to the Merger Effective Time multiplied by the Consideration Ratio, at an exercise price per share (rounded up to the nearest whole cent) equal to the quotient of the per share exercise price of the Factorial Option immediately prior to the Merger Effective Time divided by the Consideration Ratio (each, a “PubCo Option”). Each PubCo Option is generally subject to the same terms and conditions (including applicable vesting, expiration and forfeiture provisions) that applied to the corresponding Factorial Option immediately prior to the Merger Effective Time;
- each restricted stock unit award with respect to Factorial Common Stock that was outstanding as of immediately prior to the Merger Effective Time (each, a “Factorial RSU”), whether vested or unvested, ceased to have any rights in respect of Factorial Common Stock and was canceled in exchange for a restricted stock unit award of PubCo relating to the number of shares of PubCo Common Stock set forth on an allocation schedule (each, a “PubCo RSU”). Each PubCo RSU is generally subject to the same terms, conditions (including vesting, expiration and forfeiture provisions) that applied to the corresponding Factorial RSU immediately prior to the Merger Effective Time;
- all convertible debt securities of Factorial as of immediately prior to the Merger Effective Time were converted into Factorial Common Stock pursuant to their respective terms;
- each issued and outstanding share of preferred stock of Factorial as of immediately prior to the Merger Effective Time (“Factorial Preferred Stock”) was converted into and became a number of shares of Factorial Common Stock in accordance with the terms of Section 5.1 of Factorial’s Fourth Amended and Restated Certificate of Incorporation, dated as of December 15, 2021; and
- each issued and outstanding warrant of Factorial as of immediately prior to the Merger Effective Time (each, a “Factorial Warrant”) was converted into and became a number of shares of Factorial Common Stock in accordance with the terms of the corresponding warrant agreement.

On the Closing Date, the PubCo Series A Common Stock and PubCo Public Warrants were approved for listing on the Nasdaq Capital Market (“Nasdaq”) under the new trading symbols “FAC” and “FACWW,” respectively.

Securities outstanding as presented in the unaudited pro forma condensed combined financial information attached hereto as Exhibit 99.2 include (a) 73,570,292 shares of PubCo Series A Common Stock issued to holders of Factorial’s capital stock (excluding treasury shares, dissenting shares and shares held by the Factorial Founders) (“Non-Founder Stockholders”), (b) 15,512,744 shares of PubCo Series B Common Stock issued to the Factorial Founders (together with the Non-Founder Stockholders, the “Factorial Stockholders”), (c) 4,548,687 shares of PubCo Series A Common Stock issued to CGC’s shareholders (other than the Sponsor and certain initial shareholders of CGC), (d) 5,810,000 shares of PubCo Series A Common Stock issued to the Sponsor and certain initial shareholders of CGC, (e) 7,519,404 shares of PubCo Series A Common Stock issued in connection with the PIPE Investments to PIPE Investors, (f) PubCo Options to purchase 19,639,374 shares of PubCo Series A Common Stock issued to Factorial Stockholders, (g) PubCo RSUs to purchase 5,116,217 shares of PubCo Series A Common Stock issued to Factorial Stockholders, (h) PubCo Public Warrants to purchase 13,800,000 shares of PubCo Series A Common Stock, (i) PubCo Private Warrants to purchase 6,800,000 shares of PubCo Series A Common Stock and (j) 62,118 shares of PubCo Series A Common Stock issued to Cantor Fitzgerald & Co. (“Cantor”) pursuant to a financial advisor engagement letter.

PubCo received gross proceeds of approximately \$112.1 million in connection with the Business Combination, prior to the payment of transaction expenses, which included funds held in CGC's trust account of \$11.2 million (excluding approximately \$36.2 million of proceeds from the trust account resulting from NRA Shares (as defined below) acquired by PIPE Investors to satisfy their obligations under the applicable Investor Stock Purchase Agreement (the "NRA Proceeds")) and \$100.9 million in proceeds from the PIPE Investments (inclusive of the NRA Proceeds) that closed concurrently with the consummation of the Business Combination. In connection with the Business Combination, the holders of 23,051,313 CGC Class A Shares exercised their right to redeem their shares for cash at a redemption price of approximately \$10.4159 per share, for an aggregate redemption amount of approximately \$240.1 million.

A more detailed description of the Business Combination and the terms of the Business Combination Agreement is included in the Proxy Statement/Prospectus. The foregoing description of the Business Combination Agreement does not purport to be complete and is qualified in its entirety by the full text of the Business Combination Agreement, copies of which are included hereto as Exhibits 2.1 through 2.3 to this Current Report and are incorporated herein by reference.

PIPE Investment

On the Closing Date, a certain institutional investor purchased from PubCo an aggregate of 6,340,000 shares of PubCo Series A Common Stock for an aggregate purchase price of \$55.0 million, pursuant to a stock purchase agreement and an affiliate of Sponsor purchased from PubCo an aggregate of 1,179,404 shares of PubCo Series A Common Stock, for an aggregate purchase price of \$9.7 million pursuant to a stock purchase agreement. The institutional investor and the Sponsor affiliate satisfied in part their purchase obligations under the stock purchase agreements through purchases of 3,470,764 CGC Class A Shares (the "NRA Shares") in the aggregate at market prices. Such shares were subject to Non-Redemption Agreements and the proceeds from CGC's trust account released at Closing reflect non-redemption of such shares.

A more detailed description of the Investor Stock Purchase Agreements is included in the Proxy Statement/Prospectus in the section titled "*Proposal No. 1 - The Business Combination Proposal - Ancillary Agreements – Investor Stock Purchase Agreements*." The foregoing description of the Investor Stock Purchase Agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the form of Investor Stock Purchase Agreement, a copy of which is filed as Exhibit 10.2 to this Current Report and incorporated herein by reference.

Item 1.01. Entry into a Material Definitive Agreement

A&R Registration Rights Agreement

In connection with the Closing, PubCo, Sponsor, Cantor and certain stockholders of Factorial entered into an amended and restated registration rights agreement ("A&R Registration Rights Agreement"). Pursuant to the A&R Registration Rights Agreement, among other things, PubCo agreed that, within 30 calendar days following the Closing Date, PubCo will file with the Commission (at PubCo's sole cost and expense) a registration statement registering the resale of certain shares of PubCo Series A Common Stock held by or issuable to the parties thereto (the "Resale Registration Statement"), and PubCo will use its commercially reasonable efforts to have the Resale Registration Statement declared effective as soon as reasonably practicable after the filing thereof. Such holders are entitled to customary piggyback registration rights and demand registration rights, including underwritten demands.

The PIPE Investors also have demand registration rights pursuant to the terms of the Investor Stock Purchase Agreements.

Approximately 80.6 million shares of PubCo Series A Common Stock will be subject to registration rights pursuant to the A&R Registration Rights Agreement and Investor Stock Purchase Agreements immediately following the Closing, representing approximately 88.1% of the total issued and outstanding shares of PubCo Series A Common Stock following the Business Combination. For more information, see “*Proposal No. 1 - The Business Combination Proposal - Ancillary Agreements - A&R Registration Rights Agreement.*”

The foregoing description for the A&R Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the A&R Registration Rights Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report and is incorporated herein by reference.

Lock-Up Provisions of PubCo Bylaws

Reference is made to the disclosure set forth below under Item 5.03 of this Current Report concerning the lock-up provisions in the PubCo Bylaws (as defined below), which is incorporated herein by reference.

A&R Warrant Agreement

In connection with the Closing, PubCo and Continental Stock Transfer & Trust Company entered into an amended and restated warrant agreement (“A&R Warrant Agreement”). Reference is made to the disclosure in the Proxy Statement/Prospectus in the section titled “*Description of PubCo Securities – PubCo Warrants,*” which is incorporated herein by reference. This description is qualified in its entirety by reference to the full text of the A&R Warrant Agreement, a copy of which is attached as Exhibit 4.2 hereto and is incorporated herein by reference.

Indemnification Agreements

On the Closing Date, PubCo entered into indemnification agreements with each of its directors and officers and, prior to the Closing Date, purchased directors’ and officers’ liability insurance. The indemnification agreements require PubCo to indemnify its directors and officers to the fullest extent permitted under Delaware law.

The foregoing description of the indemnification agreements with each of the directors and officers does not purport to be complete and is qualified in its entirety by reference to the full text of the forms of indemnification agreement, which are filed as Exhibit 10.14 and Exhibit 10.15 to this Current Report, respectively, and are incorporated herein by reference.

Factorial Energy Inc. 2026 Equity Incentive Plan

At the EGM, CGC shareholders approved the Factorial Energy Inc. 2026 Equity Incentive Plan (the “PubCo Incentive Plan”), which became effective on the day immediately prior to the Closing. The PubCo Incentive Plan allows PubCo to make equity and equity-based incentive awards to officers, employees, non-employee directors and consultants. The board of directors of PubCo (the “PubCo Board”) anticipates that providing such persons with a direct stake in PubCo will assure a closer alignment of the interests of such individuals with those of PubCo and its stockholders, thereby stimulating their efforts on PubCo’s behalf and strengthening their desire to remain with PubCo.

The PubCo Incentive Plan will be administered by the PubCo Board, the compensation committee of the PubCo Board or such other similar committee pursuant to the terms of the PubCo Incentive Plan. The plan administrator, which initially will be the compensation committee of the PubCo Board, will have full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted, to make any combination of awards to participants and to determine the specific terms and conditions of each award, subject to the provisions of the PubCo Incentive Plan. The plan administrator may delegate to a subcommittee consisting of one or more members of the PubCo Board, or a committee consisting of one or more officers, the authority to grant awards to employees who are not subject to the reporting and other provisions of Section 16 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and not members of the delegated subcommittee or committee, subject to certain limitations and guidelines.

The total number of shares of PubCo Series A Common Stock initially reserved for issuance under the PubCo Incentive Plan was 21,000,000 shares (the “Initial Limit”). The PubCo Incentive Plan provides that the number of shares reserved and available for issuance thereunder will automatically increase on January 1, 2027 and each January 1 thereafter by (i) 5% of the sum of (a) the number of shares of PubCo Common Stock issued and outstanding and (b) the number of shares of PubCo Series A Common Stock issuable pursuant to the exercise of any outstanding, pre-funded warrants to acquire PubCo Common Stock for a nominal exercise price (“Outstanding Shares”) on the immediately preceding December 31 or (ii) such lesser number of shares as determined by the administrator of the PubCo Incentive Plan (the “Annual Increase”). These limits are subject to adjustment in the event of a reorganization, recapitalization, reclassification, stock split, stock dividend, extraordinary cash dividend, reverse stock split or other similar change in PubCo’s capitalization. The maximum aggregate number of shares of PubCo Series A Common Stock that may be issued upon exercise of incentive stock options under the PubCo Incentive Plan shall not exceed the Initial Limit cumulatively increased on January 1, 2027 and on each January 1 thereafter by the lesser of the Annual Increase or 7,250,000 shares of PubCo Series A Common Stock, subject, in each case, to any adjustments permitted under the PubCo Incentive Plan. Shares of PubCo Series A Common Stock underlying any awards under the PubCo Incentive Plan that are forfeited, canceled, held back upon exercise of an option or settlement of an award to cover the exercise price or tax withholding, reacquired by PubCo prior to vesting, satisfied without the issuance of stock or otherwise terminated (other than by exercise) are added back to the shares of PubCo Series A Common Stock available for issuance under the PubCo Incentive Plan and, to the extent permitted under Section 422 of the Code and the regulations promulgated thereunder, the shares that may be issued as incentive stock options. Shares repurchased by PubCo on the open market will not be added to the shares of available for issuance under the PubCo Incentive Plan. A more complete summary of the terms of the PubCo Incentive Plan is included in the Proxy Statement/Prospectus in the section titled “*Proposal No. 6 - The Incentive Plan Proposal*”. That summary and the foregoing description of the PubCo Incentive Plan are qualified in their entirety by reference to the full text of the PubCo Incentive Plan, a copy of which is filed as Exhibit 10.17 to this Current Report and is incorporated herein by reference.

Factorial Energy Inc. 2026 Employee Stock Purchase Plan

At the EGM, CGC shareholders approved the Factorial Energy Inc. 2026 Employee Stock Purchase Plan (the “ESPP”), which became effective on the day immediately prior to the Closing. The ESPP has two components: a component intended to qualify as an “employee stock purchase plan” within the meaning of Section 423 of the Code (the “423 Component”) and a component that is not intended to so qualify, (the “Non-423 Component”). Except as otherwise provided, the Non-423 Component will be operated and administered in the same manner as the 423 Component, except where prohibited by law.

The number of shares of PubCo Common Stock initially reserved and authorized for issuance under the ESPP was 1,830,211 shares of PubCo Series A Common Stock. The ESPP provides that the number of shares reserved and available for issuance thereunder will automatically increase each January 1, beginning on January 1, 2027 and ending on January 1, 2036, by the least of (i) 2% of our Outstanding Shares on the immediately preceding December 31, (ii) 3,000,000 shares of PubCo Series A Common Stock and (iii) such number of shares of PubCo Series A Common Stock as determined by the administrator of the ESPP. If our capital structure changes because of a stock dividend, stock split or similar event, the number of shares that can be issued under the ESPP will be appropriately adjusted.

A more complete summary of the terms of the ESPP is included in the Proxy Statement/Prospectus in the section titled “*Proposal No. 7 - The ESPP Proposal*”. That summary and the foregoing description of the ESPP are qualified in their entirety by reference to the full text of the ESPP, a copy of which is filed as Exhibit 10.18 to this Current Report and incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets

The disclosure set forth in the “*Introductory Note*” above is incorporated by reference in Item 2.01 of this Current Report. A more complete summary of the material provisions of the Business Combination Agreement is included in the Proxy Statement/Prospectus in the section titled “*Proposal No. 1 - The Business Combination - Structure of the Business Combination*”. That summary and the description of the Business Combination Agreement included in this Current Report are qualified in their entirety by reference to the full text of the Business Combination Agreement, a copy of which is filed as Exhibits 2.1 through 2.3 to this Current Report and are incorporated herein by reference.

FORM 10 INFORMATION

Item 2.01(f) of Form 8-K states that if a predecessor registrant was a “shell company” (as defined in Rule 12b-2 under the Exchange Act), as PubCo was immediately before the consummation of the Business Combination, then the registrant must disclose the information that would be required if the registrant were filing a general form for registration on Form 10. As a result of the consummation of the Business Combination, PubCo ceased to be a shell company. Accordingly, PubCo is providing the information below that would otherwise be included in a Form 10 if it were to file a Form 10. Note that the information provided below relates to PubCo after the consummation of the Business Combination, unless otherwise specifically indicated or the context otherwise requires.

On the Closing Date and after the consummation of the Business Combination, CGC became a holding company whose only assets consist of equity interests in Factorial, its wholly-owned subsidiary.

Forward-Looking Statements

Certain statements included in this Current Report and the exhibits hereto that are not historical facts are forward-looking statements. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of other financial and performance metrics and projections of market opportunity; expectations and timing related to the success, cost and timing of product development activities; financing and other business milestones; and potential benefits of the Business Combination. These statements are based on various assumptions, whether or not identified in this Current Report, and on the current expectations of PubCo’s management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as and must not be relied on by an investor as a guarantee, an assurance, a prediction, or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and may differ from assumptions. Many actual events and circumstances are beyond the control of PubCo. These forward-looking statements are subject to a number of risks and uncertainties, including changes in domestic and foreign business, market, financial, political, and legal conditions; economic uncertainty and capital markets disruption, which has been significantly impacted by a new U.S. presidential administration and accompanying regulatory activities and economic policies and events related thereto, ongoing military conflicts and geopolitical instability and inflation and interest rates; failure to realize the anticipated benefits of the Business Combination; the ability to maintain the listing of the PubCo Series A Common Stock on Nasdaq; future financial performance of PubCo following the Business Combination; international trade disputes, including threatened or implemented tariffs by the U.S. and threatened or implemented tariffs by foreign countries in retaliation; the effects of competition on PubCo’s future business; PubCo’s limited operating history; risks associated with PubCo’s efforts to commercialize its products; PubCo’s ability to maintain its existing agreements with third parties and to negotiate and enter into new definitive agreements on favorable terms, if at all; the impact of competing products on PubCo’s business; intellectual property-related claims; PubCo’s dependence upon its key personnel and ability to attract and retain such personnel and additional qualified personnel; and PubCo’s ability to source the raw materials for its products.

These and other factors that could cause actual results to differ from those implied by the forward-looking statements in this Current Report and in any document incorporated by reference herein are more fully described in the Proxy Statement/Prospectus in the section titled “*Risk Factors*.” Such risk factors are not exhaustive. New risk factors emerge from time to time and it is not possible to predict all such risk factors, nor can PubCo assess the impact of all such risk factors on its business, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. All forward-looking statements attributable to PubCo or to persons acting on its behalf are expressly qualified in their entirety by the foregoing cautionary statements. PubCo undertakes no obligations to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Business

The business of PubCo is described in the Proxy Statement/Prospectus in the section titled “*Information about Factorial*,” which is incorporated herein by reference.

Risk Factors

The risk factors related to the business and operations of PubCo are described in the Proxy Statement/Prospectus in the section titled “*Risk Factors*,” which is incorporated herein by reference.

Financial Information

Historical Audited Financial Statements

The audited financial statements of Factorial as of and for the years ended December 31, 2025 and 2024 are included in the Proxy Statement/Prospectus beginning on page F-25, and are incorporated herein by reference.

Historical Unaudited Condensed Financial Statements

The unaudited condensed financial statements as of and for the three months ended March 31, 2026 and 2025 of Factorial are set forth in Exhibit 99.1 hereto and are incorporated herein by reference. Such financial statements have been prepared in accordance with U.S. generally accepted accounting principles and pursuant to the regulations of the Commission. The unaudited condensed financial information reflects, in the opinion of management, all adjustments, consisting of normal recurring adjustments, considered necessary for a fair statement of Factorial’s financial position, results of operations and cash flows for the periods indicated. The results reported for the interim period presented are not necessarily indicative of results that may be expected for the full year.

These unaudited condensed financial statements should be read in conjunction with the audited financial statements of Factorial as of and for the years ended December 31, 2025 and December 31, 2024, and the related notes included in the Proxy Statement/Prospectus and the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Factorial*” included herein and incorporated by reference.

Reference is further made to the disclosure contained in CGC’s Quarterly Report on [Form 10-Q](#) for the quarterly period ended March 31, 2026 and filed with the Commission on May 15, 2026 (“CGC’s 10-Q”), including the unaudited condensed consolidated financial statements as of and for the three months ended March 31, 2026 and 2025, and related notes, which is incorporated herein by reference.

Management’s Discussion and Analysis of Financial Condition and Results of Operations

Management’s discussion and analysis of the financial condition and results of operation of Factorial for the years ended December 31, 2025 and 2024 is included in the Proxy Statement/Prospectus in the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of Factorial*,” which is incorporated herein by reference. Management’s discussion and analysis of the financial condition and results of operations of Factorial for the three months ended March 31, 2026 and 2025 is set forth in Exhibit 99.3 hereto and is incorporated herein by reference.

Management’s discussion and analysis of financial condition and results of operations of CGC for the three months ended March 31, 2026 is described in CGC’s Form 10-Q in the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*,” which is incorporated herein by reference.

Qualitative and Quantitative Disclosures about Market Risk

As a “smaller reporting company,” PubCo is not required to provide this information.

Properties

The properties of PubCo are described in the Proxy Statement/Prospectus in the section titled “*Information about Factorial - Facilities*,” which is incorporated herein by reference.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth information regarding the beneficial ownership of the PubCo Common Stock following consummation of the Business Combination by:

- each person known by PubCo to be the beneficial owner of more than 5% of the PubCo Series A Common Stock immediately following the consummation of the Business Combination;
- each of the named executive officers and directors of PubCo; and
- all of the executive officers and directors of PubCo as a group after the consummation of the Business Combination.

Beneficial ownership is determined in accordance with the rules and regulations of the Commission. A person is a “beneficial owner” of a security if that person has or shares “voting power”, which includes the power to vote or to direct the voting of the security, or “investment power”, which includes the power to dispose of or to direct the disposition of the security, or has the right to acquire such powers within 60 days. Unless otherwise indicated, PubCo believes that all persons named in the table below have sole voting and investment power with respect to the voting securities beneficially owned by them.

The beneficial ownership of the PubCo Common Stock is based on 91,510,501 shares of PubCo Series A Common Stock and 15,512,744 shares of PubCo Series B Common Stock issued and outstanding as of the Closing Date.

Beneficial Owner ⁽¹⁾	PubCo Series A Common Stock		PubCo Series B Common Stock		Total PubCo Common Stock	
	Number	%	Number	%	Number	%
Siyu Huang ⁽²⁾	6,085,121	6.2%	15,512,744	100%	21,597,865	19.1%
Alex Yu ⁽³⁾	6,085,121	6.2%	15,512,744	100%	21,597,865	19.1%
Jason Duva ⁽⁴⁾	834,038	*	—	—	834,038	*
Joseph Taylor ⁽⁵⁾	3,869,152	4.1%	—	—	3,869,152	3.5%
Uwe Keller	—	—	—	—	—	—
Liad Meidar ⁽⁶⁾	3,025,950	3.3%	—	—	3,025,950	2.8%
Dieter Zetsche ⁽⁷⁾	1,133,709	1.2%	—	—	1,133,709	1.1%
Jon Nelson	—	—	—	—	—	—
All Current Directors and Executive Officers as a Group (9 individuals) ⁽⁸⁾	15,865,298	15.3%	15,512,744	100%	31,378,042	26.4%
5% Stockholders						
WAVE Equity Fund, L.P. ⁽⁹⁾	11,474,452	12.5%	—	—	11,474,452	10.7%
Mercedes-Benz Corporate Investments LLC ⁽¹⁰⁾	8,669,995	9.5%	—	—	8,669,995	8.1%
Stellantis Europe S.p.A ⁽¹¹⁾	8,669,995	9.5%	—	—	8,669,995	8.1%
Sponsor, DirectorCo and Pangaea Three-B, LP ⁽¹²⁾	8,460,168	9.2%	—	—	8,460,168	7.9%

* Represents beneficial ownership of less than 1%.

- (1) Unless otherwise noted, the business address of each of the individuals and entities listed in the table above is c/o Factorial Energy Inc., 805 Middlesex Turnpike, Billerica, MA 01821.
- (2) Reflects (i) 7,762,710 shares of PubCo Series B Common Stock, all of which are held by trusts of which Dr. Huang serves as investment trustee, (ii) 4,090,616 shares of PubCo Series A Common Stock underlying PubCo Options vested or to be vested and exercisable within 60 days of the Closing Date, (iii) 7,750,034 shares of PubCo Series B Common Stock held by Dr. Yu and his affiliated entities, and (iv) 1,994,505 shares of PubCo Series A Common Stock underlying PubCo Options vested or to be vested and exercisable within 60 days of the Closing Date held by Dr. Yu.
- (3) Reflects (i) 7,750,034 shares of PubCo Series B Common Stock, of which 366,840 are held by Dr. Yu and 7,383,194 are held by a trust of which Dr. Yu serves as investment trustee, (ii) 1,994,505 shares of PubCo Series A Common Stock underlying PubCo Options vested or to be vested and exercisable within 60 days of the Closing Date and (iii) 7,762,710 shares of PubCo Series B Common Stock and 4,090,616 shares of PubCo Series A Common Stock underlying PubCo Options vested or to be vested and exercisable within 60 days of the Closing Date, each held by Dr. Huang and her affiliated entities.

- (4) Reflects (i) 44,681 shares of PubCo Series A Common Stock and (ii) 789,357 shares of PubCo Series A Common Stock underlying PubCo Options vested or to be vested and exercisable within 60 days of the Closing Date.
- (5) Reflects (i) 23,041 shares of PubCo Series A Common Stock and (ii) 3,846,111 shares of PubCo Series A Common Stock underlying PubCo Options vested or to be vested and exercisable within 60 days of the Closing Date.
- (6) Reflects 3,025,950 shares of PubCo Series A Common Stock, which consists of (i) 761,964 shares held by Mr. Meidar, (ii) 446,782 shares held by trusts of which Mr. Meidar serves as investment trustee, (iii) 556,193 shares held by Elm Tree Investments LLC, of which Mr. Meidar is the manager, (iv) 1,152,137 shares held by Gatemore Special Opportunities Fund, of which Mr. Meidar is the portfolio manager, and (v) 108,874 shares held by GVP Climate Fund I LP, of which Mr. Meidar has investment decision-making power as one of the managing members of the ultimate general partner of such fund.
- (7) Reflects (i) 230,427 shares of PubCo Series A Common Stock and (ii) 903,282 shares of PubCo Series A Common Stock underlying PubCo Options vested or to be vested and exercisable within 60 days of the Closing Date, each held by memang GmbH of which Mr. Zetsche is general manager.
- (8) Reflects 11,990,711 shares of PubCo Series A Common Stock underlying PubCo Options vested or to be vested and exercisable within 60 days of the Closing Date.
- (9) Reflects (i) 10,584,189 shares of PubCo Series A Common Stock held by WAVE Equity Fund, L.P., (ii) 255,548 shares of PubCo Series A Common Stock held by WAVE AAC/LIO Co-Invest III, LLC, and (iii) 634,715 shares of PubCo Series A Common Stock held by WAVE Factorial Energy I, LLC. WAVE AAC/LIO Co-Invest III, LLC, WAVE Factorial Energy I, LLC and WAVE Factorial Energy I, LLC (the “WAVE entities”) are managed by WAVE Equity Partners LLC, which may be deemed to be a beneficial owner of the shares held or held by the WAVE entities. The address of WAVE Equity Fund, L.P., WAVE AAC/LIO Co-Invest III, LLC and WAVE Factorial Energy I, LLC is 67 Batterymarch St, Suite 500, Boston, MA 02110.
- (10) Reflects 8,669,995 shares of PubCo Series A Common Stock held by Mercedes-Benz Corporate Investments LLC. The address of Mercedes-Benz Corporate Investments LLC is 35555 W. Twelve Mile Rd., St. 100, Farmington Hills, MI 48331.
- (11) Reflects (i) 8,234,493 shares of PubCo Series A Common Stock held by Stellantis Europe S.p.A and (ii) 435,502 shares of PubCo Series A Common Stock held by Stellantis Ventures B.V. Stellantis Europe S.p.A. and Stellantis Ventures B.V. are both wholly owned subsidiaries of Stellantis N.V., which may be deemed to be a beneficial owner of the shares held by Stellantis Europe S.p.A. and Stellantis Ventures B.V. The address of Stellantis Europe S.p.A. is Corso Giovanni Agnelli 200, 10135 Turin (Torino), Italy.
- (12) Reflects 5,710,000 shares of PubCo Series A Common Stock held by Sponsor, 100,000 shares of PubCo Series A Common Stock held by CGC III Sponsor DirectorCo (“DirectorCo”) and 2,648,298 shares of PubCo Series A Common Stock held by Pangaea Three-B, LP (“Pangaea”). Excludes 4,400,000 PubCo Private Warrants held by Sponsor and 324,120 PubCo Public Warrants held by Pangaea, each of which are exercisable for PubCo Series A Common Stock within 60 days of the Closing Date. The warrants contain an issuance limitation that prohibits the holder from exercising the warrants to the extent that after giving effect to such issuance after the exercise, the holder (together with the holder’s affiliates and any other person acting as a group together with the holder or any of the holder’s affiliates) would beneficially own in excess of 4.9% of the outstanding shares of PubCo Series A Common Stock immediately after giving effect to the issuance of the shares issuable upon exercise of the warrants. Pangaea is the sole member of Sponsor and is controlled by Peter Yu. Mr. Yu disclaims beneficial ownership of the securities held by Sponsor, DirectorCo and Pangaea, except to the extent of his pecuniary interest therein. The address of each of Sponsor, DirectorCo and Pangaea is 505 Fifth Avenue, 15th Floor, New York, NY 10017.

Directors and Executive Officers

The directors and executive officers of PubCo after the consummation of the Business Combination are described in the Proxy Statement/Prospectus in the section titled “*Management of PubCo Following the Business Combination*,” which is incorporated herein by reference.

Committees of the Board of Directors

Information with respect to the committees of the PubCo Board is set forth in the Proxy Statement/Prospectus in the section titled “*Management of PubCo Following the Business Combination - Board Committees*,” which is incorporated herein by reference.

Executive Compensation

A description of the compensation of the named executive officers of PubCo is set forth in the Proxy Statement/Prospectus in the section titled “*Executive and Director Compensation of Factorial*,” which is incorporated herein by reference.

Reference is made to the disclosure set forth above in Item 1.01 of this Current Report under the headings “*Factorial Energy Inc. 2026 Equity Incentive Plan*” and “*Factorial Energy Inc. 2026 Employee Stock Purchase Plan*,” which is incorporated herein by reference.

Director Compensation

A description of the compensation of the directors of PubCo is set forth in the Proxy Statement/Prospectus in the section titled “*Executive and Director Compensation of Factorial - Non-Employee Director Compensation Policy*,” which is incorporated herein by reference.

Certain Relationships and Related Party Transactions, and Director Independence

Certain relationships and related party transactions are described in the Proxy Statement/Prospectus in the section titled “*Certain Relationships and Related Persons Transactions*,” which is incorporated herein by reference.

Reference is also made to the disclosure regarding the independence of the directors of PubCo in the section of the Proxy Statement/Prospectus titled “*Management of PubCo Following the Business Combination - Director Independence*” and the description of the indemnification agreements under Item 1.01 of this Current Report, both of which are incorporated herein by reference.

Legal Proceedings

Reference is made to the disclosure regarding legal proceedings in the sections of the Proxy Statement/Prospectus titled “*Information about CGC - Legal Proceedings*” and “*Information about Factorial - Legal Proceedings*,” which are incorporated herein by reference.

Market Price and Dividends on the Registrant’s Common Equity and Related Stockholder Matters

Market Information and Holders

CGC Class A Shares historically traded on the Nasdaq under the symbol “CGCT”. On June 4, 2026, each CGC Class A Share was reclassified into PubCo Series A Common Stock, which began trading on the Nasdaq under the new trading symbol “FAC”.

As of the Closing Date and following the completion of the Business Combination, PubCo had 91,510,501 shares of PubCo Series A Common Stock and 15,512,744 shares of PubCo Series B Common Stock issued and outstanding.

Dividends

Under the PubCo Certificate of Incorporation (the “PubCo Charter”), holders of PubCo Common Stock are entitled to receive ratable dividends, if any, as may be declared from time-to-time by the PubCo Board out of legally available assets or funds. Any payment of cash dividends in the future will be dependent upon PubCo’s revenues and earnings, if any, capital requirements and general financial conditions. In no event will any stock dividends or stock splits or combinations of stock be declared or made on PubCo Common Stock unless the shares of PubCo Common Stock at the time outstanding are treated equally and identically.

Recent Sales of Unregistered Securities

Reference is made to the disclosure set forth below under Item 3.02 of this Current Report concerning the issuance and sale by PubCo of certain unregistered securities, which is incorporated herein by reference.

Description of Registrant's Securities to be Registered

The description of the securities of PubCo is included in the Proxy Statement/Prospectus in the section titled “*Description of PubCo Securities*,” which is incorporated herein by reference.

Indemnification of Directors and Officers

The disclosure set forth in Item 1.01 of this Current Report under the section titled “Indemnification Agreements” is incorporated herein by reference.

Additional information regarding indemnification and limitation of liability of the directors and officers of PubCo is set forth in the Proxy Statement/Prospectus in the section titled “*Comparison of Governance and Shareholder Rights - Indemnification of Directors and Officers and - Limited Liability of Directors*,” which are incorporated herein by reference.

Financial Statements and Supplementary Data

The information set forth under Item 9.01 of this Current Report is incorporated herein by reference.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

The information set forth under Item 4.01 of this Current Report is incorporated herein by reference.

Financial Statements and Exhibits

The information set forth under Item 9.01 of this Current Report is incorporated herein by reference.

Item 3.02. Unregistered Sale of Equity Securities

PubCo issued certain securities described in the Introductory Note under Section 4(a)(2) of the Securities Act, in transactions by an issuer not involving a public offering.

Item 3.03. Material Modification to Rights of Security Holders

In connection with the consummation of the Business Combination, CGC migrated and domesticated as a Delaware corporation, changed its name to “Factorial Energy Inc.” and adopted the PubCo Charter and new bylaws (the “PubCo Bylaws”). Reference is made to the disclosure in the Proxy Statement/Prospectus in the sections titled “*Proposal No. 2 - The Domestication Proposal*,” “*Proposal No. 4 - Organizational Documents Proposal*,” and “*Comparison of Corporate Governance and Shareholder Rights*,” which are incorporated herein by reference, and the disclosure set forth below in Item 5.03 of this Current Report, which is incorporated herein by reference. This summary is qualified in its entirety by reference to the full text of the PubCo Charter and PubCo Bylaws, copies of which are attached as Exhibits 3.1 and 3.2 hereto, respectively, and are incorporated herein by reference.

As disclosed below in Item 8.01, in accordance with Rule 12g-3(a) under the Exchange Act, PubCo is the successor issuer to CGC and has succeeded to the attributes of CGC as the registrant. In addition, the shares of PubCo Series A Common Stock, as the successor to CGC, are deemed to be registered under Section 12(b) of the Exchange Act.

Item 4.01. Change in Registrant's Certifying Accountant

(a) Dismissal of independent registered public accounting firm.

On June 5, 2026, PubCo Board dismissed CBIZ CPAs P.C. (“CBIZ”), the independent registered public accounting firm of CGC prior to the Business Combination, as the independent registered public accounting firm of PubCo.

The report of CBIZ on the financial statements of CGC as of December 31, 2025 did not contain an adverse opinion or a disclaimer of opinion, and was not qualified or modified as to uncertainties, audit scope or accounting principles except for the explanatory paragraph describing an uncertainty about CGC's ability to continue as a going concern.

During the period from October 29, 2024 (inception) through March 31, 2026 and the subsequent interim period preceding CBIZ's dismissal, there were no (i) disagreements with CBIZ on any matter of accounting principles or practices, financial statement disclosures or auditing scope or procedures, which if not resolved to CBIZ's satisfaction, would have caused CBIZ to make reference to the subject matter of the disagreement in connection with its report or (ii) reportable events as defined in Item 304(a)(1)(v) of Regulation S-K under the Exchange Act.

PubCo has provided CBIZ with a copy of the foregoing disclosures and has requested that CBIZ furnish PubCo with a letter addressed to the Commission stating whether it agrees with the statements made by PubCo set forth above. A copy of the letter from CBIZ, dated June 10, 2026, is filed as Exhibit 16.1 to this Current Report.

(b) Disclosures regarding the new independent auditor.

On June 5, 2026, the PubCo Board approved the engagement of RSM US LLP ("RSM") as the independent registered public accounting firm of PubCo to audit the consolidated financial statements of PubCo as of and for the year ending December 31, 2026. RSM served as the independent registered public accounting firm of Factorial prior to the Business Combination. During the period from October 29, 2024 (inception) to December 31, 2025 and the subsequent interim period through June 5, 2026, PubCo did not consult with RSM with respect to (i) the application of accounting principles to a specified transaction, either completed or proposed, the type of audit opinion that might be rendered on the financial statements of PubCo, and neither a written report nor oral advice was provided to PubCo that RSM concluded was an important factor considered by PubCo in reaching a decision as to any accounting, auditing or financial reporting issue, or (ii) any other matter that was the subject of a disagreement or a reportable event (as defined above).

Item 5.01. Changes in Control of Registrant

Reference is made to the disclosure in the Proxy Statement/Prospectus in the section titled "*Proposal No. 1 - The Business Combination Proposal*," which is incorporated herein by reference. The information set forth in the section titled "*Introductory Note*" and in the section titled "*Security Ownership of Certain Beneficial Owners and Management*" in Item 2.01 of this Current Report is incorporated herein by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

The information set forth in sections titled "*Directors and Executive Officers*" and "*Certain Relationships and Related Party Transactions, and Director Independence*" in Item 2.01 of this Current Report is incorporated herein by reference.

Effective immediately following the Merger Effective Time, Siyu Huang, Alex Yu, Joseph Taylor, Uwe Keller, Liad Meidar, Dieter Zetsche and Jon Nelson were appointed to constitute members of the PubCo Board, and the PubCo Board was divided into classes of directors serving three-year staggered terms as follows:

- Liad Meidar and Jon Nelson were designated as the Class I directors, with terms expiring at the first annual meeting of stockholders to be held after the consummation of the Business Combination and until their successors are duly elected and qualified;
- Uwe Keller, Alex Yu and Dieter Zetsche were designated as the Class II directors, with terms expiring at the second annual meeting of stockholders to be held after the consummation of the Business Combination and until their successors are duly elected and qualified; and
- Siyu Huang and Joseph Taylor were designated as the Class III directors, with terms expiring at the third annual meeting of stockholders to be held after the consummation of the Business Combination and until their successors are duly elected and qualified.

Effective immediately following the Merger Effective Time, Siyu Huang was appointed as PubCo's Chief Executive Officer (serving as principal executive officer), Richard Wei was appointed as PubCo's Chief Financial Officer (serving as principal financial officer), Alex Yu was appointed as PubCo's Chief Technology Officer and Jason Duva was appointed as PubCo's General Counsel and Secretary.

Reference is made to the disclosure in the Proxy Statement/Prospectus titled “*Management of PubCo Following the Business Combination*” for biographical information about each of the directors and officers, which is incorporated herein by reference.

Effective as of the Merger Effective Time, Factorial entered into employment agreements with each of Drs. Huang and Yu and Messrs. Duva and Wei (the “New Employment Agreements”), which replace and supersede any existing service agreements and offer letters, as applicable, entered into with each such officer and Factorial. Under the New Employment Agreements, Drs. Huang and Yu and Messrs. Duva and Wei are entitled to receive an annual base salary equal to \$550,000, \$385,000, \$375,000 and \$435,000, respectively, and an initial target long-term incentive award with a grant date value of approximately \$5,320,000, \$2,710,000, \$1,780,000 and \$2,275,000, respectively, in each case as determined in accordance with the Company’s equity valuation practices and subject to the approval of the PubCo Board, the compensation committee of the PubCo Board or its delegate. Each officer is eligible to receive future equity awards and to participate in the PubCo employee benefit plans, subject to the terms of such plans. Each officer is eligible for severance benefits under the Executive Change of Control Severance Plan, which is described in further detail below. Drs. Huang and Yu and Messrs. Duva and Wei will continue to be subject to their existing proprietary information and inventions agreements. The descriptions of each of the New Employment Agreements is qualified in its entirety by reference to the full text of each of the New Employment Agreements, copies of which are filed as Exhibits 10.8 through 10.11, respectively, to this Current Report and incorporated herein by reference. In addition, effective as of the Merger Effective Time, Factorial entered into an employment agreement with Joe Taylor (the “Taylor Employment Agreement”), a director on the PubCo Board, which replaces and supersedes the existing agreement entered into with Mr. Taylor and Factorial. Under the Taylor Employment Agreement, Mr. Taylor is entitled to receive an annual base salary equal to \$360,000 and an initial target long-term incentive award with a grant date value of approximately \$540,000, as determined in accordance with the Company’s equity valuation practices and subject to the approval of the PubCo Board, the compensation committee of the PubCo Board or its delegate. Mr. Taylor is eligible to receive future equity awards and to participate in the PubCo employee benefit plans, subject to the terms of such plans. Mr. Taylor will continue to be subject to his existing proprietary information and inventions agreement. The description of the Taylor Employment Agreement is qualified in its entirety by reference to the full text of the Taylor Employment Agreement, a copy of which is filed as Exhibit 10.12 to this Current Report and incorporated herein by reference.

Effective as of the Merger Effective Time, in connection with the Closing, PubCo has adopted the Executive Change in Control Severance Plan, the Senior Executive Cash Incentive Bonus Plan and the Non-Employee Director Compensation Policy. Reference is made to the disclosure in the Proxy Statement/Prospectus in the section titled “*Executive and Director Compensation of Factorial - Executive Change of Control Severance Plan,*” “*- Senior Executive Cash Incentive Bonus Plan,*” and “*Non-Employee Director Compensation Policy*” for the terms of each of the Executive Change in Control Severance Plan, the Senior Executive Cash Incentive Bonus Plan and the Non-Employee Director Compensation Policy, respectively. Additionally, the descriptions of each of the Executive Change in Control Severance Plan, the Senior Executive Cash Incentive Bonus Plan and the Non-Employee Director Compensation Policy are qualified in their entirety by reference to the full text of the Executive Change in Control Severance Plan, the Senior Executive Cash Incentive Bonus Plan and the Non-Employee Director Compensation Policy, copies of which are filed as Exhibits 10.19 through 10.21, respectively, to this Current Report and incorporated herein by reference.

The information set forth under Item 1.01, “*Indemnification Agreements,*” “*- Factorial Energy Inc. 2026 Equity Incentive Plan*” and “*- Factorial Energy Inc. 2026 Employee Stock Purchase Plan*” of this Current Report is incorporated herein by reference.

Item 5.03. Amendments to Articles of Incorporation or By-laws; Change in Fiscal Year.

At the EGM, CGC shareholders considered and approved Proposal No. 2 - The Domestication Proposal (the “Domestication Proposal”), Proposal No. 4 - Organizational Documents Proposal (the “Organizational Documents Proposal”) and Proposal No. 5 - the Advisory Organizational Documents Proposals (the “Advisory Organizational Documents Proposals”), which are described in the Proxy Statement/Prospectus. The PubCo Charter, which became effective upon filing with the Secretary of State of the State of Delaware on June 4, 2026, includes the amendments proposed by the Domestication Proposal, the Organizational Documents Proposal and the Advisory Organizational Documents Proposals and approved at the EGM.

On June 5, 2026, the PubCo Board approved and adopted the PubCo Bylaws containing the amendments proposed by the Organizational Documents Proposal and Advisory Organizational Documents Proposal and approved at the EGM, which became effective as of the Merger Effective Time.

The PubCo Bylaws provide that the Sponsor and certain Factorial stockholders will be prohibited from transferring (except for certain permitted transfers) any shares of PubCo Series A Common Stock held by such holder (beginning on the Closing Date and ending (i) with respect to 25% of the Lock-Up Shares, on the date 180 days after the Closing Date, (ii) with respect to 25% of the Lock-Up Shares (as defined in the PubCo Bylaws), on the date 270 days after the Closing Date and (iii) with respect to 50% of the Lock-Up Shares, on the first anniversary of the Closing Date; provided, however, that, early release of the Lock-Up Shares would be permitted upon achievement of specified share price thresholds, as measured by the 20-day VWAP (as defined in the PubCo Bylaws). One-third of the remaining Lock-Up Shares would be released if the VWAP reaches \$12.00 per share, an additional one-third would be released if the VWAP reaches \$14.00 per share, and the final one-third would be released upon the VWAP reaching \$16.00 per share. Such transfer restrictions will terminate with respect to one-third of the Lock-Up Shares, with such Early Release Lock-Up Shares (as defined in the PubCo Bylaws) allocated first among the Lock-Up Shares with the earliest Lock-Up Termination Date (as defined in the PubCo Bylaws) that has not yet occurred and successively to each remaining tranche of Lock-Up Shares in chronological order. The foregoing transfer restrictions will not apply to, with respect to each Lock-Up Holder (as defined in the PubCo Bylaws), 750 of the shares of PubCo Series A Common Stock held by such Lock-Up Holder (or such lesser number as applicable) and such specified shares are not Lock-Up Shares. For more information, see “*Proposal No. 1 - The Business Combination Proposal - Ancillary Agreements - Lock-Up Provisions of PubCo Bylaws*” in the Proxy Statement/Prospectus.

Description of various provisions of the PubCo Charter and PubCo Bylaws and their general effect on the rights of stockholders of PubCo are included in the Proxy Statement/Prospectus under the section titled “*Comparison of Corporate Governance and Shareholder Rights*,” which is incorporated herein by reference.

The foregoing descriptions of the PubCo Charter and PubCo Bylaws do not purport to be complete and are qualified in its entirety by reference to the full text of the PubCo Charter and PubCo Bylaws, copies of which are attached as Exhibit 3.1 and Exhibit 3.2 hereto, respectively, and are incorporated herein by reference.

Item 5.05. Amendments to the Registrant’s Code of Ethics, or Waiver of a Provision of the Code of Ethics

In connection with the closing of the Business Combination, the PubCo Board approved and adopted a new Code of Business Conduct and Ethics, which is applicable to all of PubCo’s employees, officers (including its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions), agents and representatives, including directors and consultants, and will be available on PubCo’s website at <https://www.factorialenergy.com>. The information on PubCo’s website does not constitute part of this Current Report and is not incorporated by reference herein.

Item 5.06. Change in Shell Company Status

Upon the closing of the Business Combination, CGC ceased to be a shell company. The material terms of the Business Combination are described in the Proxy Statement/Prospectus under the sections titled “*Proposal No. 1 - The Business Combination Proposal*” and “*Proposal No. 2 - The Domestication Proposal*,” which is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On June 8, 2026, PubCo issued a press release announcing the completion of the Business Combination and the first day of trading on Nasdaq, a copy of which is furnished as Exhibit 99.4 hereto.

The information in this Item 7.01, including Exhibit 99.4, is furnished and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to liabilities under that section, and shall not be deemed to be incorporated by reference into the filings of PubCo under the Securities Act or the Exchange Act, regardless of any general incorporation language in such filings. This Current Report will not be deemed an admission as to the materiality of any information of the information in this Item 7.01, including Exhibit 99.4.

Item 8.01 Other Information

By operation of Rule 12g-3(a) under the Exchange Act, PubCo is the successor issuer to CGC and has succeeded to the attributes of CGC as the registrant, including CGC’s Commission file number (001-42629) and CIK Code (0002049662). The PubCo Series A Common Stock is deemed to be registered under Section 12(b) of the Exchange Act, and PubCo will file reports and other information with the Commission using CGC’s Commission file number.

The PubCo Series A Common Stock and PubCo Public Warrants are listed for trading on the Nasdaq under the symbols “FAC” and “FACWW” and the CUSIP numbers relating to PubCo Series A Common Stock and PubCo Public Warrants are 30347G103 and 30347G111, respectively.

Holders of CGC’s shares who have filed reports under the Exchange Act with respect to those shares should indicate in their next filing, or any amendment to a prior filing, filed on or after the Closing Date that PubCo is the successor to CGC.

Item 9.01. Financial Statements and Exhibits

(a) Financial statements of businesses acquired.

The financial statements of Factorial as of and for the years ended December 31, 2025 and 2024, and the related notes thereto included in the Proxy Statement/Prospectus are incorporated herein by reference.

The unaudited condensed financial statements of Factorial as of and for the three months ended March 31, 2026 and 2025, and the related notes thereto, are set forth in Exhibit 99.1 and are incorporated herein by reference.

The financial statements of CGC as of and for the years ended December 31, 2025 and 2024, and the related notes thereto, included in the Proxy Statement/Prospectus are incorporated herein by reference. The financial statements of CGC as of and for the three months ended March 31, 2026 and 2025, and the related notes thereto, included in CGC’s 10-Q are incorporated herein by reference.

(b) Pro forma financial information.

The unaudited pro forma condensed combined financial information of PubCo as of and for the three months ended March 31, 2026 and for the year ended December 31, 2025, is set forth in Exhibit 99.2 hereto and is incorporated herein by reference.

Exhibit No.	Description
2.1 †	Business Combination Agreement, by and among Cartesian Growth Corporation III, Factorial Inc. and Fenway MS, Inc., dated as of December 17, 2025 (incorporated by reference to Annex A-1 to the Registrant's Proxy Statement/Prospectus filed on May 6, 2026).
2.2	Amendment No. 1 to Business Combination Agreement, by and among Cartesian Growth Corporation III, Factorial Inc. and Fenway MS, Inc., dated as of March 26, 2026 (incorporated by reference to Annex A-2 to the Registrant's Proxy Statement/Prospectus filed on May 6, 2026).
2.3	Amendment No. 2 to Business Combination Agreement, by and among Cartesian Growth Corporation III, Factorial Inc. and Fenway MS, Inc., dated as of May 18, 2026 (incorporated by reference to the Registrant's Current Report on Form 8-K filed on May 18, 2026).
3.1*	Factorial Energy Inc. Certificate of Incorporation.
3.2*	Factorial Energy Inc. Bylaws.
4.1*	Specimen PubCo Series A Common Stock Certificate of Factorial Energy Inc.
4.2*	Amended and Restated Warrant Agreement, dated June 5, 2026, between Factorial Energy Inc. and Continental Stock Transfer & Trust Company.
10.1*	Amended and Restated Registration Rights Agreement, dated as of June 5, 2026, by and between the Registrant, CGC III Sponsor LLC, CGC III Sponsor DirectorCo LLC, Cantor Fitzgerald & Co., certain former stockholders of Factorial Inc., and other persons and entities.
10.2	Form of Investor Stock Purchase Agreement, dated December 17, 2025, by and between the Registrant and each PIPE Investor (incorporated by reference to Annex E in the Registrant's Proxy Statement/Prospectus filed on May 6, 2026).
10.3#^	Common Development Agreement, dated November 26, 2021, by and between Factorial Inc. and Mercedes-Benz Research & Development North America, Inc., as amended by that certain Amendment #1, dated August 1, 2025 (incorporated by reference to the exhibit 10.26 to Registrant's Registration Statement on Form S-4/A filed on April 14, 2026).
10.4#^	Joint Development Agreement, dated August 20, 2021, by and between Factorial Inc. and Hyundai Motor Company (incorporated by reference to the exhibit 10.27 to Registrant's Registration Statement on Form S-4/A filed on April 14, 2026).
10.5#^	Collaboration Agreement, dated August 1, 2025, by and between Factorial Inc. and FCA US LLC (incorporated by reference to the exhibit 10.25 to Registrant's Registration Statement on Form S-4/A filed on April 14, 2026).
10.6#^	Joint Development Agreement, dated February 2, 2026, by and between Factorial Inc. and PowerCo SE (incorporated by reference to the exhibit 10.24 to Registrant's Registration Statement on Form S-4 filed on March 27, 2026).
10.7^	Sublease, by and among 805 Middlesex Turnpike Owner LLC, ClearMotion, Inc. and Factorial Inc., dated November 11, 2022 (incorporated by reference to the exhibit 10.25 to Registrant's Registration Statement on Form S-4 filed on March 27, 2026).
10.8*+	Employment Agreement by and between the Registrant and Siyu Huang.
10.9*+	Employment Agreement by and between the Registrant and Alex Yu.
10.10*+	Employment Agreement by and between the Registrant and Jason Duva.
10.11*+	Employment Agreement by and between the Registrant and Richard Wei.
10.12*+	Employment Agreement by and between the Registrant and Joseph Taylor.
10.13+	Form of Restrictive Covenant Agreement (incorporated by reference to the exhibit 10.20 to Registrant's Registration Statement on Form S-4/A filed on April 14, 2026).
10.14*+	Form of Director Indemnification Agreement.
10.15*+	Form of Officer Indemnification Agreement.
10.16*+	Factorial Inc. 2019 Stock Incentive Plan, as amended, and forms of award agreements thereunder.
10.17*+	2026 Equity Incentive Plan of Factorial Energy Inc., and forms of award agreements thereunder.
10.18*+	2026 Employee Stock Purchase Plan of Factorial Energy Inc.
10.19*+	Executive Change in Control Severance Plan of Factorial Energy Inc.
10.20*+	Senior Executive Cash Incentive Bonus Plan of Factorial Energy Inc.
10.21*+	Non-Employee Director Compensation Policy of Factorial Energy Inc.
14.1*	Code of Business Conduct and Ethics.
16.1*	Letter from CBIZ CPAs P.C. dated June 10, 2026.
21.1*	Subsidiaries of the Registrant.
99.1*	The unaudited condensed financial statements of Factorial as of March 31, 2026 and for the three months ended March 31, 2026 and 2025.
99.2*	The unaudited pro forma condensed combined financial information of PubCo as of and for the three months ended March 31, 2026 and for the year ended December 31, 2025.
99.3*	Management's discussion and analysis of the financial condition and results of operations of Factorial for the three months ended March 31, 2026 and 2025.
99.4*	Press Release, dated June 8, 2026.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

† Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the Commission upon request.

Portions of this exhibit have been omitted because they are both (i) not material and (ii) the type of information that the registrant treats as private or confidential.

^ Certain schedules and similar attachments to this exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Registrant agrees to furnish a copy of all omitted schedules and similar attachments to the Commission upon its request.

+ Indicates management contract or compensatory plan.

SIGNATURE

Pursuant to the requirements of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FACTORIAL ENERGY INC.

By: /s/ Siyu Huang
Name: Siyu Huang
Title: Chief Executive Officer

Date: June 10, 2026

CERTIFICATE OF INCORPORATION

OF

FACTORIAL ENERGY INC.

ARTICLE I

The name of the Corporation is Factorial Energy Inc. (the “*Corporation*”).

ARTICLE II

The address of the Corporation’s registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the “*DGCL*”).

ARTICLE IV

A. CAPITAL STOCK

The total number of shares of capital stock that the Corporation shall have authority to issue is 750,000,000, which shall consist of two classes as follows: (a) 650,000,000 shares shall be a class designated as common stock, par value \$0.00001 per share (the “*Common Stock*”), which class of Common Stock shall be subdivided into two series consisting of (i) 600,000,000 shares designated as Series A common stock (the “*Series A Common Stock*”) and (ii) 50,000,000 shares designated as Series B common stock (the “*Series B Common Stock*”); and (b) 100,000,000 shares shall be a class designated as preferred stock, par value \$0.00001 per share (the “*Preferred Stock*”).

Except as otherwise provided in any certificate of designation of any series of Preferred Stock or in Sections 242(d)(1) or (d)(2) of the DGCL, the number of authorized shares of any class of Common Stock or Preferred Stock may from time to time be increased or decreased (but not below the number of shares of such class then outstanding) by the affirmative vote of the holders of a majority in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL, and no vote of the holders of any of the Common Stock or the Preferred Stock voting separately as a class shall be required therefor; *provided, however*, that the number of authorized shares of Series B Common Stock shall not be increased or decreased without the affirmative vote of the holders of a majority of shares of Series B Common Stock then outstanding, voting as a separate class. For the avoidance of doubt, the elimination and reduction of the voting requirements of Section 242 of the DGCL, as permitted by Section 242(d) of the DGCL, shall apply to any amendments to this Certificate of Incorporation, as it may be amended, restated or otherwise modified from time to time, including the terms of any certificate of designations of any class or series of Preferred Stock (the “*Certificate of Incorporation*”).

The powers, preferences and rights of, and the qualifications, limitations and restrictions upon, each class or series of stock shall be determined in accordance with, or as set forth below in, this Article IV.

B. COMMON STOCK

Subject to all the rights, powers and preferences of the Preferred Stock and except as provided by law or in this Certificate of Incorporation (including any certificate of designation of any series of Preferred Stock):

1. Voting Rights.

(a) General Right to Vote Together. Except as otherwise expressly provided herein or required by applicable law, the holders of Series A Common Stock and Series B Common Stock shall vote together on all matters submitted to a vote of the stockholders.

(b) Votes Per Share. Except as otherwise expressly provided herein or required by applicable law, on any matter that is submitted to a vote of the stockholders, each holder of Series A Common Stock shall be entitled to one vote for each such share held by such holder, and each holder of Series B Common Stock shall be entitled to 10 votes for each such share held by such holder. Notwithstanding the foregoing, except as otherwise required by law, holders of shares of Common Stock, as such, shall have no voting power with respect to, and shall not be entitled to vote on, any amendment to this Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock) that relates solely to the terms of the Preferred Stock or one or more outstanding series thereof if the holders of such Preferred Stock or series thereof are entitled, either separately or together with the holders of one or more other such series, to vote thereon under this Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock) or under the DGCL.

2. Identical Rights. Except as otherwise expressly provided herein or required by applicable law, shares of Series A Common Stock and Series B Common Stock shall have the same rights and privileges and rank equally, share ratably and be identical in all respects as to all matters, including, without limitation:

(a) Dividends and Distributions. Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock with respect to the payment of any Distribution, Distributions may be declared and paid ratably on the Common Stock out of the assets of the Corporation which are legally available for this purpose at such times and in such amounts as the Board of Directors of the Corporation (the “**Board**”) in its discretion shall determine. Shares of Series A Common Stock and Series B Common Stock shall be treated equally, identically and ratably, on a per share basis, with respect to any Distribution paid or distributed by the Corporation, unless different treatment of the shares of each such series is approved by the affirmative vote of the holders of a majority of the outstanding shares of Series A Common Stock and by the affirmative vote of the holders of a majority of the outstanding shares of Series B Common Stock, each voting separately as a series; *provided, however*, that in the event a Distribution is paid in the form of Series A Common Stock or Series B Common Stock (or Rights to acquire, or securities convertible into or exchangeable for, such stock, as the case may be), then holders of Series A Common Stock shall receive Series A Common Stock (or Rights to acquire, or securities convertible into or exchangeable for, such stock, as the case may be) and holders of Series B Common Stock shall receive Series B Common Stock (or Rights to acquire, or securities convertible into or exchangeable for, such stock, as the case may be) and such Distribution shall be deemed equal, identical and ratable so long as such Distribution is paid or distributed ratably on a per share basis.

(b) Subdivision or Combination. If the Corporation in any manner subdivides, combines or reclassifies the outstanding shares of Series A Common Stock or Series B Common Stock, then the outstanding shares of the other such series will be concurrently subdivided, combined or reclassified in the same proportion and manner to maintain the same proportionate equity ownership between the holders of the outstanding Series A Common Stock and Series B Common Stock on the record date or effective date for such subdivision, combination or reclassification, unless different treatment of the shares of each such series is approved by the affirmative vote of the holders of a majority of the outstanding shares of Series A Common Stock and by the affirmative vote of the holders of a majority of the outstanding shares of Series B Common Stock, each voting separately as a series.

(c) Equal Treatment in a Change of Control Transaction. In connection with any Change of Control Transaction, shares of Series A Common Stock and Series B Common Stock shall be treated equally, identically and ratably, on a per share basis, with respect to any consideration into which such shares are converted or any consideration paid or otherwise distributed to stockholders of the Corporation (any such consideration, “**Change of Control Consideration**”), *provided, however*, that the holders of shares of such series may receive, or have the right to elect to receive, different or disproportionate consideration in connection with such Change of Control Transaction if (1) the only difference in the per share consideration to the holders of the Series A Common Stock and Series B Common Stock is that any securities distributed to the holders of, or issuable upon the conversion of, a share of Series B Common Stock have 10 times the voting power of any securities distributed to the holder of, or issuable upon the conversion of, a share of Series A Common Stock or (2) such different or disproportionate treatment of the shares of each such series is approved by the affirmative vote of the holders of a majority of the outstanding shares of Series A Common Stock and by the affirmative vote of the holders of a majority of the outstanding shares of Series B Common Stock, each voting separately as a series; *provided, however*, for the avoidance of doubt, Change of Control Consideration shall not be deemed to include any consideration paid to or received by a person who is a holder of Series A Common Stock and/or Series B Common Stock, as applicable, pursuant to (x) any bona fide, good faith employment, consulting, severance or other compensatory arrangement (including, without limitation, any equity-based or cash compensatory award or payment) whether or not entered into in connection with such Change of Control Transaction or (y) a negotiated agreement between a holder of Series A Common Stock and/or Series B Common Stock, as applicable, with any counterparty (or affiliate thereof) to a Change of Control Transaction wherein such holder is contributing, selling, transferring or otherwise disposing of shares of the Corporation’s capital stock to such counterparty (or affiliate thereof) as part of a “rollover” or similar transaction that is approved by a majority of the Disinterested Directors then in office (or a committee of the Board comprised of Disinterested Directors) and that is in connection with such Change of Control Transaction. Any merger or consolidation of the Corporation with or into any other entity, which is not a Change of Control Transaction, shall, in addition to any approval otherwise required herein or by applicable law, require approval by the affirmative vote of the holders of a majority of the outstanding shares of Series A Common Stock and by the affirmative vote of the holders of a majority of the outstanding shares of Series B Common Stock, each voting separately as a series, unless (i) the shares of Series A Common Stock and Series B Common Stock remain outstanding and no other consideration is received in respect thereof or (ii) such shares are converted on a pro rata basis into shares of the surviving or parent entity in such transaction having identical rights to the shares of Series A Common Stock and Series B Common Stock, respectively.

3. Conversion of Series B Common Stock.

(a) Voluntary Conversion. Each share of Series B Common Stock shall be convertible into one fully paid and nonassessable share of Series A Common Stock at the option of the holder thereof at any time upon written notice to the transfer agent of the Corporation. Such written notice shall state therein the number of shares of Series B Common Stock being converted and the name or names in which the shares of Series A Common Stock are to be registered.

(b) Automatic Conversion. Each share of Series B Common Stock shall automatically, without any further action by the holder thereof, convert into one fully paid and nonassessable share of Series A Common Stock upon the earlier of:

(i) a Transfer of such share; *provided, however*, that no such automatic conversion shall occur in the case of a Transfer by a Series B Stockholder to any of the persons or entities listed in clauses (A) through (H) below (each, a “**Permitted Transferee**”) and from any such Permitted Transferee back to such Series B Stockholder and/or any other Permitted Transferee established by or for such Series B Stockholder:

(A) a Family Member of such Series B Stockholder, which shall mean with respect to any natural person who is a Series B Stockholder, the spouse, domestic partner, parents, grandparents, lineal descendants, siblings and lineal descendants of siblings of such Series B Stockholder and any spouse of any such person; and provided, further, that lineal descendants shall include adopted persons, but only so long as they are adopted during minority (herein collectively referred to as “**Family Members**”);

(B) a trust solely for the benefit of such Series B Stockholder and/or one or more of such Series B Stockholder’s Family Members (except for remote contingent interests) so long as all trustees of such trust are one or more of (i) such Series B Stockholder, (ii) a Family Member of such Series B Stockholder and/or (iii) an institution or individual who is a bank or trust company, a professional trustee, investment advisor or manager, investment banker, accountant or lawyer (herein referred to as a “**Qualified Trustee**”); *provided* such Transfer does not involve any payment of cash, securities, property or other consideration to the Series B Stockholder (other than as a settlor or beneficiary of such trust) and, *provided, further*, that if at any time such trust ceases to meet the requirements of this subsection (B), each share of Series B Common Stock then held by the trustee or trustees of such trust shall, on the fifth calendar day following receipt by said trustee or trustees of a notice from the Corporation that it has obtained actual knowledge that the trust no longer meets the requirements of this subsection (B), unless said trust Transfers such share of Series B Common Stock to a Permitted Transferee prior to such fifth calendar day, automatically convert into one fully paid and nonassessable share of Series A Common Stock;

(C) the beneficiaries or trustee of a trust; so long as the original grantor of the trust (the “**Grantor**”) is such Series B Stockholder and such Series B Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock, *provided* that in the event such Grantor no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock, then, unless such trust Transfers such shares of Series B Common Stock to a Permitted Transferee within five calendar days after the date upon which such Grantor no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock, each share of Series B Common Stock then held by such trust shall automatically convert into one fully paid and nonassessable share of Series A Common Stock;

(D) a trust under the terms of which such Series B Stockholder has retained a “qualified interest” within the meaning of §2702(b)(1) of the Internal Revenue Code (or successor provision) and/or a reversionary interest so long as all trustees of such trust are Qualified Trustees; *provided, however*, that if at any time such trust ceases to meet the requirements of this subsection (D), each share of Series B Common Stock then held by the trustee or trustees of such trust shall, on the fifth calendar day following receipt by said trustee or trustees of a notice from the Corporation that it has obtained actual knowledge that the trust no longer meets the requirements of this subsection (D), unless said trust Transfers such share of Series B Common Stock to a Permitted Transferee prior to such fifth calendar day, automatically convert into one fully paid and nonassessable share of Series A Common Stock;

(E) an Individual Retirement Account, as defined in Section 408(a) of the Internal Revenue Code (or successor provision), or a pension, profit sharing, stock bonus or other type of plan or trust of which such Series B Stockholder is a participant or beneficiary and which satisfies the requirements for qualification under Section 401 of the Internal Revenue Code (or successor provision); *provided* that in each case such Series B Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock held in such account, plan or trust, and *provided, further*, that in the event the Series B Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock held by such account, plan or trust, then, unless such account Transfers such shares of Series B Common Stock to a Permitted Transferee within five calendar days after the date upon which such Series B Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock, each share of Series B Common Stock then held by such account, plan or trust shall automatically convert into one fully paid and nonassessable share of Series A Common Stock;

(F) a corporation, partnership or limited liability company wholly and solely owned by Series B Stockholders and Permitted Transferees in which Series B Stockholders directly, or indirectly through one or more Permitted Transferees, own shares, partnership interests or membership interests, as applicable, with sufficient Voting Control in the corporation, partnership or limited liability company, as applicable, or otherwise has legally enforceable rights, such that the Series B Stockholders retain sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock held by such corporation, partnership or limited liability company; *provided, however*, that in the event the Series B Stockholders no longer own sufficient shares, partnership interests or membership interests, as applicable, or no longer has sufficient legally enforceable rights to ensure the Series B Stockholders retain sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock held by such corporation, partnership or limited liability company, as applicable, then, unless such corporation, partnership or limited liability company Transfers such shares of Series B Common Stock to a Permitted Transferee within five calendar days after the date upon which such Series B Stockholders no longer have sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock, each share of Series B Common Stock then held by such corporation, partnership or limited liability company, as applicable, shall automatically convert into one fully paid and nonassessable share of Series A Common Stock;

(G) from a Series B Stockholder or such Series B Stockholder’s Affiliates to another Series B Stockholder or such other Series B Stockholder’s Affiliates;

(H) an Affiliate of a Series B Stockholder; *provided, however*, that the person or entity holding sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock being Transferred (the “**Controlling Person**”) retains, directly or indirectly, sole dispositive power and exclusive Voting Control with respect to the shares following such Transfer; *provided, further*, that in the event the Controlling Person no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock Transferred to such Affiliate, then, unless such Affiliate Transfers such shares of Series B Common Stock to a Permitted Transferee within five calendar days after the date upon which Controlling Person no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series B Common Stock, each such share of Series B Common Stock Transferred to such Affiliate shall automatically convert into one share of Series A Common Stock unless such transaction is otherwise approved by the Corporation;

(ii) the date specified by a written notice and certification request of the Corporation to the holder of such share of Series B Common Stock requesting a certification, in a form satisfactory to the Corporation, verifying such holder's ownership of Series B Common Stock and confirming that a conversion to Series A Common Stock has not occurred pursuant to this Article IV, Section B(3), which date shall not be less than 60 calendar days after the date of such notice and certification request; *provided, however*, that no such automatic conversion pursuant to this subsection (ii) shall occur in the case of a Series B Stockholder or its Permitted Transferees that furnishes a certification satisfactory to the Corporation prior to the specified date that such conversion to Series A Common Stock has not occurred pursuant to this Article IV, Section B(3); or

(iii) the date on which the number of Threshold Shares collectively held by a Series B Stockholder and any Permitted Transferees thereof is less than 50% of the number of shares of Series B Common Stock held by such Series B Stockholder at the Effective Time

(c) Automatic Conversion of All Outstanding Series B Common Stock. Each share of Series B Common Stock shall automatically, without any further action by the holder thereof, convert into one fully paid and nonassessable share of Series A Common Stock upon the earliest of:

(i) the date specified by affirmative vote of the holders of at least 66-2/3% of the outstanding shares of Series B Common Stock, voting as a single series;

(ii) the date that is nine months following the death or Incapacity of all Founders; and

(iii) the date that is the seven year anniversary of the Effective Time.

Following such conversion, the reissuance of any shares of Series B Common Stock shall be prohibited, and the Corporation shall take all necessary action to retire each share of Series B Common Stock in accordance with Section 243 of the DGCL, including filing a certificate of retirement with the Secretary of State of the State of Delaware required thereby, and upon the effectiveness of such certificate of retirement, it shall have the effect of reducing the number of authorized shares of Series B Common Stock and eliminating all references to Series B Common Stock in this Certificate of Incorporation.

(d) Procedures. The Corporation may, from time to time, establish such policies and procedures relating to the conversion of Series B Common Stock to Series A Common Stock in accordance with this Article IV, Section B(3) and the general administration of this dual series stock structure, including the issuance of stock certificates (or the establishment of book-entry positions) with respect thereto, as it may deem necessary or advisable, and may request that holders of shares of Series B Common Stock furnish certifications, affidavits or other proof to the Corporation as it deems necessary to verify the ownership of Series B Common Stock and to confirm that a conversion to Series A Common Stock has not occurred in accordance with Article IV, Section B(3)(b)(ii). A determination by the Board that a Transfer results in a conversion to Series A Common Stock shall be conclusive and binding.

(e) Immediate Effect of Conversion. In the event of a conversion of shares of Series B Common Stock to shares of Series A Common Stock pursuant to this Article IV, Section B(3), such conversion(s) shall be deemed to have been effective immediately prior to the close of business on the date that the Corporation's transfer agent receives the written notice required under Section B(3)(a) of this Article IV, the time that the Transfer of such shares occurred under Section B(3)(b) of this Article IV, or the date specified in Section B(3)(c) of this Article IV, as applicable. Upon any conversion of Series B Common Stock to Series A Common Stock pursuant to this Article IV, Section B(3), all rights of the holder of such shares of Series B Common Stock shall cease and the person or persons in whose names or names the certificate or certificates (or book-entry position(s) representing the shares of Series A Common Stock) are to be issued shall be treated for all purposes as having become the record holder or holders of such number of shares of Series A Common Stock into which such shares of Series B Common Stock were converted. Shares of Series B Common Stock that are converted into shares of Series A Common Stock as provided in this Article IV, Section B(3) shall be retired and shall not be reissued.

(f) Reservation of Stock. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Series A Common Stock, solely for the purpose of effecting the conversion of the shares of Series B Common Stock pursuant to this Article IV, Section B(3), such number of its shares of Series A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Series B Common Stock into shares of Series A Common Stock.

4. No Further Issuances. Except for the issuance of Series B Common Stock issuable upon the settlement, exercise or conversion of Rights outstanding at the Effective Time, a dividend payable in accordance with Article IV, Section B(3)(a) or a subdivision or reclassification in accordance with Article IV, Section B(3)(b), the Corporation shall not at any time after the Effective Time issue any additional shares of Series B Common Stock, unless such issuance is approved by the affirmative vote of the holders of a majority of the outstanding shares of Series B Common Stock, voting as a separate series.

C. PREFERRED STOCK

The Board or any authorized committee thereof is expressly authorized to provide by resolution or resolutions for, out of the unissued shares of Preferred Stock, the issuance of the shares of Preferred Stock in one or more series of such stock, and by filing a certificate of designation pursuant to applicable law of the State of Delaware, to establish or change from time to time the number of shares of each such series, and to fix the designations, powers, including voting powers, full or limited, or no voting powers, preferences and the relative, participating, optional or other special rights of the shares of each series and any qualifications, limitations and restrictions thereof, all to the fullest extent now or hereafter permitted by the DGCL. The powers, preferences and relative, participating, optional and other special rights of each such series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding. Without limiting the generality of the foregoing, the resolution or resolutions providing for the issuance of any series of Preferred Stock may provide that such series shall be superior or rank equally or be junior to any other series of Preferred Stock to the extent permitted by law.

ARTICLE V

The following terms, where capitalized in this Certificate of Incorporation, shall have the meanings ascribed to them in this Article V:

“*Affiliate*” means with respect to any specified person, any other person who or which, directly or indirectly, controls, is controlled by, or is under common control with such specified person, including, without limitation, any general partner, managing member, officer, director or manager of such person and any venture capital, private equity, investment advisor or other investment fund now or hereafter existing that is controlled by one or more general partners or managing members of, or is under common investment management (or shares the same management, advisory company or investment advisor) with, such person.

“*Change of Control Share Issuance*” means the issuance by the Corporation, in a transaction or series of related transactions, of voting securities of the Corporation to any person or persons acting as a group as contemplated in Rule 13d-5(b) under the Exchange Act (or any successor provision) that immediately prior to such transaction or series of related transactions held 50% or less of the total voting power of the Corporation (assuming Series A Common Stock and Series B Common Stock each have one vote per share), such that, immediately following such transaction or series of related transactions, such person or group of persons would hold more than 50% of the total voting power of the Corporation (assuming Series A Common Stock and Series B Common Stock each have one vote per share).

“Change of Control Transaction” means (i) the sale, lease, exclusive license, exchange, or other disposition (other than liens and encumbrances created in the ordinary course of business, including liens or encumbrances to secure indebtedness for borrowed money that are approved by the Board, so long as no foreclosure occurs in respect of any such lien or encumbrance) of all or substantially all of the Corporation’s property and assets (which shall for such purpose include the property and assets of any direct or indirect subsidiary of the Corporation), *provided* that any sale, lease, exclusive license, exchange or other disposition of property or assets exclusively between or among the Corporation and any direct or indirect subsidiary or subsidiaries of the Corporation shall not be deemed a “Change of Control Transaction”; (ii) the merger, consolidation, business combination, or other similar transaction of the Corporation with any other entity, other than a merger, consolidation, business combination, or other similar transaction that would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) more than 50% of the total voting power represented by the voting securities of the Corporation, surviving entity or its parent (as applicable) *and* more than 50% of the total number of outstanding shares of the Corporation’s, surviving entity’s or its parent’s (as applicable) capital stock, in each case as outstanding immediately after such merger, consolidation, business combination, or other similar transaction, and the stockholders of the Corporation immediately prior to the merger, consolidation, business combination, or other similar transaction own voting securities of the Corporation, the surviving entity or its parent (as applicable) immediately following the merger, consolidation, business combination, or other similar transaction in substantially the same proportions (vis-à-vis each other) as such stockholders owned the voting securities of the Corporation immediately prior to the transaction; (iii) a recapitalization, liquidation, dissolution, or other similar transaction involving the Corporation, other than a recapitalization, liquidation, dissolution, or other similar transaction that would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or being converted into voting securities of the surviving entity or its parent) more than 50% of the total voting power represented by the voting securities of the Corporation, surviving entity or its parent (as applicable) *and* more than 50% of the total number of outstanding shares of the Corporation’s, surviving entity’s or parent’s (as applicable) capital stock, in each case as outstanding immediately after such recapitalization, liquidation, dissolution or other similar transaction, and the stockholders of the Corporation immediately prior to the recapitalization, liquidation, dissolution or other similar transaction own voting securities of the Corporation, the surviving entity or its parent immediately following the recapitalization, liquidation, dissolution or other similar transaction in substantially the same proportions (vis-à-vis each other) as such stockholders owned the voting securities of the Corporation immediately prior to the transaction; (iv) any Change of Control Share Issuance; and (v) any transfer, domestication, continuance, conversion or other similar transaction of the Corporation other than a transfer, domestication, continuance, conversion or other similar transaction that would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the transferred, domesticated, continued or converted entity or its parent) more than 50% of the total voting power represented by the voting securities of the Corporation, the transferred, domesticated, continued or converted entity or its parent (as applicable) *and* more than 50% of the total number of outstanding shares of the Corporation’s, the transferred, domesticated, continued or converted entity’s or its parent’s (as applicable) capital stock, in each case as outstanding immediately after such transfer, domestication, continuance, conversion or other similar transaction, and the stockholders of the Corporation immediately prior to the transfer, domestication, continuance, conversion or other similar transaction own voting securities of the Corporation, the transferred, domesticated, continued or converted entity of its parent (as applicable) immediately following the transfer, domestication, continuance, conversion or other similar transaction in substantially the same proportions (vis-à-vis each other) as such stockholders owned the voting securities of the Corporation immediately prior to the transaction.

“Disinterested Directors” means the Directors who have been determined by the Board to be disinterested with respect to a particular Transfer or Change of Control Transaction, as applicable.

“Distribution” means (i) any dividend of cash, property or shares of the Corporation’s capital stock payable to holders of shares of the Corporation’s capital stock; and (ii) any distribution to holders of shares of the Corporation’s capital stock following or in connection with any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary.

“Effective Time” means the time of the completion of the transactions contemplated by that certain Business Combination Agreement, by and among Cartesian Growth Corporation III, a Cayman Islands exempted company, Fenway MS, Inc., a Delaware corporation, and Factorial Inc., a Delaware corporation, dated as of December 17, 2025.

“Exchange Act” means the United States Securities Exchange Act of 1934, as amended.

“Founder” means each of Siyu Huang and Alex Yu].

“Incapacity” means that such Series B Stockholder is incapable of managing such holder’s financial affairs under the criteria set forth in the applicable probate code and such incapacity has lasted or can be expected to last for a continuous period of not less than 12 months or is suffering from a condition that can be expected to result in death, in each case, as determined by a licensed medical practitioner jointly selected by a majority of the Disinterested Directors and such Founder or such Founder’s legal representative. In the event of a dispute regarding whether a Series B Stockholder has suffered an Incapacity, no Incapacity of such holder will be deemed to have occurred unless and until an affirmative ruling regarding such Incapacity has been made by a court of competent jurisdiction.

“Rights” means any option, warrant, restricted stock unit, conversion right or contractual right of any kind to acquire shares of the Corporation’s authorized but unissued capital stock.

“Securities Exchange” means, at any time, the registered national securities exchange on which the Corporation’s equity securities are then principally listed or traded, which shall be the New York Stock Exchange or Nasdaq Stock Market (or similar national quotation system of the Nasdaq Stock Market) (**“Nasdaq”**) or any successor exchange of either the New York Stock Exchange or Nasdaq.

“Series B Stockholder” means (i) the registered holder of a share of Series B Common Stock issued at or prior to the Effective Time, (ii) the registered holder of any shares of Series B Common Stock that are originally issued by the Corporation after the Effective Time and (iii) any registered holder of a share of Series B Common Stock described in clause (i) or (ii) who acquires such share of Series B Common Stock as a Permitted Transferee.

“Trading Day” means any day on which the Securities Exchange is open for trading.

“Threshold Shares” means, with respect to any person as of any time, the sum of (without duplication): (a) any shares of capital stock of the Corporation, including Series A Common Stock and Series B Common Stock, held by such person as of such time; and (b) any shares of capital stock of the Corporation, including Series A Common Stock and Series B Common Stock, underlying any securities (including restricted stock units, options or other convertible instruments) held by such person as of such time, whether such securities are vested or unvested, earned or unearned, or convertible into or exchangeable or exercisable for such shares of capital stock, as of such time or in the future.

“Transfer” of a share of Series B Common Stock shall mean, directly or indirectly, any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law. A “Transfer” shall also include, without limitation, (i) a transfer of a share of Series B Common Stock to a broker or other nominee (regardless of whether or not there is a corresponding change in beneficial ownership) or (ii) the transfer of, or entering into a binding agreement with respect to, Voting Control over a share of Series B Common Stock by proxy or otherwise; *provided, however*, that the following shall not be considered a “Transfer”: (a) granting a revocable proxy to officers or Directors of the Corporation at the request of the Board in connection with actions to be taken at an annual or special meeting of stockholders or by written consent in lieu of a meeting; (b) pledging shares of Series B Common Stock by a Series B Stockholder that creates a mere security interest in such shares pursuant to a *bona fide* loan or indebtedness transaction so long as the Series B Stockholder continues to exercise Voting Control over such pledged shares; *provided, however*, that a foreclosure on such shares of Series B Common Stock or other similar action by the pledgee shall constitute a “Transfer”; (c) the fact that, as of the Effective Time or at any time after the Effective Time, the spouse of any Series B Stockholder possesses or obtains an interest in such holder’s shares of Series B Common Stock arising solely by reason of the application of the community property laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a “Transfer” of such shares of Series B Common Stock (and *provided* that any transfer of shares by any holder of shares of Series B Common Stock to such holder’s spouse, including a transfer in connection with a divorce proceeding, domestic relations order or similar legal requirement, shall constitute a “Transfer” of such shares of Series B Common Stock unless otherwise exempt from the definition of Transfer); (d) entering into a trading plan pursuant to Rule 10b5-1 under the Exchange Act with a broker or other nominee; *provided, however*, that a sale of such shares of Series B Common Stock pursuant to such plan shall constitute a “Transfer” at the time of such sale; (e) granting a proxy by a Series B Stockholder or a Series B Stockholder’s Permitted Transferees to a person designated by the Board to exercise Voting Control of shares of Series B Common Stock owned directly or indirectly, beneficially and of record, by such Series B Stockholder or such Series B Stockholder’s Permitted Transferees, or over which such Series B Stockholder has Voting Control pursuant to a proxy or voting agreements then in place, effective either (x) on the death of such Series B Stockholder or (y) during any Incapacity of such Series B Stockholder, including the exercise of such proxy by the person designated by the Board; (f) entering into a (I) support, voting, tender or similar agreement, or arrangement (with or without granting a proxy) or (II) a “rollover” or similar agreement or arrangement that, in each case, is approved by a majority of the Disinterested Directors then in office (or a committee of the Board comprised of Disinterested Directors) and is in connection with a Change of Control Transaction; *provided, however*, that such Change of Control Transaction was approved by a majority of the Disinterested Directors then in office (or a committee of the Board comprised of Disinterested Directors) or (g) any grant of a proxy to, or entering into a voting agreement or similar arrangement with, any other Founder or Affiliate of such Founder.

“Voting Control” with respect to a share of Series B Common Stock means the exclusive power (whether directly or indirectly) to vote or direct the voting of such share of Series B Common Stock by proxy, voting agreement, or otherwise; *provided, however*, that the following shall not be considered a loss or other diminishment of “Voting Control”: (a) granting a revocable proxy to officers or Directors of the Corporation at the request of the Board in connection with actions to be taken at an annual or special meeting of stockholders or by written consent in lieu of a meeting; (b) pledging shares of Series B Common Stock by a holder that creates a mere security interest in such shares pursuant to a *bona fide* loan or indebtedness transaction so long as the holder continues to exercise voting control over such pledged shares; *provided, however*, that a foreclosure on such shares of Series B Common Stock or other similar action by the pledgee shall constitute a loss of “Voting Control”; (c) the fact that, as of the Effective Time or at any time after the Effective Time, the spouse of any holder possesses or obtains an interest in such holder’s shares of Series B Common Stock arising solely by reason of the application of the community property laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a loss of “Voting Control” of such shares of Series B Common Stock (and *provided* that any transfer of voting control over shares held by any holder of shares of Series B Common Stock to such holder’s spouse, including a transfer of voting control in connection with a divorce proceeding, domestic relations order or similar legal requirement, shall constitute a loss of “Voting Control” of such shares of Series B Common Stock unless otherwise provided herein); (d) entering into a trading plan pursuant to Rule 10b5-1 under the Exchange Act with a broker or other nominee; *provided, however*, that a sale of such shares of Series B Common Stock pursuant to such plan shall constitute a loss of “Voting Control” at the time of such sale; (e) granting a proxy by a Series B Stockholder or a Series B Stockholder’s Permitted Transferees to a person designated by the Board to exercise Voting Control of shares of Series B Common Stock owned directly or indirectly, beneficially and of record, by such Series B Stockholder or such Series B Stockholder’s Permitted Transferees, or over which such Series B Stockholder has Voting Control pursuant to a proxy or voting agreements then in place, effective either (I) on the death of such Series B Stockholder or (II) during any Incapacity of such Series B Stockholder, including the exercise of such proxy by the person designated by the Board; (f) entering into a (I) support, voting, tender or similar agreement, or arrangement (with or without granting a proxy) or (II) a “rollover” or similar agreement or arrangement that, in each case, is approved by a majority of the Disinterested Directors then in office (or a committee of the Board comprised of Disinterested Directors) and is in connection with a Change of Control Transaction; *provided, however*, that such Change of Control Transaction was approved by a majority of the Disinterested Directors then in office (or a committee of the Board comprised of Disinterested Directors); or (g) any grant of a proxy to, or entering into a voting agreement or similar arrangement with, any Founder or Affiliate of such Founder.

“Voting Threshold Date” means the first date on which the outstanding shares of Series B Common Stock represent less than a majority of the total voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors.

ARTICLE VI

A. STOCKHOLDER ACTION

1. Action without Meeting. Subject to the rights, if any, of the holders of shares of Preferred Stock, from and after the Voting Threshold Date, any action required or permitted to be taken by the stockholders of the Corporation at any annual or special meeting of stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders and may not be taken or effected by a consent of stockholders in lieu thereof. Subject to the rights of the holders of any shares of Preferred Stock, before the Voting Threshold Date, any action required or permitted to be taken by the stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote if: (x) the action is first recommended or approved by the Board and (y) a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of the Corporation’s stock entitled to vote thereon were present and voted.

2. Special Meetings. Except as otherwise required by statute and subject to the rights, if any, of the holders of shares of any series of Preferred Stock, special meetings of the stockholders of the Corporation may be called only by the Board, and special meetings of stockholders may not be called by any other person or persons. Only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders of the Corporation.

ARTICLE VII

A. DIRECTORS

1. General. The business and affairs of the Corporation shall be managed by or under the direction of the Board except as otherwise provided herein or required by law.

2. Number of Directors; Term of Office. Except as otherwise provided for or fixed pursuant to the provisions of Article IV (including any certificate of designation with respect to any series of Preferred Stock) and this Article VII relating to the rights of the holders of any series of Preferred Stock to elect additional Directors, the number of Directors of the Corporation (the “**Directors**”) shall be fixed solely and exclusively by resolution duly adopted from time to time by the Board. The Directors, other than those who may be elected by the holders of any series of Preferred Stock, shall be classified, with respect to the term for which they severally hold office, into three classes. The term of office of the initial Class I Directors shall expire at the first regularly scheduled annual meeting of stockholders following the Effective Time. The term of office of the initial Class II Directors shall expire at the second annual meeting of stockholders following the Effective Time. The term of office of the initial Class III Directors shall expire at the third annual meeting of stockholders following the Effective Time. The Board is authorized to assign members of the Board already in office to such classes at the time the classification of the Board becomes effective. At each annual meeting of stockholders, Directors elected to succeed those Directors whose terms expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election. Notwithstanding the foregoing, the Directors elected to each class shall hold office until their successors are duly elected and qualified or until their earlier resignation, death, disqualification or removal. No decrease in the number of Directors shall shorten the term of any incumbent Director. There shall be no cumulative voting in the election of Directors. Election of Directors need not be by written ballot unless the Bylaws of the Corporation so provide.

Notwithstanding the foregoing, whenever, pursuant to the provisions of Article IV of this Certificate of Incorporation, the holders of any one or more series of Preferred Stock shall have the right, voting separately as a series or together with holders of other such series, to elect additional Directors, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Certificate of Incorporation including any certificate of designation applicable to such series of Preferred Stock. During any period when the holders of any series of Preferred Stock, voting separately as a series or together with one or more series, have the right to elect additional Directors, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of Directors of the Corporation shall automatically be increased by such specified number of Directors, and the holders of such Preferred Stock shall be entitled to elect the additional Directors so provided for or fixed pursuant to said provisions, and (ii) each such additional Director shall serve until such Director’s successor shall have been duly elected and qualified, or until such Director’s right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, resignation, retirement, disqualification or removal. Notwithstanding any other provision of this Certificate of Incorporation, except as otherwise provided by the Board in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional Directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional Directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional Directors, shall forthwith terminate (in which case each such Director shall thereupon cease to be qualified as, and shall cease to be, a Director) and the total authorized number of Directors of the Corporation shall automatically be reduced accordingly.

3. Vacancies and Newly Created Directorships. Subject to the rights, if any, of the holders of any series of Preferred Stock to elect Directors and to fill vacancies in the Board relating thereto, any and all vacancies and newly created directorships in the Board, however occurring, including, without limitation, by reason of an increase in the size of the Board, or the death, resignation, disqualification or removal of a Director, shall be filled solely and exclusively by the affirmative vote of a majority of the remaining Directors then in office, even if less than a quorum of the Board, or by a sole remaining Director, and not by the stockholders. Any Director appointed in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of Directors in which the new directorship was created or the vacancy occurred and until such Director’s successor shall have been duly elected and qualified or until his or her earlier resignation, disqualification, death or removal. Subject to the rights, if any, of the holders of any series of Preferred Stock to elect Directors, when the number of Directors is increased or decreased, the Board shall, subject to Article VII, Section 2 hereof, determine the class or classes to which the increased or decreased number of Directors shall be apportioned. In the event of a vacancy in the Board, the remaining Directors, except as otherwise provided by law, shall exercise the powers of the full Board until the vacancy is filled.

4. Removal. Subject to the rights, if any, of any series of Preferred Stock to elect Directors and to remove any Director whom the holders of any such series have the right to elect, any Director (including persons elected by Directors to fill vacancies on the Board) may be removed from office (i) only for cause and (ii) only by the affirmative vote of the holders of not less than 2/3 of the voting power of the outstanding shares of capital stock then entitled to vote at an election of Directors. At least 45 days prior to any annual or special meeting of stockholders at which it is proposed that any Director be removed from office, written notice of such proposed removal and the alleged grounds thereof shall be sent to the Director whose removal will be considered at the meeting.

ARTICLE VIII

A. LIMITATION OF LIABILITY

1. Directors. To the fullest extent permitted by the DGCL, as the same exists or may hereafter be amended from time to time, a Director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of his or her fiduciary duty as a Director, except for liability (a) for any breach of the Director's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the DGCL or (d) for any transaction from which the Director derived an improper personal benefit. If the DGCL is amended after the effective date of this Certificate of Incorporation to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

2. Officers. To the fullest extent permitted by the DGCL, as the same exists or may hereafter be amended from time to time, an Officer (as defined below) of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of his or her fiduciary duty as an officer of the Corporation, except for liability (a) for any breach of the Officer's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) for any transaction from which the Officer derived an improper personal benefit, or (d) arising from any claim brought by or in the right of the Corporation. If the DGCL is amended after the effective date of this Certificate of Incorporation to authorize corporate action further eliminating or limiting the personal liability of Officers, then the liability of an Officer of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. For purposes of this Article VIII, "Officer" shall mean an individual who has been duly appointed as an officer of the Corporation and who, at the time of an act or omission as to which liability is asserted, is deemed to have consented to service by the delivery of process to the registered agent of the Corporation as contemplated by 10 Del. C. § 3114(b).

3. Amendment or Modification. Any amendment, repeal or modification of this Article VIII or any amendment to the DGCL shall not adversely affect any right or protection existing at the time of such amendment, repeal or modification with respect to any acts or omissions occurring before such amendment, repeal or modification of a person serving as a Director or Officer, as applicable, at the time of such amendment, repeal or modification.

ARTICLE IX

A. AMENDMENT OF BYLAWS

1. Amendment by Directors. Except as otherwise provided by law, the Bylaws of the Corporation may be adopted, amended or repealed by the Board by the affirmative vote of a majority of the Directors then in office.

2. Amendment by Stockholders. Except as otherwise provided therein, the Bylaws of the Corporation may be amended or repealed by the stockholders by the affirmative vote of the holders of at least 2/3 of the voting power of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class; *provided, however*, that if the Board recommends that stockholders approve such amendment or repeal, such amendment or repeal shall only require the affirmative vote of the holders of a majority of the voting power of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class.

ARTICLE X

A. AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right to amend or repeal this Certificate of Incorporation in the manner now or hereafter prescribed by statute and this Certificate of Incorporation, and all rights conferred upon stockholders herein are granted subject to this reservation. For the avoidance of doubt, the provisions of Sections 242(d)(1) and (d)(2) of the DGCL shall apply to the Corporation.

ARTICLE XI

The name of the incorporator is Peter Yu, and the address of the incorporator is 505 Fifth Avenue, 15th Floor, New York, New York 10017.

[Signature Page Follows]

THIS CERTIFICATE OF INCORPORATION is executed on this 4th day of June, 2026.

FACTORIAL ENERGY INC.

By: /s/ Peter Yu
Name: Peter Yu
Title: Chief Executive Officer

BYLAWS
OF
FACTORIAL ENERGY INC.

(the “Corporation”)

ARTICLE I

Stockholders

SECTION 1. Annual Meeting. The annual meeting of stockholders (any such meeting being referred to in these Bylaws as an “Annual Meeting”) shall be held at the hour, date and place within or without the United States that is fixed by or in the manner determined by the Board of Directors and stated in the notice of the meeting, which time, date and place may subsequently be changed at any time, before or after the notice for such meeting has been sent to the stockholders, by vote of the Board of Directors. The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the General Corporation Law of the State of Delaware (the “DGCL”). In the absence of any such designation or determination, stockholders’ meetings shall be held at the Corporation’s principal executive office. If no Annual Meeting has been held for a period of thirteen (13) months after the Corporation’s last Annual Meeting, a special meeting in lieu thereof may be held, and such special meeting shall have, for the purposes of these Bylaws or otherwise, all the force and effect of an Annual Meeting. Any and all references hereafter in these Bylaws to an Annual Meeting or Annual Meetings also shall be deemed to refer to any special meeting(s) in lieu thereof.

SECTION 2. Notice of Stockholder Business and Nominations.

(a) Annual Meetings of Stockholders.

(1) Nominations of persons for election to the Board of Directors of the Corporation (the “Board of Directors”) and the proposal of other business to be considered by the stockholders may be brought before an Annual Meeting (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation who was a stockholder of record at the time of giving of notice of the Annual Meeting provided for in this Bylaw, who is entitled to vote at the meeting, who is present (in person or by proxy) at the meeting and who complies with the notice procedures set forth in this Bylaw as to such nomination or business. For the avoidance of doubt, the foregoing clause (ii) shall be the exclusive means for a stockholder to bring nominations or business properly before an Annual Meeting (other than matters properly brought under Rule 14a-8 (or any successor rule) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), and such stockholder must comply with the notice and other procedures set forth in Article I, Sections 2(a)(2), (3) and (4) of this Bylaw to bring such nominations or business properly before an Annual Meeting. In addition to the other requirements set forth in this Bylaw, for any proposal of business to be considered at an Annual Meeting, it must be a proper subject for action by stockholders of the Corporation under Delaware law.

(2) For nominations or other business to be properly brought before an Annual Meeting by a stockholder pursuant to clause (ii) of Article I, Section 2(a)(1) of this Bylaw, the stockholder must (i) have given Timely Notice (as defined below) thereof in writing to the Secretary of the Corporation, (ii) have provided any updates or supplements to such notice at the times and in the forms required by this Bylaw and (iii) together with the beneficial owner(s), if any, on whose behalf the nomination or business proposal is made, have acted in accordance with the representations set forth in the Solicitation Statement (as defined below) required by this Bylaw. To be timely, a stockholder's written notice must be received by the Secretary at the principal executive offices of the Corporation not later than 5:00 p.m. Eastern time on the ninetieth (90th) day nor earlier than 5:00 p.m. Eastern Time on the one hundred twentieth (120th) day prior to the one-year anniversary of the preceding year's Annual Meeting; provided, however, that in the event the Annual Meeting is first convened more than thirty (30) days before or more than sixty (60) days after such anniversary date, or if no Annual Meeting was held in the preceding year, notice by the stockholder to be timely must be received by the Secretary of the Corporation not later than 5:00 p.m. Eastern time on the later of the ninetieth (90th) day prior to the scheduled date of such Annual Meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made (such notice within such time periods shall be referred to as "Timely Notice"). Such stockholder's Timely Notice shall set forth or include:

(A) as to each person whom the stockholder proposes to nominate for election or reelection as a director, (i) the name, age, business address and residence address of the nominee, (ii) the principal occupation or employment of the nominee, (iii) the class and number of shares of capital stock of the Corporation that are held of record or are beneficially owned by the nominee or its Affiliates or Associates (each as defined below) and any Synthetic Equity Interest (as defined below) held or beneficially owned by the nominee or its Affiliates or Associates, (iv) a description of all agreements, arrangements or understandings between or among the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nominations are to be made by the stockholder or concerning the nominee's potential service on the Board of Directors, (v) a questionnaire with respect to the background and qualifications of the nominee completed by the nominee in the form provided by the Corporation (which questionnaire shall be provided by the Secretary upon written request of any stockholder of record identified by name within five (5) business days of such written request), (vi) a representation and agreement in the form provided by the Corporation (which form shall be provided by the Secretary upon written request of any stockholder of record identified by name within five (5) business days of such written request) that: (a) such proposed nominee is not and will not become party to any agreement, arrangement or understanding with any person or entity as to how such proposed nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation in the questionnaire described in clause (v) herein; (b) such proposed nominee is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed to the Corporation in the questionnaire described in clause (v) herein; (c) such proposed nominee would, if elected as a director, comply with all applicable rules and regulations of the exchanges upon which shares of the Corporation's capital stock trade, each of the Corporation's corporate governance, ethics, conflict of interest, confidentiality, stock ownership and trading policies and guidelines applicable generally to the Corporation's directors and, if elected as a director of the Corporation, such person currently would be in compliance with any such policies and guidelines that have been publicly disclosed; (d) such proposed nominee intends to serve as a director for the full term for which he or she is to stand for election; and (e) such proposed nominee will promptly provide to the Corporation such other information as it may reasonably request to determine the eligibility of such proposed nominee to serve on any committee or sub-committee of the Board of Directors under any applicable stock exchange listing requirements or applicable law, or that the Board of Directors reasonably determines could be material to a reasonable stockholder's understanding of the background, qualifications, experience, independence, or lack thereof, of such proposed nominee; and (vii) any other information relating to such proposed nominee that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including, without limitation, such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected);

(B) as to any other business that the stockholder proposes to bring before the meeting: a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting, the text, if any, of any resolutions or Bylaw amendment proposed for adoption, and any material interest in such business of each Proposing Person (as defined below);

(C) (i) the name and address of the stockholder giving the notice, as they appear on the Corporation's books, and the names and addresses of the other Proposing Persons (if any) and (ii) as to each Proposing Person, the following information: (a) the class or series and number of all shares of capital stock of the Corporation that are, directly or indirectly, owned beneficially or of record by such Proposing Person or any of its Affiliates or Associates, including any shares of any class or series of capital stock of the Corporation as to which such Proposing Person or any of its Affiliates or Associates has a right to acquire beneficial ownership at any time in the future (whether or not such right is exercisable immediately or only after the passage of time or upon the satisfaction of any conditions or both) pursuant to any agreement, arrangement or understanding (whether or not in writing), (b) all Synthetic Equity Interests (as defined below) in which such Proposing Person or any of its Affiliates or Associates, directly or indirectly, holds an interest including a description of the material terms of each such Synthetic Equity Interest, including, without limitation, identification of the counterparty to each such Synthetic Equity Interest and disclosure, for each such Synthetic Equity Interest, as to (1) whether or not such Synthetic Equity Interest conveys any voting rights, directly or indirectly, in such shares to such Proposing Person or any of its Affiliates or Associates and (2) whether or not such Synthetic Equity Interest is required to be, or is capable of being, settled through delivery of such shares, (c) any proxy (other than a revocable proxy given in response to a public proxy solicitation made pursuant to, and in accordance with, the Exchange Act), agreement, arrangement, understanding or relationship pursuant to which such Proposing Person or any of its Affiliates or Associates has or shares a right to, directly or indirectly, vote any shares of any class or series of capital stock of the Corporation, (d) any rights to dividends or other distributions on the shares of any class or series of capital stock of the Corporation, directly or indirectly, owned beneficially by such Proposing Person or any of its Affiliates or Associates that are separated or separable from the underlying shares of the Corporation, (e) if such Proposing Person is not a natural person, the identity of the natural person or persons responsible for making voting and investment decisions (including director nominations and any other business that the stockholder proposes to bring before a meeting) on behalf of the Proposing Person (irrespective of whether such person or persons have "beneficial ownership" for purposes of Rule 13d-3 of the Exchange Act of any securities owned of record or beneficially by the Proposing Person) (such person or persons, the "Responsible Person"), (f) any pending or threatened litigation in which such Proposing Person or any of its Affiliates or Associates or any Responsible Person is a party involving the Corporation or any of its officers or directors, or any Affiliate of the Corporation, and (g) any other information relating to such Proposing Person or any of its Affiliates or Associates that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proposing Person in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act (the disclosures to be made pursuant to the foregoing clauses (a) through (g) are referred to, collectively, as "Material Ownership Interests"); provided, however, that the Material Ownership Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder of record directed to prepare and submit the notice required by these Bylaws on behalf of a beneficial owner;

(D) (i) a description of all agreements, arrangements or understandings to which any Proposing Person or any of its Affiliates or Associates is a party (whether the counterparty or counterparties are a Proposing Person or any Affiliate or Associate thereof, on the one hand, or one or more other third parties, on the other hand, (including any proposed nominee(s)) (a) pertaining to the nomination(s) or other business proposed to be brought before the meeting of stockholders or (b) entered into for the purpose of acquiring, holding, disposing or voting of any shares of any class or series of capital stock of the Corporation (which description shall identify the name of each other person who is party to such an agreement, arrangement or understanding) and (ii) identification of the names and addresses of other stockholders (including beneficial owners) known by any of the Proposing Persons to be providing financial support or meaningful assistance in furtherance of the nomination(s) or other business proposed to be brought before the meeting of stockholders and, to the extent known, the class and number of all shares of the Corporation's capital stock owned beneficially or of record by such other stockholder(s) or other beneficial owner(s); and

(E) a statement (i) that the stockholder is a holder of record of capital stock of the Corporation entitled to vote at such meeting, a representation that such stockholder intends to appear in person or by proxy at the meeting to propose such business or nominees and an acknowledgement that, if such stockholder (or a qualified representative of such stockholder) does not appear to present such business or proposed nominees, as applicable, at such meeting, the Corporation need not present such business or proposed nominees for a vote at such meeting, notwithstanding that proxies in respect of such vote may have been received by the Corporation, (ii) whether or not the stockholder giving the notice and/or the other Proposing Person(s), if any, (a) will deliver a proxy statement and form of proxy to holders of, in the case of a business proposal, at least the percentage of voting power of all of the shares of capital stock of the Corporation required under applicable law to approve the proposal or, in the case of a nomination or nominations, at least 67 percent of the voting power of all of the shares of capital stock of the Corporation entitled to vote on the election of directors or (b) otherwise solicit proxies or votes from stockholders in support of such proposal or nomination, as applicable, (iii) providing a representation as to whether or not such Proposing Person intends to solicit proxies in support of director nominees other than the Corporation's director nominees in accordance with Rule 14a-19 promulgated under the Exchange Act and (iv) that the stockholder will provide any other information relating to such item of business that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act (such statement, the "Solicitation Statement").

For purposes of this Article I, the term "Proposing Person" shall mean the following persons: (i) the stockholder of record providing the notice of nominations or business proposed to be brought before a stockholders' meeting and (ii) the beneficial owner(s), if different, on whose behalf the nominations or business proposed to be brought before a stockholders' meeting is made. For purposes of this Section 2, each of the terms "Affiliates" and "Associates" shall have the meaning attributed to such term in Rule 12b-2 under the Exchange Act. For purposes of this Section 2, the term "Synthetic Equity Interest" shall mean any transaction, agreement or arrangement (or series of transactions, agreements or arrangements), including, without limitation, any derivative, swap, hedge, repurchase or so-called "stock borrowing" or securities lending agreement or arrangement, the purpose or effect of which is to, directly or indirectly: (a) give a person or entity economic benefit and/or risk similar to ownership of shares of any class or series of capital stock of the Corporation, in whole or in part, including due to the fact that such transaction, agreement or arrangement provides, directly or indirectly, the opportunity to profit, or share in any profit, or avoid a loss from any increase or decrease in the value of any shares of any class or series of capital stock of the Corporation, (b) mitigate loss to, reduce the economic risk of, or manage the risk of share price changes for, any person or entity with respect to any shares of any class or series of capital stock of the Corporation, or (c) increase or decrease the voting power of any person or entity with respect to any shares of any class or series of capital stock of the Corporation.

(3) A stockholder providing Timely Notice of nominations or business proposed to be brought before an Annual Meeting shall further update and supplement such notice, if necessary, so that the information (including, without limitation, the Material Ownership Interests information) provided or required to be provided in such notice pursuant to this Bylaw shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to such Annual Meeting, and such update and supplement shall be received by the Secretary at the principal executive offices of the Corporation not later than 5:00 p.m. Eastern time on the fifth (5th) business day after the record date for the Annual Meeting (in the case of the update and supplement required to be made as of the record date), and not later than 5:00 p.m. Eastern time on the eighth (8th) business day prior to the date of the Annual Meeting (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting). For the avoidance of doubt, the obligation to update as set forth in this Section 2(a)(3) shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder, or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or nomination or to submit any new proposal, including by changing or adding nominees, matters, business and/or resolutions proposed to be brought before a meeting of the stockholders. Notwithstanding the foregoing, if a Proposing Person no longer plans to solicit proxies in accordance with its representation pursuant to Article I, Section 2(a)(2)(E), such Proposing Person shall inform the Corporation of this change by delivering a written notice to the Secretary at the principal executive offices of the Corporation no later than two (2) business days after making the determination not to proceed with a solicitation of proxies. A Proposing Person shall also update its notice so that the information required by Article I, Section 2(a)(2)(C) is current through the date of the meeting or any adjournment, postponement or rescheduling thereof, and such update shall be delivered in writing to the secretary at the principal executive offices of the Corporation no later than two (2) business days after the occurrence of any material change to the information previously disclosed pursuant to Article I, Section 2(a)(2)(C).

(4) Notwithstanding anything in the second sentence of Article I, Section 2(a)(2) of this Bylaw to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least ten (10) days before the last day a stockholder may deliver a notice of nomination in accordance with the second sentence of Article I, Section 2(a)(2), a stockholder's notice required by this Bylaw shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary of the Corporation not later than 5:00 p.m. Eastern time on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

(b) General.

(1) Only such persons who are nominated in accordance with the provisions of this Bylaw shall be eligible for election and to serve as directors, and only such business shall be conducted at an Annual Meeting as shall have been brought before the meeting in accordance with the provisions of this Bylaw or in accordance with Rule 14a-8 under the Exchange Act. The Board of Directors or a designated committee thereof shall have the power to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the provisions of this Bylaw. If neither the Board of Directors nor such designated committee makes a determination as to whether any stockholder proposal or nomination was made in accordance with the provisions of this Bylaw, the chair of the meeting (as defined in Section 9 of this Article I) shall have the power and duty to determine whether the stockholder proposal or nomination was made in accordance with the provisions of this Bylaw. If the Board of Directors or a designated committee thereof or the chair of the meeting, as applicable, determines that any stockholder proposal or nomination was not made in accordance with the provisions of this Bylaw, such proposal or nomination shall be disregarded and shall not be presented for action at the Annual Meeting.

(2) Except as otherwise required by law, nothing in this Article I, Section 2 shall obligate the Corporation or the Board of Directors to include in any proxy statement or other stockholder communication distributed on behalf of the Corporation or the Board of Directors information with respect to any nominee for director or any other matter of business submitted by a stockholder.

(3) Notwithstanding the foregoing provisions of this Article I, Section 2, if the nominating or proposing stockholder (or a qualified representative of the stockholder) does not appear at the Annual Meeting to present a nomination or any business, such nomination or business shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Article I, Section 2, to be considered a qualified representative of the proposing stockholder, a person must be authorized by a written instrument executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders, and such person must produce such written instrument or electronic transmission, or a reliable reproduction of the written instrument or electronic transmission, to the chair of the meeting at the meeting of stockholders.

(4) For purposes of this Bylaw, “public announcement” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission (“SEC”) pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(5) Notwithstanding the foregoing provisions of this Bylaw, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder, including, but not limited to, Rule 14a-19 of the Exchange Act, with respect to the matters set forth in this Bylaw. If a stockholder fails to comply with any applicable requirements of the Exchange Act, including, but not limited to, Rule 14a-19 promulgated thereunder, such stockholder’s proposed nomination or proposed business shall be deemed to have not been made in compliance with this Bylaw and shall be disregarded.

(6) Further notwithstanding the foregoing provisions of this Bylaw, unless otherwise required by law, (i) no Proposing Person shall solicit proxies in support of director nominees other than the Corporation’s nominees unless such Proposing Person has complied with Rule 14a-19 promulgated under the Exchange Act in connection with the solicitation of such proxies, including the provision to the Corporation of notices required thereunder with timely notice and (ii) if any Proposing Person (A) provides notice pursuant to Rule 14a-19(b) promulgated under the Exchange Act, (B) subsequently fails to comply with the requirements of Rule 14a-19(a)(2) or Rule 14a-19(a)(3) promulgated under the Exchange Act, including the provision to the Corporation of notices required thereunder with timely notice and (C) no other Proposing Person has provided notice pursuant to, and in compliance with, Rule 14a-19 under the Exchange Act that it intends to solicit proxies in support of the election of such proposed nominee in accordance with Rule 14a-19(b) under the Exchange Act, then such proposed nominee shall be disqualified from nomination, the Corporation shall disregard the nomination of such proposed nominee and no vote on the election of such proposed nominee shall occur. Upon request by the Corporation, if any Proposing Person provides notice pursuant to Rule 14a-19(b) promulgated under the Exchange Act, such Proposing Person shall deliver to the Corporation, no later than five (5) business days prior to the applicable meeting date, reasonable evidence that it has met the requirements of Rule 14a-19(a)(3) promulgated under the Exchange Act.

(7) The number of nominees a stockholder may nominate for election at the Annual Meeting (or in the case of a stockholder giving the notice on behalf of a beneficial owner, the number of nominees a stockholder may nominate for election at the Annual Meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such Annual Meeting. A stockholder may not designate any substitute nominees unless the stockholder provides timely notice of such substitute nominee(s) in accordance with these Bylaws (and such notice contains all of the information, representations, questionnaires and certifications with respect to such substitute nominee(s) that are required by the Bylaws with respect to nominees for director).

SECTION 3. Special Meetings. Except as otherwise required by statute and subject to the rights, if any, of the holders of any series of Preferred Stock, special meetings of the stockholders of the Corporation may be called only by or at the direction of the Board of Directors. The Board of Directors may postpone or reschedule any previously scheduled special meeting of stockholders. Only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders of the Corporation. Nominations of persons for election to the Board of Directors and stockholder proposals of other business shall not be brought before a special meeting of stockholders to be considered by the stockholders unless such special meeting is held in lieu of an annual meeting of stockholders in accordance with Article I, Section 1 of these Bylaws, in which case such special meeting in lieu thereof shall be deemed an Annual Meeting for purposes of these Bylaws and the provisions of Article I, Section 2 of these Bylaws shall govern such special meeting.

SECTION 4. Notice of Meetings; Adjournments.

(a) A notice of each Annual Meeting stating the hour, date and place, if any, of such Annual Meeting, the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, shall be given not less than ten (10) days nor more than sixty (60) days before the Annual Meeting, to each stockholder entitled to vote thereat by delivering such notice to such stockholder or by mailing it, postage prepaid, addressed to such stockholder at the address of such stockholder as it appears on the Corporation’s stock transfer books. Without limiting the manner by which notice may otherwise be given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the DGCL.

(b) Notice of all special meetings of stockholders shall be given in the same manner as provided for Annual Meetings, except that the notice of all special meetings shall also state the purpose or purposes for which the meeting has been called.

(c) Notice of an Annual Meeting or special meeting of stockholders need not be given to a stockholder if a waiver of notice is executed, or waiver of notice by electronic transmission is provided, before or after such meeting by such stockholder or if such stockholder attends such meeting, unless such attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened.

(d) The Board of Directors may postpone and reschedule or cancel any previously scheduled Annual Meeting or special meeting of stockholders and any record date with respect thereto, regardless of whether any notice or public disclosure with respect to any such meeting has been sent or made pursuant to Section 2 of this Article I or otherwise. In no event shall the public announcement of an adjournment, postponement or rescheduling of any previously scheduled meeting of stockholders commence a new time period for the giving of a stockholder's notice under this Article I.

(e) When any meeting is convened, the chair of the meeting or the stockholders present or represented by proxy at such meeting may adjourn the meeting from time to time for any reason, regardless of whether a quorum is present, to reconvene at any other time and at any place at which a meeting of stockholders may be held under these Bylaws. When any Annual Meeting or special meeting of stockholders is adjourned to another hour, date or place (including an adjournment taken to address a technical failure to convene or continue a meeting using remote communication), notice need not be given of the adjourned meeting if the time, place, if any, thereof and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are (i) announced at the meeting at which the adjournment is taken, (ii) displayed, during the time scheduled for the meeting, on the same electronic network used to enable stockholders and proxy holders to participate in the meeting by means of remote communication or (iii) set forth in the notice of meeting given in accordance with this Section 4; provided, however, that if the adjournment is for more than thirty (30) days from the meeting date, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting shall be given to each stockholder of record entitled to vote thereat and each stockholder who, by law or under the Certificate of Incorporation of the Corporation (as the same may hereafter be amended and/or restated, the "Certificate") or these Bylaws, is entitled to such notice.

SECTION 5. Quorum. Except as otherwise provided by law, the certificate of incorporation or these Bylaws, at each meeting of stockholders, the presence in person or by remote communication, if applicable, or represented by proxy, of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. If less than a quorum is present at a meeting, the chair of the meeting or the holders of voting stock, by the affirmative vote of a majority of the voting power present in person or by proxy and entitled to vote thereon, may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice, except as otherwise provided in Section 4 of this Article I. At such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed. The stockholders present at a duly constituted meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

SECTION 6. Voting and Proxies.

(a) The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Article IV, Section 4 of these Bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL. Stockholders shall have one vote for each share of stock entitled to vote owned by them of record according to the stock ledger of the Corporation as of the record date, unless otherwise provided by law or by the Certificate. Stockholders may vote either (i) in person, (ii) by written proxy or (iii) by a transmission permitted by Section 212(c) of the DGCL. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission permitted by Section 212(c) of the DGCL may be substituted for or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission. Proxies shall be filed in accordance with the procedures established for the meeting of stockholders. A proxy with respect to stock held in the name of two or more persons shall be valid if executed by or on behalf of any one of them unless at or prior to the exercise of the proxy the Corporation receives a specific written notice to the contrary from any one of them. In the event the Corporation receives proxies for disqualified or withdrawn nominees for the Board of Directors, such votes for such disqualified or withdrawn nominees in the proxies will be treated as abstentions.

(b) Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board of Directors.

SECTION 7. Action at Meeting. When a quorum is present at any meeting of stockholders, any matter before any such meeting (other than an election of a director or directors) shall be decided by a majority of the votes properly cast for and against such matter, except where a larger vote is required by law, by the Certificate or by these Bylaws. Any election of directors by stockholders shall be determined by a plurality of the votes properly cast on the election of directors.

SECTION 8. Stockholder Lists. The Corporation shall prepare, no later than the tenth (10th) day before each Annual Meeting or special meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder; provided, however, that if the record date for determining the stockholders entitled to vote is less than ten (10) days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth (10th) day before the meeting date. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting for a period of ten (10) days ending on the day before the meeting date in the manner provided by law.

SECTION 9. Conduct of Meeting. The Board of Directors may adopt by resolution such rules, regulations and procedures for the conduct of any meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with rules, regulations and procedures adopted by the Board of Directors, the chair of the meeting shall have the right to prescribe such rules, regulations and procedures and to do all such acts, as, in the judgment of such chair, are necessary, appropriate or convenient for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or the chair of the meeting, may include, without limitation, the following: (a) the establishment of an agenda for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present at the meeting; (c) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies, or such other persons as the chair of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; (e) the determination of the circumstances in which any person may make a statement or ask questions and limitations on the time allotted to questions or comments; (f) the determination of when the polls shall open and close for any given matter to be voted on at the meeting; (g) the exclusion or removal of any stockholders or any other individual who refuses to comply with meeting rules, regulations, or procedures; (h) restrictions on the use of audio and video recording devices, cell phones and other electronic devices; (i) rules, regulations and procedures for compliance with any federal, state or local laws or regulations (including those concerning safety, health or security); (j) procedures (if any) requiring attendees to provide the Corporation advance notice of their intent to attend the meeting; and (k) rules, regulations or procedures regarding the participation by means of remote communication of stockholders and proxy holders not physically present at a meeting, whether such meeting is to be held at a designated place or solely by means of remote communication. The chair of the meeting shall be: (i) such person as the Board of Directors shall have designated to preside over all meetings of the stockholders; (ii) if the Board of Directors has not so designated such a chair of the meeting or if the chair of the meeting is unable to so preside or is absent, then the Chairperson of the Board, if one is elected; (iii) if the Board of Directors has not so designated a chair of the meeting and there is no Chairperson of the Board, or if the chair of the meeting or the Chairperson of the Board is unable to so preside or is absent, then the Chief Executive Officer, if one is elected; or (iv) in the absence or inability to serve of any of the aforementioned persons, the President of the Corporation. Unless and to the extent determined by the Board of Directors or the chair of the meeting, the chair of the meeting shall not be obligated to adopt or follow any technical, formal or parliamentary rules or principles of procedure. In the absence of the Secretary of the Corporation, the secretary of the meeting shall be such person as the chair of the meeting appoints.

SECTION 10. Inspectors of Elections. The Corporation shall, in advance of any meeting of stockholders, appoint one or three inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the chair of the meeting shall appoint one or more inspectors to act at the meeting. Any inspector may, but need not, be an officer, employee or agent of the Corporation. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall perform such duties as are required by the DGCL, including the counting of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of the inspectors. The chair of the meeting may review all determinations made by the inspectors, and in so doing the chair of the meeting shall be entitled to exercise his or her sole judgment and discretion and he or she shall not be bound by any determinations made by the inspectors. All determinations by the inspectors and, if applicable, the chair of the meeting, shall be subject to further review by any court of competent jurisdiction.

ARTICLE II

Directors

SECTION 1. Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors, except as otherwise provided by the Certificate or required by law.

SECTION 2. Number and Terms. The number of directors of the Corporation shall be fixed solely and exclusively by resolution duly adopted from time to time by the Board of Directors, provided the Board of Directors shall consist of at least one (1) member. The directors shall hold office in the manner provided in the Certificate.

SECTION 3. Qualification. No director need be a stockholder of the Corporation.

SECTION 4. Vacancies. Vacancies in the Board of Directors shall be filled in the manner provided in the Certificate.

SECTION 5. Removal. Directors may be removed from office only in the manner provided in the Certificate or by applicable law.

SECTION 6. Resignation. A director may resign at any time by electronic transmission or by giving written notice to the Chairperson of the Board, if one is elected, the President or the Secretary. A resignation shall be effective upon receipt, unless the resignation otherwise provides.

SECTION 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such hour, date and place (if any) as the Board of Directors may from time to time determine and publicize by means of reasonable notice given to any director who is not present when such determination is made.

SECTION 8. Special Meetings. Special meetings of the Board of Directors may be called, orally or in writing, by or at the request of a majority of the directors, the Chairperson of the Board, if one is elected, or the President. The person calling any such special meeting of the Board of Directors may fix the hour, date and place (if any) thereof. Notice thereof shall be given to each director as provided in Section 9 of this Article II.

SECTION 9. Notice of Meetings. Notice of the hour, date and place (if any) of all special meetings of the Board of Directors shall be given to each director by the Secretary or an Assistant Secretary, or in case of the death, absence, incapacity or refusal of such persons, by the Chairperson of the Board, if one is elected, the President or such other officer designated by the Chairperson of the Board, if one is elected, or any one of the directors calling the meeting. Notice of any special meeting of the Board of Directors shall be given to each director in person, by telephone, or by facsimile, electronic mail or other form of electronic communication, sent to his or her business or home address, at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to his or her business or home address, at least forty-eight (48) hours in advance of the meeting provided, however, that if the person or persons calling the meeting determine that it is otherwise necessary or advisable to hold the meeting sooner, then such person or persons may prescribe a shorter time period for notice to be given personally or by telephone, facsimile, electronic mail or other similar means of communication. Such notice shall be deemed to be delivered when hand-delivered to such address; read to such director by telephone; deposited in the mail so addressed, with postage thereon prepaid, if mailed; or dispatched or transmitted if sent by facsimile transmission or by electronic mail or other form of electronic communication. A written waiver of notice signed or electronically transmitted before or after a meeting by a director and filed with the records of the meeting shall be deemed to be equivalent to notice of the meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because such meeting is not lawfully called or convened. Except as otherwise required by law, by the Certificate or by these Bylaws, neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 10. Quorum. At any meeting of the Board of Directors, a majority of the total number of directors shall constitute a quorum for the transaction of business, but if less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice. Any business that might have been transacted at the meeting as originally noticed may be transacted at such adjourned meeting at which a quorum is present. For purposes of this Article II, the total number of directors includes any unfilled vacancies on the Board of Directors.

SECTION 11. Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, the affirmative vote of a majority of the directors present shall constitute action by the Board of Directors, unless otherwise required by law, by the Certificate or by these Bylaws.

SECTION 12. Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission. After such action is taken, the writing or writings or electronic transmission or transmissions shall be filed with the records of the meetings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Such consent shall be treated as a resolution of the Board of Directors for all purposes.

SECTION 13. Manner of Participation. Directors may participate in meetings of the Board of Directors by means of video conference, conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting for purposes of these Bylaws.

SECTION 14. Presiding Director. The Board of Directors shall designate a representative to preside over all meetings of the Board of Directors, provided that if the Board of Directors does not so designate such a presiding director or such designated presiding director is unable to so preside or is absent, then the Chairperson of the Board, if one is elected, shall preside over all meetings of the Board of Directors. If both the designated presiding director, if one is so designated, and the Chairperson of the Board, if one is elected, are unable to preside or are absent, the Board of Directors shall designate an alternate representative to preside over a meeting of the Board of Directors.

SECTION 15. Committees. The Board of Directors may designate one or more committees, including, without limitation, a Compensation Committee, a Nominating & Corporate Governance Committee and an Audit Committee, and may delegate thereto some or all of its powers to such committee(s) except those which by law, by the Certificate or by these Bylaws may not be delegated. Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Board of Directors or in such rules, its business shall be conducted so far as possible in the same manner as is provided by these Bylaws for the Board of Directors. All members of such committees shall hold such offices at the pleasure of the Board of Directors. The Board of Directors may abolish any such committee at any time. Any committee to which the Board of Directors delegates any of its powers or duties shall keep records of its meetings.

SECTION 16. Compensation of Directors. Directors shall receive such compensation for their services as shall be determined by the Board of Directors, or a designated committee thereof, provided that directors who are serving the Corporation as employees shall not receive any salary or other compensation for their services as directors of the Corporation.

SECTION 17. Emergency Bylaws. In the event of any emergency, disaster, catastrophe or other similar emergency condition of a type described in Section 110(a) of the DGCL (an "Emergency"), notwithstanding any different or conflicting provisions in the DGCL, the Certificate or these Bylaws, during such Emergency:

(a) A meeting of the Board of Directors or a committee thereof may be called by any director, the Chairperson of the Board, the Chief Executive Officer, the President or the Secretary by such means as, in the judgment of the person calling the meeting, may be feasible at the time, and notice of any such meeting of the Board of Directors or any committee may be given, in the judgment of the person calling the meeting, only to such directors as it may be feasible to reach at the time and by such means as may be feasible at the time. Such notice shall be given at such time in advance of the meeting as, in the judgment of the person calling the meeting, circumstances permit.

(b) The director or directors in attendance at a meeting called in accordance with Section 17(a) of this Article II shall constitute a quorum.

(c) No officer, director or employee acting in accordance with this Section 17 shall be liable except for willful misconduct. No amendment, repeal or change to this Section 17 shall modify the prior sentence with regard to actions taken prior to the time of such amendment, repeal or change.

SECTION 18. Observers. The Corporation may agree to appoint one or more observers to the Board of Directors (each, an "Observer"). The terms of appointment of any Observer shall be at the discretion of the Board of Directors including with respect to entitlement, scope, and timing of communications, participation, and attendance. In no case shall an Observer be entitled to vote at any meeting of the Board of Directors.

ARTICLE III

Officers

SECTION 1. Enumeration. The officers of the Corporation shall consist of a President, a Treasurer, a Secretary and such other officers, including, without limitation, a Chairperson of the Board, a Chief Executive Officer and one or more Vice Presidents (including Executive Vice Presidents or Senior Vice Presidents), Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board of Directors may determine. Any number of offices may be held by the same person. The salaries and other compensation of the officers of the Corporation will be fixed by or in the manner designated by the Board of Directors or a committee thereof to which the Board of Directors has delegated such responsibility.

SECTION 2. Election. The Board of Directors shall elect the President, the Treasurer and the Secretary. Other officers may be elected by the Board of Directors or by such officers delegated such authority by the Board of Directors.

SECTION 3. Qualification. No officer need be a stockholder or a director.

SECTION 4. Tenure. Except as otherwise provided by the Certificate or by these Bylaws, each of the officers of the Corporation shall hold office until his or her successor is elected and qualified or until his or her earlier death, resignation or removal.

SECTION 5. Resignation and Removal. Any officer may resign by delivering his or her written or electronically transmitted resignation to the Corporation addressed to the President or the Secretary, and such resignation shall be effective upon receipt, unless the resignation otherwise provides. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party. Except as otherwise provided by law or by resolution of the Board of Directors, the Board of Directors may remove any officer. Except as the Board of Directors may otherwise determine, no officer who resigns or is removed shall have any right to any compensation as an officer for any period following his or her resignation or removal, or any right to damages on account of such removal, whether his or her compensation be by the month or by the year or otherwise, unless such compensation is expressly provided in a duly authorized written agreement with the Corporation.

SECTION 6. Absence or Disability. In the event of the absence or disability of any officer, the Board of Directors may designate another officer to act temporarily in place of such absent or disabled officer.

SECTION 7. Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

SECTION 8. President. The President shall, subject to the direction of the Board of Directors, have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 9. Chairperson of the Board. The Chairperson of the Board, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 10. Chief Executive Officer. The Chief Executive Officer, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 11. Vice Presidents and Assistant Vice Presidents. Any Vice President (including any Executive Vice President or Senior Vice President) and any Assistant Vice President shall have such powers and shall perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 12. Treasurer and Assistant Treasurers. The Treasurer shall, subject to the direction of the Board of Directors and except as the Board of Directors or the Chief Executive Officer may otherwise provide, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. The Treasurer shall have custody of all funds, securities and valuable documents of the Corporation. He or she shall have such other duties and powers as may be designated from time to time by the Board of Directors or the Chief Executive Officer. Any Assistant Treasurer shall have such powers and perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 13. Secretary and Assistant Secretaries. The Secretary shall record all the proceedings of the meetings of the stockholders and the Board of Directors (including committees of the Board of Directors) in books kept for that purpose. In his or her absence from any such meeting, a temporary secretary chosen at the meeting shall record the proceedings thereof. The Secretary shall have charge of the stock ledger (which may, however, be kept by any transfer or other agent of the Corporation). The Secretary shall have custody of the seal of the Corporation, and the Secretary or an Assistant Secretary shall have authority to affix it to any instrument requiring it, and, when so affixed, the seal may be attested by his or her signature or that of an Assistant Secretary. The Secretary shall have such other duties and powers as may be designated from time to time by the Board of Directors or the Chief Executive Officer. In the absence of the Secretary, any Assistant Secretary may perform his or her duties and responsibilities. Any Assistant Secretary shall have such powers and perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 14. Other Powers and Duties. Subject to these Bylaws and to such limitations as the Board of Directors may from time to time prescribe, the officers of the Corporation shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as from time to time may be conferred by the Board of Directors or the Chief Executive Officer.

SECTION 15. Representation of Shares of Other Corporations. The Chairperson of the Board, the President, any Vice President, the Treasurer, the Secretary or Assistant Secretary of this Corporation, or any other person authorized by the Board of Directors or the President or a Vice President, is authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all securities of any other entity or entities standing in the name of this Corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

SECTION 16. Bonded Officers. The Board of Directors may require any officer to give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors upon such terms and conditions as the Board of Directors may specify, including, without limitation, a bond for the faithful performance of his or her duties and for the restoration to the Corporation of all property in his or her possession or under his or her control belonging to the Corporation.

ARTICLE IV

Capital Stock

SECTION 1. Certificates of Stock. Each stockholder shall be entitled to a certificate of the capital stock of the Corporation in such form as may from time to time be prescribed by the Board of Directors. Such certificate shall be signed by any two authorized officers of the Corporation. The Corporation seal and the signatures by the Corporation's officers, the transfer agent or the registrar may be facsimiles. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. Notwithstanding anything to the contrary provided in these Bylaws, the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares (except that the foregoing shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation), and by the approval and adoption of these Bylaws, the Board of Directors has determined that all classes or series of the Corporation's stock may be uncertificated, whether upon original issuance, re-issuance or subsequent transfer.

SECTION 2. Transfers. Subject to any restrictions on transfer and unless otherwise provided by the Board of Directors, shares of stock that are represented by a certificate may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate therefor properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require. Shares of stock that are not represented by a certificate may be transferred on the books of the Corporation by submitting to the Corporation or its transfer agent such evidence of transfer and following such other procedures as the Corporation or its transfer agent may require.

SECTION 3. Stock Transfer Agreements. The Corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

SECTION 4. Record Holders. Except as may otherwise be required by law, by the Certificate or by these Bylaws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these Bylaws.

SECTION 5. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders, shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting and (b) in the case of any other action, shall not be more than sixty (60) days prior to such other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at 5:00 p.m. Eastern time on the day next preceding the day on which notice is given, or, if notice is waived, at 5:00 p.m. Eastern time on the day next preceding the day on which the meeting is held; and (ii) the record date for determining stockholders for any other purpose shall be 5:00 p.m. Eastern time on the day on which the Board of Directors adopts the resolution relating thereto.

SECTION 6. Replacement of Certificates. In case of the alleged loss, destruction or mutilation of a certificate of stock of the Corporation, a duplicate certificate may be issued in place thereof, upon such terms as the Board of Directors may prescribe.

SECTION 7. Lock-Up.

(a) Subject to Section 7(b) of this Article IV, the holders (the “Lock-up Holders”) of common stock of the Corporation, par value of \$0.00001 per share (“Common Stock”), including (1) the shares of Common Stock designated as Series A Common Stock (“Series A Common Stock”) and Series B Common Stock, issued (i) as consideration pursuant to the merger of Factorial Inc., a Delaware corporation (“Factorial”), with and into Fenway MS, Inc., a Delaware corporation and a direct, wholly owned subsidiary of the Corporation (“Merger Sub”) (the “Factorial Transaction”), pursuant to that certain Business Combination Agreement, dated as of December 17, 2025 (as amended, the “Business Combination Agreement”), by and among Factorial, the Corporation, and Merger Sub, or (ii) upon the settlement or exercise of warrants, stock options, restricted stock units or other equity awards assumed, continued or substituted by the Corporation pursuant to the Business Combination Agreement (such awards, the “Equity Awards” and such shares, the “Factorial Equity Award Shares”) and (2) the Sponsor Shares, shall not, without the prior written consent of the Board of Directors, Transfer any Lock-up Shares until the end of the Lock-up Period (the “Lock-up”).

(b) The restrictions set forth in Section 7(a) of this Article IV shall not apply to:

(1) a Transfer to the Corporation’s officers or directors, any affiliate or family members of the Corporation’s officers or directors, any members or partners of such Lock-up Holder or their affiliates, any affiliates of such Lock-up Holder, or any employees of such affiliates;

(2) in the case of an individual, a Transfer by gift to a member of the individual’s immediate family (as defined below), or to a trust, the beneficiary of which is the individual or a member of the individual’s immediate family or an affiliate of such person, or to a charitable organization;

(3) in the case of an individual, Transfers by virtue of laws of descent and distribution upon death of the individual;

(4) in the case of an individual, Transfers by operation of law or pursuant to a qualified domestic relations order;

(5) in the case of an individual, Transfers to a partnership, limited liability company or other entity of which the undersigned and/or the immediate family (as defined below) of the undersigned are the legal and beneficial owner of all of the outstanding equity securities or similar interests;

- (6) in the case of an entity, Transfers to any direct or indirect partners, members or equity holders of such entity, or any related investment funds or vehicles controlled or managed by such persons or entities or their respective affiliates;
- (7) in the case of an entity that is a trust, Transfers to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust;
- (8) in the case of an entity, Transfers by virtue of the laws of the entity's jurisdiction of formation or incorporation or the entity's organizational documents upon dissolution of the entity;
- (9) Transfers to any other Lock-up Holders, any affiliates of such other Lock-up Holders or their Permitted Transferees or any related investment funds or vehicles controlled or managed by such persons or entities or their respective affiliates;
- (10) the exercise of Equity Awards, stock options or warrants to purchase shares of Common Stock or the vesting of stock awards of Common Stock (including Factorial Equity Award Shares) and any related transfer of shares to the Corporation in connection therewith (1) deemed to occur upon the "cashless" or "net" exercise of such options or warrants or (2) for the purpose of paying the exercise price of such options or warrants or for paying taxes due as a result of the exercise of such options or warrants, the vesting of such options, warrants or stock awards, or as a result of the vesting of such shares, it being understood that all shares received upon such exercise, vesting or transfer will remain subject to the restrictions set forth in Section 7(a) of this Article IV during the Lock-Up Period;
- (11) Transfers to the Corporation pursuant to any contractual arrangement in effect at the Closing (as such term is defined in the Business Combination Agreement) that provides for the repurchase by the Corporation or forfeiture of Equity Awards, Common Stock or other securities convertible into or exercisable or exchangeable for Common Stock in connection with the termination of such Lock-up Holder's service to the Corporation;
- (12) the entry, by the Lock-up Holder, at any time after the Closing (as such term is defined in the Business Combination Agreement), of any trading plan providing for the sale of shares held by the Lock-up Holder, which trading plan meets the requirements of Rule 10b5-1(c) under the Exchange Act, provided, however, that such plan does not provide for, or permit, the sale of any shares during the Lock-Up Period; and
- (13) Transfers in connection with a liquidation, merger, stock exchange, reorganization, tender offer approved by the Board of Directors or a duly authorized committee thereof or other similar transaction which results in all of the Corporation's stockholders having the right to exchange their shares of Common Stock for cash, securities or other property subsequent to the Closing Date (as such term is defined in the Business Combination Agreement).

provided, however, that in any such case, it shall be a condition to such Transfer that each Permitted Transferee execute and deliver to the Corporation an agreement in form and substance satisfactory to the Corporation stating that such Transferee will not engage in any activities restricted under this Section 7 (as if such transferee had been an original Lock-up Holder hereto).

For purposes of this Section 7(b) of Article IV, "immediate family" shall mean a spouse, domestic partner, child (including by adoption), father, mother, brother or sister of the undersigned, and lineal descendant (including by adoption) of the undersigned or of any of the foregoing persons; and "affiliate" shall have the meaning set forth in Rule 405 under the Securities Act of 1933, as amended (the "Securities Act").

For the avoidance of doubt, each Lock-up Holder shall retain all of its rights as a stockholder of the Corporation with respect to the Lock-up Shares during the Lock-Up Period, including the right to vote any Lock-up Shares that are entitled to vote.

In furtherance of the foregoing, the Corporation, and any duly appointed transfer agent for the registration or transfer of the securities described therein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this restriction, and such purported Transfer shall be null and void ab initio. In addition, during the Lock-Up Period, each certificate or book-entry position evidencing the Lock-Up Shares shall be marked with a legend in substantially the following form, in addition to any other applicable legends:

“THE SECURITIES REPRESENTED HEREBY ARE SUBJECT TO RESTRICTIONS ON TRANSFER SET FORTH IN THE ISSUER’S BYLAWS. A COPY OF SUCH BYLAWS WILL BE FURNISHED WITHOUT CHARGE BY THE ISSUER TO THE HOLDER HEREOF UPON WRITTEN REQUEST.”

(c) Notwithstanding the other provisions set forth in this Section 7 of this Article IV, the Board of Directors may, in its sole discretion, determine to waive, amend, or repeal the Lock-up obligation set forth herein.

(d) For purposes of this Section 7 of this Article IV:

(1) the term “First Trading Price Condition” means that the VWAP of the Series A Common Stock for the period of 20 Trading Days ending on the Trading Day immediately prior to the date of determination equals or exceeds \$12.00;

(2) the term “Lock-up Period” means the period beginning on the Closing Date (as such term is defined in the Business Combination Agreement) and ending (i) with respect to 25% of the Lock-Up Shares (the “Six-Month Lock-Up Shares”), on the date one hundred and eighty (180) days after the Closing Date (as such term is defined in the Business Combination Agreement) (the “Six-Month Lock-Up Date”), (ii) with respect to 25% of the Lock-Up Shares (the “Nine-Month Lock-Up Shares”), on the date two hundred and seventy (270) days after the Closing Date (the “Nine-Month Lock-Up Date”) and (iii) with respect to 50% of the Lock-Up Shares (the “One Year Lock-Up Shares”), on the first anniversary of the Closing Date (the “One Year Lock-Up Date” and each of the Six-Month Lock-Up Date, the Nine-Month Lock-Up Date and the One Year Lock-Up Date, a “Lock-Up Termination Date”)); provided, however, that, on the date on which any Trading Price Condition is satisfied (an “Early Release Date”), the Lock-Up Period shall terminate with respect to one-third (1/3) of the Lock-Up Shares (“Early Release Lock-Up Shares”), with such Early Release Lock-Up Shares allocated first among the Lock-Up Shares with the earliest Lock-Up Termination Date that has not yet occurred and successively to each remaining tranche of Lock-Up Shares in chronological order. For example, if the First Trading Price Condition is satisfied prior to the Six-Month Lock-Up Date, then, on the related Early Release Date, the Lock-Up Period shall terminate with respect to all of the Six-Month Lock-Up Shares (1/4 of the aggregate Lock-Up Shares) and shall terminate with respect to one-third (1/3) of the Nine-Month Lock-Up Shares (1/12 of the aggregate Lock-Up Shares), but, if the First Trading Price Condition is satisfied after the Six-Month Lock-Up Date and prior to the Nine-Month Lock-Up Date, then, on the related Early Release Date, the Lock-Up Period shall terminate with respect to all of the Nine-Month Lock-Up Shares and shall terminate with respect to one-sixth (1/6) of the One Year Lock-Up Shares;

(3) the term “Lock-up Shares” means the shares of Common Stock issued as consideration in the Factorial Transaction pursuant to the Business Combination Agreement, the Sponsor Shares, and the Factorial Equity Award Shares, except, with respect to each Lock-up Holder, 750 of the shares of Common Stock held by such Lock-Up Holder (or such lesser number as applicable); provided, that, for clarity, shares of Common Stock issued in connection with the Domestication (as defined in the Business Combination Agreement) (other than the Sponsor Shares) or the PIPE Financing (as defined in the Business Combination Agreement) shall not constitute Lock-up Shares; and provided further, that shares of Common Stock acquired upon the cash exercise of Equity Awards, stock options or warrants to purchase shares of Common Stock shall not constitute Lock-up Shares; and provided further, that shares of Common Stock acquired in the public market shall not constitute Lock-up Shares; and provided finally that shares of Common Stock acquired pursuant to a transaction exempt from registration under the Securities Act or pursuant to a subscription agreement where the issuance of Common Stock occurs on or after the closing of the Factorial Transaction shall not constitute Lock-up Shares;

(4) the term “Permitted Transferees” means, prior to the expiration of the Lock-up Period, any person or entity to whom such Lock-up Holder is permitted to transfer such shares of Common Stock prior to the expiration of the Lock-up Period pursuant to Section 7(b) of this Article IV;

(5) the term “Principal Market” means, as of any time of determination, the principal trading market, if any, in which the shares of Series A Common Stock then trade;

(6) the term “Second Trading Price Condition” means that the VWAP of the Series A Common Stock for the period of 20 Trading Days ending on the Trading Day immediately prior to the date of determination equals or exceeds \$14.00;

(7) the term “Sponsor Shares” means 6,800,000 shares of Series A Common Stock issued in connection with the Domestication (as defined in the Business Combination Agreement) to CGC III Sponsor LLC, a Cayman Islands limited liability company;

(8) the term “Third Trading Price Condition” means that the VWAP of the Series A Common Stock for the period of 20 Trading Days ending on the Trading Day immediately prior to the date of determination equals or exceeds \$16.00;

(9) the term “Trading Day” means any day on which the Series A Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Series A Common Stock, then on the principal securities exchange or securities market on which the Series A Common Stock is then traded, provided that “Trading Day” shall not include any day on which the Series A Common Stock is scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Series A Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00 p.m., New York time);

(10) the term “Trading Price Conditions” means each of the “First Trading Price Condition,” the “Second Trading Price Condition” and the “Third Trading Price Condition”;

(11) the term “Transfer” means (A) sell, offer to sell, contract or agree to sell, assign, transfer (including by operation of law), hypothecate, pledge, distribute, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, file (or participate in the filing of) a registration statement with the SEC or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act with respect to, any Lock-up Shares, (B) deposit any Lock-up Shares into a voting trust or enter into a voting agreement or arrangement or grant any proxy or power of attorney with respect thereto that is inconsistent with these Bylaws, (C) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Lock-up Shares, whether any such transaction is to be settled by delivery of such Lock-up Shares, in cash or otherwise, or (D) publicly announce any intention to effect any transaction specified in clauses (A) through (C); and

(12) the term “VWAP” means the dollar volume-weighted average price for the Series A Common Stock on the Principal Market (or, if the Principal Market is not the principal trading market for such security, then on the principal securities exchange or securities market on which such security is then traded), during the period beginning at 9:30 a.m., New York time, and ending at 4:00 p.m., New York time, as reported by Bloomberg, L.P. (“Bloomberg”) through its “VAP” function (set to 09:30 start time and 16:00 end time) or, if the foregoing does not apply, the dollar volume-weighted average price of the Series A Common Stock in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30 a.m., New York time, and ending at 4:00 p.m., New York time, as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for the Series A Common Stock by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for the Series A Common Stock as reported in The Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices). All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination, recapitalization or other similar transaction during such period.

ARTICLE V

Indemnification

SECTION 1. Definitions. For purposes of this Article V:

(a) “Corporate Status” describes the status of a person who is serving or has served (i) as a Director of the Corporation, (ii) as an Officer of the Corporation, (iii) as a Non-Officer Employee of the Corporation or (iv) as a director, partner, trustee, officer, employee or agent of any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, foundation, association, organization or other legal entity which such person is or was serving at the request of the Corporation. For purposes of this Section 1(a), a Director, Officer or Non-Officer Employee of the Corporation who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Corporation. Notwithstanding the foregoing, “Corporate Status” shall not include the status of a person who is serving or has served as a director, officer, employee or agent of a constituent corporation absorbed in a merger or consolidation transaction with the Corporation with respect to such person’s activities prior to said transaction, unless specifically authorized by the Board of Directors or the stockholders of the Corporation;

(b) “Director” means any person who serves or has served the Corporation as a director on the Board of Directors of the Corporation;

(c) “Disinterested Director” means, with respect to each Proceeding in respect of which indemnification is sought hereunder, a Director of the Corporation who is not and was not a party to such Proceeding;

(d) “Expenses” means all attorneys’ fees, retainers, court costs, transcript costs, fees of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), travel expenses, duplicating costs, printing and binding costs, costs of preparation of demonstrative evidence and other courtroom presentation aids and devices, costs incurred in connection with document review, organization, imaging and computerization, telephone charges, postage, delivery service fees, and all other disbursements, costs or expenses of the type customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settling or otherwise participating in, a Proceeding;

(e) “Liabilities” means judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement;

(f) “Non-Officer Employee” means any person who serves or has served as an employee or agent of the Corporation, but who is not or was not a Director or Officer;

(g) “Officer” means any person who serves or has served the Corporation as an officer of the Corporation appointed by the Board of Directors of the Corporation;

(h) “Proceeding” means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, inquiry, investigation, administrative hearing or other proceeding, whether civil, criminal, administrative, arbitral or investigative; and

(i) “Subsidiary” means any corporation, partnership, limited liability company, joint venture, trust or other entity of which the Corporation owns (either directly or through or together with another Subsidiary of the Corporation) either (i) a general partner, managing member or other similar interest or (ii) (A) fifty percent (50%) or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other entity, or (B) fifty percent (50%) or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other entity.

SECTION 2. Indemnification of Directors and Officers.

(a) Subject to the operation of Section 4 of this Article V, each Director and Officer shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), and to the extent authorized in this Section 2.

(1) Actions, Suits and Proceedings Other than By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses and Liabilities that are incurred or paid by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein (other than an action by or in the right of the Corporation), which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(2) Actions, Suits and Proceedings By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses that are incurred by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein by or in the right of the Corporation, which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, that no indemnification shall be made under this Section 2(a)(2) in respect of any claim, issue or matter as to which such Director or Officer shall have been finally adjudged by a court of competent jurisdiction to be liable to the Corporation, unless, and only to the extent that, the Court of Chancery of the State of Delaware or another court in which such Proceeding was brought shall determine upon application that, despite adjudication of liability, but in view of all the circumstances of the case, such Director or Officer is fairly and reasonably entitled to indemnification for such Expenses that such court deems proper.

(3) Survival of Rights. The rights of indemnification provided by this Section 2 shall continue as to a Director or Officer after he or she has ceased to be a Director or Officer and shall inure to the benefit of his or her heirs, executors, administrators and personal representatives.

(4) Actions by Directors or Officers. Notwithstanding the foregoing, the Corporation shall indemnify any Director or Officer seeking indemnification in connection with a Proceeding initiated by such Director or Officer only if such Proceeding (including any parts of such Proceeding not initiated by such Director or Officer) was authorized in advance by the Board of Directors, unless such Proceeding was brought to enforce such Officer's or Director's rights to indemnification or, in the case of Directors, advancement of Expenses under these Bylaws in accordance with the provisions set forth herein.

SECTION 3. Indemnification of Non-Officer Employees. Subject to the operation of Section 4 of this Article V, each Non-Officer Employee may, in the discretion of the Board of Directors, be indemnified by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against any or all Expenses and Liabilities that are incurred by such Non-Officer Employee or on such Non-Officer Employee's behalf in connection with any threatened, pending or completed Proceeding, or any claim, issue or matter therein, which such Non-Officer Employee is, or is threatened to be made, a party to or participant in by reason of such Non-Officer Employee's Corporate Status, if such Non-Officer Employee acted in good faith and in a manner such Non-Officer Employee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The rights of indemnification provided by this Section 3 shall exist as to a Non-Officer Employee after he or she has ceased to be a Non-Officer Employee and shall inure to the benefit of his or her heirs, personal representatives, executors and administrators. Notwithstanding the foregoing, the Corporation may indemnify any Non-Officer Employee seeking indemnification in connection with a Proceeding initiated by such Non-Officer Employee only if such Proceeding was authorized in advance by the Board of Directors.

SECTION 4. Determination. Unless ordered by a court, no indemnification shall be provided pursuant to this Article V to a Director, to an Officer or to a Non-Officer Employee unless a determination shall have been made that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal Proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. Such determination shall be made by (a) a majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, (b) a committee comprised of Disinterested Directors, such committee having been designated by a majority vote of the Disinterested Directors (even though less than a quorum), (c) if there are no such Disinterested Directors, or if a majority of Disinterested Directors so directs, by independent legal counsel in a written opinion or (d) by the stockholders of the Corporation.

SECTION 5. Advancement of Expenses to Directors Prior to Final Disposition.

(a) The Corporation shall advance all Expenses incurred by or on behalf of any Director in connection with any Proceeding in which such Director is involved by reason of such Director's Corporate Status within thirty (30) days after the receipt by the Corporation of a written statement from such Director requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Director and shall be preceded or accompanied by an undertaking by or on behalf of such Director to repay any Expenses so advanced if it shall ultimately be determined that such Director is not entitled to be indemnified against such Expenses. Notwithstanding the foregoing, the Corporation shall advance all Expenses incurred by or on behalf of any Director seeking advancement of expenses hereunder in connection with a Proceeding initiated by such Director only if such Proceeding (including any parts of such Proceeding not initiated by such Director) was (i) authorized by the Board of Directors or (ii) brought to enforce such Director's rights to indemnification or advancement of Expenses under these Bylaws.

(b) If a claim for advancement of Expenses hereunder by a Director is not paid in full by the Corporation within thirty (30) days after receipt by the Corporation of documentation of Expenses and the required undertaking, such Director may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, such Director shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel or stockholders) to make a determination concerning the permissibility of such advancement of Expenses under this Article V shall not be a defense to an action brought by a Director for recovery of the unpaid amount of an advancement claim and shall not create a presumption that such advancement is not permissible. The burden of proving that a Director is not entitled to an advancement of expenses shall be on the Corporation.

(c) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Director has not met any applicable standard for indemnification set forth in the DGCL.

SECTION 6. Advancement of Expenses to Officers and Non-Officer Employees Prior to Final Disposition.

(a) The Corporation may, at the discretion of the Board of Directors, advance any or all Expenses incurred by or on behalf of any Officer or any Non-Officer Employee in connection with any Proceeding in which such person is involved by reason of his or her Corporate Status as an Officer or Non-Officer Employee upon the receipt by the Corporation of a statement or statements from such Officer or Non-Officer Employee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Officer or Non-Officer Employee and shall be preceded or accompanied by an undertaking by or on behalf of such person to repay any Expenses so advanced if it shall ultimately be determined that such Officer or Non-Officer Employee is not entitled to be indemnified against such Expenses.

(b) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Officer or Non-Officer Employee has not met any applicable standard for indemnification set forth in the DGCL.

SECTION 7. Contractual Nature of Rights.

(a) The provisions of this Article V shall be deemed to be a contract between the Corporation and each Director and Officer entitled to the benefits hereof at any time while this Article V is in effect, in consideration of such person's past or current and any future performance of services for the Corporation. Neither amendment, repeal or modification of any provision of this Article V nor the adoption of any provision of the Certificate inconsistent with this Article V shall eliminate or reduce any right conferred by this Article V in respect of any act or omission occurring, or any cause of action or claim that accrues or arises or any state of facts existing, at the time of or before such amendment, repeal, modification or adoption of an inconsistent provision (even in the case of a proceeding based on such a state of facts that is commenced after such time), and all rights to indemnification and advancement of Expenses granted herein or arising out of any act or omission shall vest at the time of the act or omission in question, regardless of when or if any proceeding with respect to such act or omission is commenced. The rights to indemnification and to advancement of expenses provided by, or granted pursuant to, this Article V shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributees of such person.

(b) If a claim for indemnification hereunder by a Director or Officer is not paid in full by the Corporation within sixty (60) days after receipt by the Corporation of a written claim for indemnification, such Director or Officer may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, such Director or Officer shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel or stockholders) to make a determination concerning the permissibility of such indemnification under this Article V shall not be a defense to an action brought by a Director or Officer for recovery of the unpaid amount of an indemnification claim and shall not create a presumption that such indemnification is not permissible. The burden of proving that a Director or Officer is not entitled to indemnification shall be on the Corporation.

(c) In any suit brought by a Director or Officer to enforce a right to indemnification hereunder, it shall be a defense that such Director or Officer has not met any applicable standard for indemnification set forth in the DGCL.

SECTION 8. Non-Exclusivity of Rights. The rights to indemnification and to advancement of Expenses set forth in this Article V shall not be exclusive of any other right that any Director, Officer or Non-Officer Employee may have or hereafter acquire under any statute, provision of the Certificate or these Bylaws, agreement, vote of stockholders or Disinterested Directors or otherwise.

SECTION 9. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer or Non-Officer Employee against any liability of any character asserted against or incurred by the Corporation or any such Director, Officer or Non-Officer Employee, or arising out of any such person's Corporate Status, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL or the provisions of this Article V.

SECTION 10. Other Indemnification. The Corporation's obligation, if any, to indemnify or provide advancement of Expenses to any person under this Article V as a result of such person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount such person may collect as indemnification or advancement of Expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or enterprise (the "Primary Indemnitor"). Any indemnification or advancement of Expenses under this Article V owed by the Corporation as a result of a person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall only be in excess of, and shall be secondary to, the indemnification or advancement of Expenses available from the applicable Primary Indemnitor(s) and any applicable insurance policies.

SECTION 11. Savings Clause. If this Article V or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each indemnitee as to any expenses (including, without limitation, attorneys' fees), liabilities, losses, judgments, fines (including, without limitation, excise taxes and penalties arising under the Employee Retirement Income Security Act of 1974, as amended) and amounts paid in settlement in connection with any action, suit, proceeding or investigation, whether civil, criminal or administrative, including, without limitation, an action by or in the right of the Corporation, to the fullest extent permitted by any applicable portion of this Article V that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE VI

Miscellaneous Provisions

SECTION 1. Fiscal Year. The fiscal year of the Corporation shall be determined by the Board of Directors.

SECTION 2. Seal. The Board of Directors shall have power to adopt and alter the seal of the Corporation.

SECTION 3. Execution of Instruments. All deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director action may be executed on behalf of the Corporation by the Chairperson of the Board, if one is elected, the President, the Chief Executive Officer or the Treasurer or any other officer, employee or agent of the Corporation as the Board of Directors or an executive committee of the Board of Directors may authorize or determine.

SECTION 4. Voting of Securities. Unless the Board of Directors otherwise provides, the Chairperson of the Board, if one is elected, the President or the Treasurer may waive notice of, and act on behalf of the Corporation, or appoint another person or persons to act as proxy or attorney in fact for the Corporation with or without discretionary power and/or power of substitution, at any meeting of stockholders or stockholders of any other corporation or organization, any of whose securities are held by the Corporation.

SECTION 5. Resident Agent. The Board of Directors may appoint a resident agent upon whom legal process may be served in any action or proceeding against the Corporation.

SECTION 6. Corporate Records. The original or attested copies of the Certificate, Bylaws and records of all meetings of the incorporators, stockholders and the Board of Directors and the stock transfer books, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, may be kept outside the State of Delaware and shall be kept at the principal office of the Corporation, at an office of its counsel, at an office of its transfer agent or in such manner as may be permitted by law.

SECTION 7. Certificate. All references in these Bylaws to the Certificate shall be deemed to refer to the Certificate, as amended and/or restated and in effect from time to time.

SECTION 8. Exclusive Jurisdiction of Delaware Courts or the United States Federal District Courts. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of, or a claim based on, a breach of a fiduciary duty owed by any current or former director, officer or other employee or stockholder of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or the Certificate or these Bylaws (including the interpretation, validity or enforceability thereof) or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action asserting a claim governed by the internal affairs doctrine; provided, however, that this sentence will not apply to any causes of action arising under the Securities Act or the Exchange Act, or to any claim for which the federal courts have exclusive jurisdiction. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act, the Exchange Act, or the respective rules and regulations promulgated thereunder. To the fullest extent permitted by law, any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Section 8.

SECTION 9. Amendment of Bylaws.

(a) Amendment by Directors. Except as otherwise required by law, these Bylaws may be amended or repealed by the Board of Directors by the affirmative vote of a majority of the directors then in office (so long as a quorum is present).

(b) Amendment by Stockholders. Except as otherwise provided herein, the Bylaws of the Corporation may be amended or repealed at any annual meeting of stockholders, or at any special meeting of stockholders called for such purpose, by the affirmative vote of the holders of not less than two-thirds (2/3) of the voting power of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class; provided, however, that if the Board of Directors recommends that stockholders approve such amendment or repeal at such meeting of stockholders, such amendment or repeal shall only require the affirmative vote of the majority of the voting power of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class.

SECTION 10. Notices. If mailed, notice to stockholders shall be deemed given when deposited in the mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation. Without limiting the manner by which notice otherwise may be given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the DGCL.

SECTION 11. Waivers. A written waiver of any notice, signed by a stockholder or director, or waiver by electronic transmission by such person, whether given before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such person. Neither the business to be transacted at, nor the purpose of, any meeting need be specified in such a waiver.

Adopted June 5, 2026 and effective as of June 5, 2026.

**FACTORIAL ENERGY INC.
INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE
SERIES A COMMON STOCK**

This Certifies that _____
is the owner of _____
FULLY PAID AND NON-ASSESSABLE SHARES OF SERIES A COMMON STOCK, PAR VALUE OF \$0.00001 PER SHARE, OF

**FACTORIAL ENERGY INC.
(THE "COMPANY")**

transferable on the books of the Company in person or by duly authorized attorney upon surrender of this certificate properly endorsed.

This certificate is not valid unless countersigned by the Transfer Agent and registered by the Registrar.

Witness the seal of the Company and the facsimile signatures of its duly authorized officers.

Secretary	[Corporate Seal] Delaware	Chief Executive Officer
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FACTORIAL ENERGY INC.

The Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof of the Company and the qualifications, limitations, or restrictions of such preferences and/or rights. This certificate and the shares represented hereby are issued and shall be held subject to all the provisions of the Company's certificate of incorporation and all amendments thereto and resolutions of the Board of Directors providing for the issue of securities (copies of which may be obtained from the secretary of the Company), to all of which the holder of this certificate by acceptance hereof assents.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM -- as tenants in common
- TEN ENT -- as tenants by the entireties
- JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT --	_____ (Cust)	Custodian	_____ (Minor)
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Under Uniform Gifts to Minors Act

(State)

Additional abbreviations may also be used though not in the above list.

For value received, _____ hereby sells, assigns and transfers unto

(PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER(S) OF ASSIGNEE(S))
(PLEASE PRINT OR TYPEWRITE NAME(S) AND ADDRESS(ES), INCLUDING ZIP CODE, OF ASSIGNEE(S))

Shares of the capital stock represented by the within Certificate, and does hereby irrevocably constitute and appoint Attorney to transfer the said shares on the books of the within named Company with full power of substitution in the premises.

AMENDED AND RESTATED WARRANT AGREEMENT

This **AMENDED AND RESTATED WARRANT AGREEMENT** (this “**Agreement**”), dated as of June 5, 2026, is by and between Factorial Energy Inc. a Delaware corporation (the “**Company**”), and Continental Stock Transfer & Trust Company, a New York limited purpose trust company, with offices at 1 State St., 30th Floor, New York, New York 10004, as warrant agent (in such capacity, the “**Warrant Agent**,” and also referred to herein as the “**Transfer Agent**”).

WHEREAS, the Company (then known as Cartesian Growth Corporation III, a Cayman Islands exempted company (“**Cartesian**”)) previously entered into that certain Warrant Agreement, dated May 1, 2025 (the “**Original Agreement**”), with the Warrant Agent; and

WHEREAS, pursuant to the Business Combination Agreement, dated as of December 17, 2025 (as amended, the “**Business Combination Agreement**”), by and among Cartesian, Fenway MS, Inc., a Delaware corporation, and Factorial Inc., a Delaware corporation, the parties thereto consummated a business combination (the “**Business Combination**”), which included the domestication of Cartesian in Delaware as “Factorial Energy Inc.” (the “**Domestication**”), in accordance with the terms and conditions of the Business Combination Agreement and applicable law; and

WHEREAS, as of immediately prior to the Domestication, Cartesian had outstanding: (i) certain redeemable warrants (the “**Public Warrants**”) to purchase Class A ordinary shares, par value \$0.0001 per share, of Cartesian (the “**Class A Ordinary Shares**”) that were registered pursuant to Cartesian’s initial public offering registration statement and offered by Cartesian in its initial public offering (the “**Public Offering**”) of units of Cartesian’s equity securities (the “**Units**”), each such Unit comprised of one Class A Ordinary Share and one-half of Public Warrant, and (ii) an aggregate of 6,800,000 warrants to purchase Class A Ordinary Shares that were issued in a private placement concurrently with the Public Offering, of which (a) 4,400,000 Private Placement Warrants were issued to CGC III Sponsor LLC, a Cayman Islands limited liability company (the “**Sponsor**” and the “**Sponsor Private Placement Warrants**,” respectively) and (b) 2,400,000 Private Placement Warrants were issued to Cantor Fitzgerald & Co., the representative of the underwriters in the Public Offering (the “**Representative**,” the “**Representative Private Placement Warrants**” and, together with the Sponsor Private Placement Warrants, the “**Private Placement Warrants**,” respectively), in each case at a price of \$1.00 per warrant; and

WHEREAS, in order to finance the Company’s transaction costs in connection with engaging in a merger, amalgamation, share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses or entities (a “**Business Combination**”), the Sponsor or an affiliate of the Sponsor or certain of the Company’s officers and directors may, but are not obligated to, loan the Company funds as the Company may require, of which up to \$1,500,000 of such loans may be convertible into up to an additional 1,500,000 warrants at a price of \$1.00 per warrant (the “**Working Capital Warrants**” and, together with the Public Warrants and the Private Placement Warrants, the “**Warrants**”). The Working Capital Warrants shall be identical to the Private Placement Warrants and, for purposes of this Agreement, all terms herein applicable to Private Placement Warrants shall be equally applicable to the Working Capital Warrants; and

WHEREAS, the Warrants will automatically be converted by operation of law into warrants to acquire shares of Series A common stock of the Company, par value \$0.00001 per share (“**Series A Share**”), and, as a result of such conversion, the Private Placement Warrants and the Working Capital Warrants bear the legend set forth in Exhibit B hereto; and

WHEREAS, at a moment in time after the effectiveness of the Domestication and before the closing of the Business Combination, each outstanding Unit separated into its component common stock and warrant; and

WHEREAS, each Warrant entitles the holder thereof to purchase one Series A Share at a price of \$11.50 per share, subject to adjustment as described herein, with only whole Warrants being exercisable and holders of the Public Warrants not being able to exercise any fraction of a Warrant; and

WHEREAS, the Company has filed with the U.S. Securities and Exchange Commission (the “**Commission**”) a registration statement on Form S-4 (File No. 333-294663) and a proxy statement/prospectus (as amended from time to time, the “**Registration Statement**”) for the registration, under the Securities Act of 1933, as amended (the “**Securities Act**”), of the Warrants and the Series A Shares issuable upon exercise of the Warrants; and

WHEREAS, in connection with the Business Combination, the Company and the Warrant Agent desire to amend and restate the Original Agreement; and

WHEREAS, the Company desires the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing to so act, in connection with the issuance, registration, transfer, exchange, redemption and exercise of the Warrants; and

WHEREAS, the Company desires to provide for the form and provisions of the Warrants, the terms upon which they shall be issued and exercised, and the respective rights, limitation of rights, and immunities of the Company, the Warrant Agent, and the holders of the Warrants; and

WHEREAS, all acts and things have been done and performed which are necessary to make the Warrants, when executed on behalf of the Company and countersigned by or on behalf of the Warrant Agent, as provided herein, the valid, binding and legal obligations of the Company, and to authorize the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

1. Appointment of Warrant Agent. The Company hereby appoints the Warrant Agent to act as agent for the Company for the Warrants, and the Warrant Agent hereby accepts such appointment and agrees to perform the same in accordance with the terms and conditions set forth in this Agreement.

2. Warrants.

2.1 Form of Warrant. Each Warrant shall be issued in registered form only, and, if a physical certificate is issued, shall be in substantially the form of Exhibit A hereto, the provisions of which are incorporated herein, and shall be signed by, or bear the facsimile signature of, the Chairman of the board of directors of the Company (the “**Board**”) or the Chief Executive Officer and the Chief Financial Officer, Secretary or other principal officer of the Company, and shall bear a facsimile of the Company’s seal, if any. In the event the person whose facsimile signature has been placed upon any Warrant shall have ceased to serve in the capacity in which such person signed the Warrant before such Warrant is issued, it may be issued with the same effect as if he or she had not ceased to be such at the date of issuance. All of the Public Warrants shall initially be represented by one or more book-entry certificates deposited with The Depository Trust Company (the “**Depository**”) and registered in the name of Cede & Co., a nominee of the Depository (each a “**Book-Entry Warrant Certificate**”).

2.2 Uncertificated Warrants. Notwithstanding anything herein to the contrary, any Warrant may be issued in uncertificated or book-entry form through the Warrant Agent and/or the facilities of the Depository or other book-entry Depository system, in each case as determined by the Board or by an authorized committee thereof. Any Warrant so issued shall have the same terms, force and effect as a certificated Warrant that has been duly countersigned by the Warrant Agent in accordance with the terms of this Agreement.

2.3 Effect of Countersignature. If a physical Warrant certificate is issued, unless and until countersigned by the Warrant Agent pursuant to this Agreement, such Warrant certificate shall be invalid and of no effect and any Warrant evidenced by such Warrant certificate may not be exercised by the holder thereof.

2.4 Registration.

2.4.1 Warrant Register. The Warrant Agent shall maintain books (“**Warrant Register**”) for the registration of original issuance and the registration of transfer of the Warrants. Upon the initial issuance of the Warrants, the Warrant Agent shall issue and register the Warrants in the names of the respective holders thereof in such denominations and otherwise in accordance with instructions delivered to the Warrant Agent by the Company. Ownership of beneficial interests in the Public Warrants shall be shown on, and the transfer of such ownership shall be effected through, records maintained by (i) the Depository or its nominee for each Book-Entry Warrant Certificate, or (ii) institutions that have accounts with the Depository (each such institution, with respect to a Warrant in its account, a “**Participant**”).

If the Depository subsequently ceases to make its book-entry settlement system available for the Public Warrants, the Company may instruct the Warrant Agent regarding making other arrangements for book-entry settlement. In the event that the Public Warrants are not eligible for, or it is no longer necessary to have the Public Warrants available in, book-entry form, the Warrant Agent shall provide written instructions to the Depository to deliver to the Warrant Agent for cancellation each book-entry Public Warrant, and the Company shall instruct the Warrant Agent to deliver to the Depository definitive certificates in physical form evidencing such Warrants (“**Definitive Warrant Certificates**”) which shall be in the form annexed hereto as Exhibit A.

2.4.2 Registered Holder. Prior to due presentment for registration of transfer of any Warrant, the Company and the Warrant Agent may deem and treat the person in whose name such Warrant shall be registered in the Warrant Register (“**registered holder**”) as the absolute owner of such Warrant and of each Warrant represented thereby (notwithstanding any notation of ownership or other writing on the Warrant certificate (if any) made by anyone other than the Company or the Warrant Agent), for the purpose of any exercise thereof, and for all other purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary.

2.5 [Reserved].

2.6 Private Placement Warrants. The Private Placement Warrants shall be identical to the Public Warrants, except that so long as the Private Placement Warrants are held by the initial purchasers or their permitted transferees (as defined below), the Private Placement Warrants: (i) may be exercised for cash or on a “cashless basis,” pursuant to subsection 3.3.1(c) hereof; (ii) except as provided in this Section 2.6, including any Series A Shares issuable upon exercise of the Private Placement Warrants, may not be transferred, assigned or sold until 30 days after the date of this Agreement (subject to any additional restrictions under the Company’s Bylaws (the “**Bylaws**”), dated as of the date hereof, by and among the Company and the other parties thereto (as may be amended, restated or otherwise modified from time to time in accordance with the terms thereof)); (iii) will be entitled to registration rights; (iv) with respect to the Representative Private Placement Warrants, will not be exercisable more than five years from the commencement of sales in the Public Offering in accordance with FINRA Rule 5110(g)(8); and (v) shall not be redeemable by the Company pursuant to Section 6.1 hereof; provided, however, that in the case of (ii), the Private Placement Warrants and any Series A Shares issued upon exercise of the Private Placement Warrants may be transferred by the holders thereof:

(a) to the Company’s or the Representative’s officers, directors, advisors or consultants, any affiliate or family member of any of the Company’s or the Representative’s officers, directors, advisors or consultants, any members or partners of the Sponsor or CGC III Sponsor DirectorCo LLC (“**DirectorCo**”) or their affiliates and funds and accounts advised by such members or partners, any affiliates of the Sponsor or DirectorCo, or any employees of such affiliates;

(b) in the case of an individual, as a gift to such person’s immediate family or to a trust, the beneficiary of which is a member of such person’s immediate family, an affiliate of such person or to a charitable organization;

(c) in the case of an individual, by virtue of laws of descent and distribution upon death of such person;

(d) in the case of an individual, pursuant to a qualified domestic relations order;

(e) [Reserved];

(f) [Reserved];

(g) by virtue of the laws of the Delaware or the Sponsor’s or DirectorCo’s limited liability company agreement upon dissolution of the Sponsor or DirectorCo or upon dissolution of the Representative;

- (h) to a nominee or custodian of a person or entity to whom a transfer would be permissible under clauses (a) through (g);
- (i) [Reserved];
- (j) [Reserved]; or

(k) in the event of the Company's completion of a liquidation, merger, share exchange or other similar transaction which results in all of the Company's stockholders having the right to exchange their Series A Shares for cash, securities or other property;

provided, however, that in the case of clauses (a) through (d), these permitted transferees (the "**permitted transferees**") must enter into a written agreement with the Company agreeing to be bound by these transfer restrictions and the transfer restrictions in the Bylaws.

2.7 [Reserved].

3. Terms and Exercise of Warrants.

3.1 Warrant Price. Each Warrant shall entitle the registered holder thereof, subject to the provisions of such Warrant and of this Agreement, to purchase from the Company the number of Series A Shares stated therein, at the price of \$11.50 per share, subject to the adjustments provided in Section 4 and in the last sentence of this Section 3.1. The term "**Warrant Price**" as used in this Agreement refers to the price per share (including in cash or by payment of Warrants pursuant to a "cashless exercise," to the extent permitted hereunder) described in the prior sentence at which Series A Shares may be purchased at the time a Warrant is exercised. The Company in its sole discretion may lower the Warrant Price at any time prior to the Expiration Date (as defined below) for a period of not less than 20 Business Days (unless otherwise required by the SEC, any national securities exchange on which the Warrants are listed or applicable law); provided, however, that the Company shall provide at least three days' prior written notice of such reduction to registered holders of the Warrants; provided, further, that any such reduction shall be identical among all of the Warrants. For purposes of this Agreement, "Business Day" shall mean a day, other than a Saturday, Sunday or federal holiday, on which banks in New York City are generally open for normal business.

3.2 Duration of Warrants. A Warrant may be exercised only during the period (the "**Exercise Period**") (i) commencing on the date that is 30 days after the date of this Agreement, and (ii) terminating at the earliest to occur of (a) 5:00 p.m., New York City time on the date that is five years after the date of this Agreement, (b) the liquidation of the Company in accordance with the Company's organizational documents, as amended from time to time, and (c) other than with respect to the Private Placement Warrants then held by the initial purchasers or their permitted transferees, 5:00 p.m., New York City time on the Redemption Date (as defined below) as provided in Section 6.3 hereof (the "**Expiration Date**"); provided, however, that the exercise of any Warrant shall be subject to the satisfaction of any applicable conditions, as set forth in subsection 3.3.2 below, with respect to an effective registration statement or a valid exemption therefrom being available. Except with respect to the right to receive the Redemption Price (as defined below) (other than with respect to Private Placement Warrants then held by the initial purchasers or their permitted transferees) in the event of a redemption (as set forth in Section 6 hereof), each Warrant (other than a Private Placement Warrant then held by the initial purchasers or their permitted transferees in the event of a redemption) not exercised on or before the Expiration Date shall become void, and all rights thereunder and all rights in respect thereof under this Agreement shall cease at 5:00 p.m. New York City time on the Expiration Date. The Company in its sole discretion may extend the duration of the Warrants by delaying the Expiration Date; provided that the Company shall provide at least 20 days prior written notice of any such extension to registered holders of the Warrants and, provided further that any such extension shall be identical in duration among all the Warrants.

3.3 Exercise of Warrants.

3.3.1 Payment. Subject to the provisions of the Warrant and this Agreement, a Warrant may be exercised by the registered holder thereof by delivering to the Warrant Agent at its corporate trust department (i) the Definitive Warrant Certificate evidencing the Warrants to be exercised, or, in the case of a Warrant represented by a book-entry, the Warrants to be exercised (the “**Book-Entry Warrants**”) on the records of the Depository to an account of the Warrant Agent at the Depository designated for such purposes in writing by the Warrant Agent to the Depository from time to time, (ii) an election to purchase (“**Election to Purchase**”) Series A Shares pursuant to the exercise of a Warrant, properly completed and executed by the registered holder on the reverse of the Definitive Warrant Certificate or, in the case of a Book-Entry Warrant, properly delivered by the Participant in accordance with the Depository’s procedures, and (iii) the payment in full of the Warrant Price for each Series A Share as to which the Warrant is exercised and any and all applicable taxes due in connection with the exercise of the Warrant, the exchange of the Warrant for the Series A Shares and the issuance of such Series A Shares, as follows:

(a) in lawful money of the United States, in good bank draft or good certified check payable to the order of the Warrant Agent, or by wire transfer of immediately available funds payable to the Warrant Agent; or

(b) in the event of a redemption pursuant to Section 6 in which the Board has elected to require all holders of the Warrants to exercise such Warrants on a “cashless basis,” by surrendering the Warrants for that number of Series A Shares equal to the quotient obtained by dividing (x) the product of the number of Series A Shares underlying the Warrants, multiplied by the excess of the “Fair Market Value” (as defined in this subsection 3.3.1(b)) over the Warrant Price by (y) the Fair Market Value. Solely for purposes of this subsection 3.3.1(b) and Section 6.3, the “**Fair Market Value**” shall mean the average last reported sale price of the Series A Shares for the ten trading days ending on the third trading day prior to the date on which notice of redemption is sent to the holders of the Warrants, pursuant to Section 6; or

(c) on a cashless basis, as provided in Section 7.4.

3.3.2 Issuance of Series A Shares on Exercise. As soon as practicable after the exercise of any Warrant and the clearance of the funds in payment of the Warrant Price (if payment is pursuant to subsection 3.3.1(a)), the Company shall issue to the registered holder of such Warrant a book-entry position or certificate, as applicable, for the number of Series A Shares to which he, she or it is entitled, registered in such name or names as may be directed by him, her or it, and if such Warrant shall not have been exercised in full, a new book-entry position or countersigned Warrant, as applicable, for the number of shares as to which such Warrant shall not have been exercised. Notwithstanding the foregoing, the Company shall not be obligated to deliver any Series A Shares pursuant to the exercise of a Warrant and shall have no obligation to settle such Warrant exercise unless a registration statement under the Securities Act with respect to the Series A Shares underlying the Public Warrants is then effective and a prospectus relating thereto is current, subject to the Company’s satisfying its obligations under Section 7.4 or a valid exemption from registration is available. No Warrant shall be exercisable and the Company shall not be obligated to issue Series A Shares upon exercise of a Warrant unless the Series A Shares issuable upon such Warrant exercise have been registered, qualified or deemed to be exempt from registration or qualification under the securities laws of the state of residence of the registered holder of the Warrants. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a Warrant, the holder of such Warrant shall not be entitled to exercise such Warrant. In no event will the Company be required to net cash settle the Warrant exercise. Subject to Section 4.8, a registered holder of Warrants may exercise its Warrants only for a whole number of Series A Shares. The Company may require holders of Public Warrants to settle the Warrant on a “cashless basis” pursuant to Section 7.4. If, by reason of any exercise of Warrants on a “cashless basis”, the holder of any Warrant would be entitled, upon the exercise of such Warrant, to receive a fractional interest in a Series A Share, the Company shall round down to the nearest whole number the number of Series A Shares to be issued to such holder.

3.3.3 Valid Issuance. All Series A Shares issued upon the proper exercise of a Warrant in conformity with this Agreement shall be validly issued, fully paid and nonassessable.

3.3.4 Date of Issuance. Each person in whose name any book-entry position or certificate, as applicable, for Series A Shares is issued shall for all purposes be deemed to have become the holder of record of such Series A Shares on the date on which the Warrant, or book-entry position representing such Warrant, was surrendered and payment of the Warrant Price was made, irrespective of the date of delivery of such certificate in the case of a certificated Warrant, except that, if the date of such surrender and payment is a date when share transfer books of the Company or book-entry system of the Warrant Agent are closed, such person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the share transfer books or book-entry system are open.

3.3.5 Maximum Percentage. A holder of Warrants may notify the Company in writing in the event it elects to be subject to the provisions contained in this subsection 3.3.5. No holder of Warrants shall be subject to this subsection 3.3.5 unless he, she or it makes such election. If the election is made by a holder, the Warrant Agent shall not effect the exercise of the holder's Warrant, and such holder shall not have the right to exercise this Warrant, to the extent that after giving effect to such exercise, such person (together with such person's affiliates) or any "group" of which the holder or its affiliate is a member, to the Warrant Agent's actual knowledge, would beneficially own in excess of 4.9% or 9.8% (as specified by the holder) (the "**Maximum Percentage**") of the Series A Shares outstanding immediately after giving effect to such exercise. For purposes of the foregoing sentence, the aggregate number of Series A Shares beneficially owned by such person and its affiliates, or any group of which such person and its affiliates is a member, shall include the number of Series A Shares issuable upon exercise of the Warrant with respect to which the determination of such sentence is being made, but shall exclude Series A Shares which would be issuable upon (x) exercise of the remaining, unexercised portion of the Warrant beneficially owned by such person and its affiliates, or any group of which such person and its affiliates is a member, and (y) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by such person and its affiliates, or any group of which such person and its affiliates is a member (including, without limitation, any convertible notes or convertible preferred shares or warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein. Except as set forth in the preceding sentence, for purposes of this paragraph, beneficial ownership shall be calculated in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and the applicable regulations of the SEC. For purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and applicable regulations of the SEC, and the percentage held by the holder shall be determined in a manner consistent with the provisions of Section 13(d) of the Exchange Act. To the extent that a holder makes the election described in this subsection 3.3.5, the Warrant Agent shall not effect the exercise of the holder's Warrant, and such holder shall not have the right to exercise such Warrant unless it provides to the Warrant Agent in its Election to Purchase a certification that, upon giving effect to such exercise, such person (together with such person's affiliates) or any "group" of which such holder or its affiliates is a member, would not beneficially own in excess of the Maximum Percentage of the Series A Shares outstanding immediately after giving effect to such exercise as determined in accordance with this subsection 3.3.5. For purposes of the Warrant, in determining the number of outstanding Series A Shares, the holder may rely on the number of outstanding Series A Shares as reflected in (i) the Company's most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, Current Report on Form 8-K or other public filing with the SEC as the case may be, (ii) a more recent public announcement by the Company or (iii) any other notice by the Company or the Transfer Agent setting forth the number of Series A Shares outstanding. For any reason at any time, upon the written request of the holder, the Company shall, within two Business Days, confirm orally and in writing to such holder the number of Series A Shares then outstanding. In any case, the number of outstanding Series A Shares shall be determined after giving effect to the conversion or exercise of equity securities of the Company by the holder and its affiliates since the date as of which such number of outstanding Series A Shares was reported. By written notice to the Company, the holder may from time to time increase or decrease the Maximum Percentage applicable to such holder to any other percentage specified in such notice; provided that any such increase will not be effective until the 61st day after such notice is delivered to the Company.

4. Adjustments.

4.1 Share Capitalizations. If after the date hereof, and subject to the provisions of Section 4.8, the number of outstanding Series A Shares is increased by a share capitalization payable in Series A Shares, or by a sub-division of the Series A Shares, or other similar event, then, on the effective date of such capitalization, sub-division or similar event, the number of Series A Shares issuable on exercise of each Warrant shall be increased in proportion to such increase in outstanding Series A Shares. A rights offering made to all or substantially all holders of the Series A Shares entitling holders to purchase Series A Shares at a price less than the "Historical Fair Market Value" (as defined below) shall be deemed a share capitalization of a number of Series A Shares equal to the product of (i) the number of Series A Shares actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for the Series A Shares) and (ii) one (1) minus the quotient of (a) the price per Series A Share paid in such rights offering divided by (b) the Historical Fair Market Value. For purposes of this Section 4.1, (i) if the rights offering is for securities convertible into or exercisable for the Series A Shares, in determining the price payable for the Series A Shares, there shall be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion and (ii) "**Historical Fair Market Value**" means the volume weighted average price of the Series A Shares as reported during the ten trading day period ending on the trading day prior to the first date on which the Series A Shares trade on the applicable exchange or in the applicable market, regular way, without the right to receive such rights. No Series A Shares shall be issued at less than their par value.

4.2 Aggregation of Shares. If after the date hereof, and subject to the provisions of Section 4.8, the number of outstanding Series A Shares is decreased by a consolidation, combination, reverse share sub-division or reclassification of the Series A Shares or other similar event, then, on the effective date of such consolidation, combination, reverse share sub-division, reclassification or similar event, the number of Series A Shares issuable on exercise of each Warrant shall be decreased in proportion to such decrease in outstanding Series A Shares.

4.3 Extraordinary Dividends. If the Company, at any time while the Warrants are outstanding and unexpired, pays a dividend or makes a distribution or other payment in cash, securities or other assets to all or substantially all of the holders of the Series A Shares on account of such Series A Shares (or other shares of the Company's share capital into which the Warrants are convertible), other than (i) as described in Section 4.1, (ii) Ordinary Cash Dividends (as defined below), (iii) to satisfy the redemption rights of the holders of the Series A Shares, or (iv) in connection with the distribution of the Company's assets upon its liquidation (any such non-excluded event being referred to herein as an "**Extraordinary Dividend**"), then the Warrant Price shall be decreased, effective immediately after the effective date of such Extraordinary Dividend, by the amount of cash and/or the fair market value (as determined by the Board, in good faith) of any securities or other assets paid on each Series A Shares in respect of such Extraordinary Dividend.

For purposes of this Section 4.3, "**Ordinary Cash Dividends**" means any cash dividend or cash distribution which, when combined on a per share basis with the per share amounts of all other cash dividends and cash distributions paid on the Series A Shares during the 365-day period ending on the date of declaration of such dividend or distribution (as adjusted to appropriately reflect any of the events referred to in Section 4 and excluding cash dividends or cash distributions that resulted in an adjustment to the Warrant Price or to the number of Series A Shares issuable on exercise of each Warrant) does not exceed \$0.50.

4.4 Adjustments in Warrant Price. Whenever the number of Series A Shares purchasable upon the exercise of the Warrants is adjusted, as provided in Sections 4.1 through 4.3, the Warrant Price shall be adjusted (to the nearest cent) by multiplying such Warrant Price immediately prior to such adjustment by a fraction (i) the numerator of which shall be the number of Series A Shares purchasable upon the exercise of the Warrants immediately prior to such adjustment, and (ii) the denominator of which shall be the number of Series A Shares so purchasable immediately thereafter.

4.5 [Reserved.]

4.6 Replacement of Securities upon Reorganization, etc. In case of any reclassification or reorganization of the outstanding Series A Shares (other than a change covered by Sections 4.1, 4.2 or 4.3 or that solely affects the par value of such Series A Shares), or in the case of any merger or consolidation of the Company with or into another entity or conversion of the Company as another entity (other than a consolidation or merger in which the Company is the continuing corporation and is not a subsidiary of another entity whose stockholders did not own all or substantially all of the Series A Shares of the Company in substantially the same proportions immediately before such transaction and that does not result in any reclassification or reorganization of the outstanding Series A Shares), or in the case of any sale or conveyance to another entity of the assets or other property of the Company as an entirety or substantially as an entirety in connection with which the Company is dissolved, the Warrant holders shall thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the Warrants and in lieu of the Series A Shares of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the Warrant holder would have received if such Warrant holder had exercised his, her or its Warrant(s) immediately prior to such event (the “**Alternative Issuance**”); provided, however, that (i) if the holders of the Series A Shares were entitled to exercise a right of election as to the kind or amount of securities, cash or other assets receivable upon such consolidation or merger, then the kind and amount of securities, cash or other assets constituting the Alternative Issuance for which each Warrant shall become exercisable shall be deemed to be the weighted average of the kind and amount received per share by the holders of the Series A Shares in such consolidation or merger that affirmatively make such election, and (ii) if a tender, exchange or redemption offer shall have been made to and accepted by the holders of the Series A Shares (other than a tender, exchange or redemption offer made by the Company in connection with redemption rights held by stockholders of the Company as provided for in the Company’s organizational documents or as a result of the redemption of Series A Shares by the Company if a proposed initial Business Combination is presented to the stockholders of the Company for approval) under circumstances in which, upon completion of such tender or exchange offer, the maker thereof, together with members of any group (within the meaning of Rule 13d-5(b)(1) under the Exchange Act (or any successor rule)) of which such maker is a part, and together with any affiliate or associate of such maker (within the meaning of Rule 12b-2 under the Exchange Act (or any successor rule)) and any members of any such group of which any such affiliate or associate is a part, own beneficially (within the meaning of Rule 13d-3 under the Exchange Act (or any successor rule)) more than 65% of the voting power of the Company’s outstanding equity securities (including with respect to the election of directors), the holder of a Warrant shall be entitled to receive as the Alternative Issuance, the weighted average of the amount of cash, securities or other property to which such holder would actually have been entitled as a shareholder if such Warrant holder had exercised the Warrant prior to the expiration of such tender or exchange offer, accepted such offer and participated in such tender or exchange offer on a pro rata basis with all other holders of Series A Shares, subject to adjustments (from and after the consummation of such tender or exchange offer) as nearly equivalent as possible to the adjustments provided for in Section 4; provided, further, that if less than 70% of the consideration receivable by the holders of the Series A Shares in the applicable event is payable in the form of securities in the successor entity that is listed for trading on a national securities exchange or quoted in an established over-the-counter market, or are to be so listed for trading or quoted immediately following such event, and if the registered holder properly exercises the Warrant within 30 days following the public disclosure of the consummation of such applicable event by the Company pursuant to a Current Report on Form 8-K filed with the SEC, the Warrant Price shall be reduced by an amount (in dollars) equal to the difference (but in no event less than zero) of (i) the Warrant Price in effect prior to such reduction minus (ii) (a) the Per Share Consideration (as defined below) (but in no event less than zero) minus (b) the Black-Scholes Warrant Value (as defined below). The “**Black-Scholes Warrant Value**” means the value of a Warrant immediately prior to the consummation of the applicable event based on the Black-Scholes model as calculated by an accounting, appraisal, investment banking firm or consultant of nationally recognized standing that is, in the good faith judgment of the Board, qualified to make such calculation. “**Per Share Consideration**” means (i) if the consideration paid to holders of the Series A Shares consists exclusively of cash, the amount of such cash per Series A Share, and (ii) in all other cases, the volume weighted average price of the Series A Shares as reported during the ten trading day period ending on the trading day prior to the effective date of the applicable event. If any reclassification or reorganization also results in a change in Series A Shares covered by Section 4.1, then such adjustment shall be made pursuant to Sections 4.1, 4.2, 4.4 and this Section 4.6. The provisions of this Section 4.6 shall similarly apply to successive reclassifications, reorganizations, mergers or consolidations, sales or other transfers. In no event will the Warrant Price be reduced to less than the par value per share issuable upon exercise of such Warrant.

4.7 Notices of Changes in Warrant. Upon every adjustment of the Warrant Price or the number of shares issuable upon exercise of a Warrant, the Company shall give written notice thereof to the Warrant Agent, which notice shall state the Warrant Price resulting from such adjustment and the increase or decrease, if any, in the number of shares purchasable at such price upon the exercise of a Warrant, setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. Upon the occurrence of any event specified in Sections 4.1, 4.2, 4.3, 4.4 or 4.6, then, in any such event, the Company shall give written notice of the occurrence of such event to each Warrant holder, at the last address set forth for such holder in the Warrant Register, of the record date or the effective date of the event. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such event.

4.8 No Fractional Shares. Notwithstanding any provision contained in this Agreement to the contrary, the Company shall not issue fractional shares upon exercise of Warrants. If, by reason of any adjustment made pursuant to Section 4, the holder of any Warrant would be entitled, upon the exercise of such Warrant, to receive a fractional interest in a share, the Company shall, upon such exercise, round down to the nearest whole number the number of the Series A Shares to be issued to that Warrant holder.

4.9 Form of Warrant. The form of Warrant need not be changed because of any adjustment pursuant to Section 4, and Warrants issued after such adjustment may state the same Warrant Price and the same number of shares as is stated in the Warrants initially issued pursuant to this Agreement; provided, however, that the Company may at any time in its sole discretion make any change in the form of Warrant that the Company may deem appropriate and that does not affect the substance thereof, and any Warrant thereafter issued or countersigned, whether in exchange or substitution for an outstanding Warrant or otherwise, may be in the form as so changed.

4.10 Other Events. In case any event shall occur affecting the Company as to which none of the preceding provisions of Section 4 are strictly applicable, but which would require an adjustment to the terms of the Warrants in order to (i) avoid an adverse impact on the Warrants and (ii) effectuate the intent and purpose of Section 4, then, in each such case, the Company shall appoint a firm of independent public accountants, investment banking or other appraisal firm of recognized national standing, which shall give its opinion as to whether or not any adjustment to the rights represented by the Warrants is necessary to effectuate the intent and purpose of Section 4 and, if such firm determines that an adjustment is necessary, the terms of such adjustment. The Company shall adjust the terms of the Warrants in a manner that is consistent with any adjustment recommended in such opinion. For the avoidance of doubt, all adjustments made pursuant to this Section 4.10 shall be made equally to all outstanding Warrants.

4.11 [Reserved].

5. Transfer and Exchange of Warrants.

5.1 Registration of Transfer. The Warrant Agent shall register the transfer, from time to time, of any outstanding Warrant upon the Warrant Register, upon surrender of such Warrant for transfer, in the case of a certificated Warrant, properly endorsed with signatures properly guaranteed and accompanied by appropriate instructions for transfer. Upon any such transfer, a new Warrant representing an equal aggregate number of Warrants shall be issued and the old Warrant shall be cancelled by the Warrant Agent. In the case of certificated Warrants, the Warrant so cancelled shall be delivered by the Warrant Agent to the Company from time to time upon request.

5.2 Procedure for Surrender of Warrants. Warrants may be surrendered to the Warrant Agent, together with a written request for exchange or transfer, and thereupon the Warrant Agent shall issue in exchange therefor one or more new Warrants as requested by the registered holder of the Warrants so surrendered, representing an equal aggregate number of Warrants; provided, however, that except as otherwise provided herein or with respect to any Book-Entry Warrant Certificate or Definitive Warrant Certificate, each Book-Entry Warrant Certificate and Definitive Warrant Certificate may be transferred only in whole and only to the Depository, to another nominee of the Depository, to a successor depository, or to a nominee of a successor depository; provided further, however that in the event that a Warrant surrendered for transfer bears a restrictive legend (as in the case of the Private Placement Warrants), the Warrant Agent shall not cancel such Warrant and issue new Warrants in exchange therefor until the Warrant Agent has received an opinion of counsel for the Company stating that such transfer may be made and indicating whether the new Warrants must also bear a restrictive legend.

5.3 Fractional Warrants. The Warrant Agent shall not be required to effect any registration of transfer or exchange which will result in the issuance of a warrant certificate or book-entry position for a fraction of a warrant.

5.4 Service Charges. No service charge shall be made for any exchange or registration of transfer of Warrants.

5.5 Warrant Execution and Countersignature. The Warrant Agent is hereby authorized to countersign and to deliver, in accordance with the terms of this Agreement, the Warrants required to be issued pursuant to the provisions of Section 5, and the Company, whenever required by the Warrant Agent, will supply the Warrant Agent with Warrants duly executed on behalf of the Company for such purpose.

5.6 [Reserved].

6. Redemption.

6.1 Redemption of Warrants for Cash. All, but not less than all, of the outstanding Warrants may be redeemed (in whole and not in part), at the option of the Company, at any time during the Exercise Period, at the office of the Warrant Agent, upon notice to the registered holders of the Warrants, as described in Section 6.2, at a Redemption Price of \$0.01 per Warrant, provided that (a) the Reference Value (as defined below) equals or exceeds \$18.00 per share (subject to adjustment in compliance with Section 4) and (b) there is an effective registration statement covering the issuance of the Series A Shares issuable upon exercise of the Warrants, and a current prospectus relating thereto, available throughout the Measurement Period and the 30-day Redemption Period (each as defined in Section 6.2).

6.2 Date Fixed for, and Notice of, Redemption; Redemption Price; Reference Value. In the event that the Company elects to redeem the Warrants pursuant to Section 6.1, the Company shall fix a date for the redemption (the “**Redemption Date**”). Notice of redemption shall be mailed by first class mail, postage prepaid, by the Company not less than 30 days prior to the Redemption Date (the “**30-day Redemption Period**”) to the registered holders of the Warrants to be redeemed at their last addresses as they shall appear on the registration books. Any notice mailed in the manner herein provided shall be conclusively presumed to have been duly given whether or not the registered holder received such notice. As used in this Agreement, (a) “**Redemption Price**” shall mean the price per Warrant at which any Warrants are redeemed pursuant to Section 6.1 and (b) “**Reference Value**” shall mean the last reported sale price of the Series A Shares for any 20 trading days within the 30 trading-day period commencing at least 30 days after the date hereof and ending on the third trading day prior to the date on which notice of the redemption is given (the “**Measurement Period**”).

6.3 Exercise After Notice of Redemption. The Warrants may be exercised for cash (or on a “cashless basis” in accordance with Section 3) at any time after notice of redemption shall have been given by the Company pursuant to Section 6.2 and prior to the Redemption Date. In the event the Company determines to require all holders of Warrants to exercise their Warrants on a “cashless basis” pursuant to subsection 3.3.1(b), the notice of redemption will contain the information necessary to calculate the number of Series A Shares to be received upon exercise of the Warrants, including the “Fair Market Value” (as such term is defined in subsection 3.3.1(b) hereof) in such case. On and after the Redemption Date, the record holder of the Warrants shall have no further rights except to receive, upon surrender of the Warrants, the Redemption Price.

7. Other Provisions Relating to Rights of Holders of Warrants.

7.1 No Rights as Stockholder. A Warrant does not entitle the registered holder thereof to any of the rights of a stockholder of the Company, including, without limitation, the right to receive dividends, or other distributions, exercise any preemptive rights to vote or to consent or to receive notice as stockholder in respect of the meetings of stockholders or the election of directors of the Company or any other matter.

7.2 Lost, Stolen, Mutilated, or Destroyed Warrants. If any Warrant is lost, stolen, mutilated, or destroyed, the Company and the Warrant Agent may on such terms as to indemnity or otherwise as they may in their discretion impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination, tenor, and date as the Warrant so lost, stolen, mutilated, or destroyed. Any such new Warrant shall constitute a substitute contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated, or destroyed Warrant shall be at any time enforceable by anyone.

7.3 Reservation of Series A Shares. The Company shall at all times reserve and keep available a number of its authorized but unissued Series A Shares that will be sufficient to permit the exercise in full of all outstanding Warrants issued pursuant to this Agreement.

7.4 Registration of Series A Shares; Cashless Exercise at Company's Option.

7.4.1 Registration of Series A Shares. The Company agrees that as soon as practicable, but in no event later than 20 Business Days after the date hereof, it will use its commercially reasonable efforts to file with the SEC a post-effective amendment to the Registration Statement, or a new registration statement, registering, under the Securities Act, the issuance of the Series A Shares issuable upon exercise of the Warrants. The Company will use its commercially reasonable efforts to cause the same to become effective and to maintain the effectiveness of such post-effective amendment or registration statement, and a current prospectus relating thereto, until the expiration or redemption of the Warrants in accordance with the provisions of this Agreement. If any such post-effective amendment or registration statement has not been declared effective by the 60th Business Day following the date hereof, holders of the Public Warrants shall have the right, during the period beginning on the 61st Business Day after the date hereof and ending upon such post-effective amendment or registration statement being declared effective by the SEC, and during any other period when the Company shall fail to have maintained an effective registration statement covering the Series A Shares issuable upon exercise of the Warrants, to exercise such Warrants on a "cashless basis" by exchanging the Warrants (in accordance with Section 3(a)(9) of the Securities Act (or any successor rule) or another exemption) for that number of Series A Shares equal to the quotient obtained by dividing (x) the product of the number of Series A Shares underlying the Warrants, multiplied by the excess of the "Fair Market Value" (as defined below) over the Warrant Price by (y) the Fair Market Value. Solely for purposes of this subsection 7.4.1, "Fair Market Value" shall mean the average last reported sale price of the Series A Shares as reported during the ten trading day period ending on the third trading day prior to the date that notice of exercise is received by the Warrant Agent from the holder of such Warrants or its securities broker or intermediary. The date that notice of "cashless exercise" is received by the Warrant Agent shall be conclusively determined by the Warrant Agent. In connection with the "cashless exercise" of a Public Warrant, the Company shall, upon request, provide the Warrant Agent with an opinion of counsel for the Company (which shall be an outside law firm with securities law experience) stating that (i) the exercise of the Warrants on a "cashless basis" in accordance with this subsection 7.4.1 is not required to be registered under the Securities Act and (ii) the Series A Shares issued upon such exercise shall be freely tradable under United States federal securities laws by anyone who is not an affiliate (as such term is defined in Rule 144 under the Securities Act (or any successor rule)) of the Company and, accordingly, shall not be required to bear a restrictive legend. Except as provided in subsection 7.4.2, for the avoidance of doubt, unless and until all of the Warrants have been exercised or have expired, the Company shall continue to be obligated to comply with its registration obligations under the first three sentences of this subsection 7.4.1.

7.4.2 Cashless Exercise at Company's Option. If the Series A Shares are at the time of any exercise of a Warrant not listed on a national securities exchange such that they satisfy the definition of a "covered security" under Section 18(b)(1) of the Securities Act (or any successor rule), the Company may, at its option, require holders of Warrants who exercise their Warrants to exercise such Warrants on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act (or any successor rule) as described in subsection 7.4.1 and (i) in the event the Company so elects, the Company shall not be required to file or maintain in effect a registration statement for the registration, under the Securities Act, of the Series A Shares issuable upon exercise of the Warrants, notwithstanding anything in this Agreement to the contrary, or (ii) if the Company does not so file or maintain such registration statement, the Company agrees to use its commercially reasonable efforts to register or qualify for sale the Series A Shares issuable upon exercise of the Public Warrants under the applicable blue sky laws of the state of residence of the exercising Public Warrant holder to the extent an exemption is not available.

8. Concerning the Warrant Agent and Other Matters.

8.1 Payment of Taxes. The Company will from time to time promptly pay all taxes and charges that may be imposed upon the Company or the Warrant Agent in respect of the issuance or delivery of Series A Shares upon the exercise of Warrants, but the Company shall not be obligated to pay any transfer taxes in respect of the Warrants or such Series A Shares.

8.2 Resignation, Consolidation, or Merger of Warrant Agent.

8.2.1 Appointment of Successor Warrant Agent. The Warrant Agent, or any successor to it hereafter appointed, may resign its duties and be discharged from all further duties and liabilities hereunder after giving 60 days' notice in writing to the Company. If the office of the Warrant Agent becomes vacant by resignation or incapacity to act or otherwise, the Company shall appoint in writing a successor Warrant Agent in place of the Warrant Agent. If the Company shall fail to make such appointment within a period of 30 days after it has been notified in writing of such resignation or incapacity by the Warrant Agent or by the holder of a Warrant (who shall, with such notice, submit his, her or its Warrant for inspection by the Company), then the holder of any Warrant may apply to the Supreme Court of the State of New York for the County of New York for the appointment of a successor Warrant Agent at the Company's cost. Any successor Warrant Agent, whether appointed by the Company or by such court, shall be a corporation or other entity organized and existing under the laws of the State of New York, in good standing and having its principal office in the Borough of Manhattan, City and State of New York, and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by federal or state authority. After appointment, any successor Warrant Agent shall be vested with all the authority, powers, rights, immunities, duties, and obligations of its predecessor Warrant Agent with like effect as if originally named as Warrant Agent hereunder, without any further act or deed; but if for any reason it becomes necessary or appropriate, the predecessor Warrant Agent shall execute and deliver, at the expense of the Company, an instrument transferring to such successor Warrant Agent all the authority, powers, and rights of such predecessor Warrant Agent hereunder; and upon request of any successor Warrant Agent the Company shall make, execute, acknowledge, and deliver any and all instruments in writing for more fully and effectually vesting in and confirming to such successor Warrant Agent all such authority, powers, rights, immunities, duties, and obligations. The Company shall be entitled to terminate this Agreement and appoint a successor Warrant Agent upon written notice to the Warrant Agent, in the event that the Warrant Agent has committed any act of gross negligence, fraud or willful misconduct.

8.2.2 Notice of Successor Warrant Agent. In the event a successor Warrant Agent shall be appointed, the Company shall give notice thereof to the predecessor Warrant Agent and the Transfer Agent for the Series A Shares not later than the effective date of any such appointment.

8.2.3 Merger or Consolidation of Warrant Agent. Any entity into which the Warrant Agent may be merged or with which it may be consolidated or any entity resulting from any merger or consolidation to which the Warrant Agent shall be a party shall be the successor Warrant Agent under this Agreement without any further act.

8.3 Fees and Expenses of Warrant Agent.

8.3.1 Remuneration. The Company agrees to pay the Warrant Agent reasonable remuneration for its services as such Warrant Agent hereunder and will, pursuant to its obligations under this Agreement, reimburse the Warrant Agent upon demand for all expenditures that the Warrant Agent may reasonably incur in the execution of its duties hereunder.

8.3.2 Further Assurances. The Company agrees to perform, execute, acknowledge, and deliver or cause to be performed, executed, acknowledged, and delivered all such further and other acts, instruments, and assurances as may reasonably be required by the Warrant Agent for the carrying out or performing of the provisions of this Agreement.

8.4 Liability of Warrant Agent.

8.4.1 Reliance on Company Statement. Whenever in the performance of its duties under this Agreement, the Warrant Agent shall deem it necessary or desirable that any fact or matter be proved or established by the Company prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a statement signed by the Chief Executive Officer, President, Chief Financial Officer or other principal officer of the Company and delivered to the Warrant Agent. The Warrant Agent may rely upon such statement for any action taken or suffered in good faith by it pursuant to the provisions of this Agreement.

8.4.2 Indemnity. The Warrant Agent shall be liable hereunder only for its own gross negligence, willful misconduct, fraud or bad faith. The Company agrees to indemnify the Warrant Agent and save it harmless against any and all liabilities, including judgments, out-of-pocket costs and reasonable outside counsel fees, for anything done or omitted by the Warrant Agent in the execution of this Agreement except as a result of the Warrant Agent's gross negligence, willful misconduct, fraud or bad faith.

8.4.3 Exclusions. The Warrant Agent shall have no responsibility with respect to the validity of this Agreement or with respect to the validity or execution of any Warrant (except its countersignature thereof); nor shall it be responsible for any breach by the Company of any covenant or condition contained in this Agreement or in any Warrant; nor shall it be responsible to make any adjustments required under the provisions of Section 4 or responsible for the manner, method, or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment; nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any Series A Shares to be issued pursuant to this Agreement or any Warrant or as to whether any Series A Shares will when issued be valid and fully paid and nonassessable.

8.5 Acceptance of Agency. The Warrant Agent hereby accepts the agency established by this Agreement and agrees to perform the same upon the terms and conditions herein set forth and among other things, shall account promptly to the Company with respect to Warrants exercised and concurrently account for, and pay to the Company, all monies received by the Warrant Agent for the purchase of Series A Shares through the exercise of Warrants.

8.6 [Reserved].

9. Miscellaneous Provisions.

9.1 Successors. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns.

9.2 Notices. Any notice, statement or demand authorized by this Agreement to be given or made by the Warrant Agent or by the holder of any Warrant to or on the Company shall be sufficiently given when so delivered if by hand, overnight delivery or electronic mail or if sent by certified mail or private courier service within five days after deposit of such notice, postage prepaid, addressed (until another address is filed in writing by the Company with the Warrant Agent), as follows:

Factorial Energy Inc.
805 Middlesex Turnpike
Billerica, MA 01821
Attention: Siyu Huang, Chief Executive Officer
Email: sh1@factorialenergy.com

Any notice, statement or demand authorized by this Agreement to be given or made by the holder of any Warrant or by the Company to or on the Warrant Agent shall be sufficiently given when so delivered if by hand or overnight delivery or if sent by certified mail or private courier service within five days after deposit of such notice, postage prepaid, addressed (until another address is filed in writing by the Warrant Agent with the Company), as follows:

Continental Stock Transfer & Trust Company
1 State Street, 30th Floor
New York, New York 10004
Attention: Compliance Department

with a copy in each case to:

Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210
Attention: Jocelyn M. Arel and Jeffrey A. Letalien
Email: jarel@goodwinlaw.com and jletalien@goodwinlaw.com

and

Cantor Fitzgerald & Co.
110 East 59th Street
New York, New York 10022
Attention: General Counsel

9.3 Applicable Law and Venue. The validity, interpretation, and performance of this Agreement and of the Warrants shall be governed in all respects by the laws of the State of New York, without giving effect to conflicts of law principles that would result in the application of the substantive laws of another jurisdiction. The Company hereby agrees that any action, proceeding or claim against it arising out of or relating in any way to this Agreement, including under the Securities Act, shall be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York, and irrevocably submits to such jurisdiction, which jurisdiction shall be the exclusive forum for any such action, proceeding or claim. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Notwithstanding the foregoing, the provisions of this paragraph will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the United States of America are the sole and exclusive forum. Any person or entity purchasing or otherwise acquiring any interest in the Warrants shall be deemed to have notice of and to have consented to the forum provisions in this Section 9.3. If any action, the subject matter of which is within the scope the forum provisions above, is filed in a court other than a court located within the State of New York or the United States District Court for the Southern District of New York (a “**foreign action**”) in the name of any warrant holder, such warrant holder shall be deemed to have consented to: (x) the personal jurisdiction of the state and federal courts located within the State of New York or the United States District Court for the Southern District of New York in connection with any action brought in any such court to enforce the forum provisions (an “**enforcement action**”), and (y) having service of process made upon such warrant holder in any such enforcement action by service upon such warrant holder’s counsel in the foreign action as agent for such warrant holder.

9.4 Persons Having Rights under this Agreement. Nothing in this Agreement expressed and nothing that may be implied from any of the provisions hereof is intended, or shall be construed, to confer upon, or give to, any person, corporation or other entity, other than the parties hereto and the registered holders of the Warrants, any right, remedy, or claim under or by reason of this Agreement or of any covenant, condition, stipulation, promise, or agreement hereof. All covenants, conditions, stipulations, promises, and agreements contained in this Agreement shall be for the sole and exclusive benefit of the parties hereto and their successors and assigns and of the registered holders of the Warrants.

9.5 Examination of the Warrant Agreement. A copy of this Agreement shall be available at all reasonable times at the office of the Warrant Agent in the Borough of Manhattan, City and State of New York, for inspection by the registered holder of any Warrant. The Warrant Agent may require any such holder to submit such holder’s Warrant for inspection by the Warrant Agent.

9.6 Counterparts. This Agreement may be executed in any number of original or facsimile counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

9.7 Effect of Headings. The section headings herein are for convenience only and are not part of this Agreement and shall not affect the interpretation thereof.

9.8 Amendments. This Agreement may be amended by the parties hereto without the consent of any registered holder (i) for the purpose of (x) curing any ambiguity or to correct any defective provision or mistake, including to conform the provisions hereof to the description of the terms of the Warrants and this Agreement set forth in the Registration Statement, (y) adjusting the definition of “Ordinary Cash Dividend” as contemplated by and in accordance with the second sentence of Section 4.3 or (z) adding or changing any other provisions with respect to matters or questions arising under this Agreement as the parties may deem necessary or desirable and that the parties deem shall not adversely affect the rights of the registered holders under this Agreement, and (ii) to provide for the delivery of an Alternative Issuance pursuant to Section 4.6. All other modifications or amendments, including any modification or amendment to increase the Warrant Price or shorten the Exercise Period, shall require the vote or written consent of the registered holders of 50% of the then-outstanding Public Warrants and, solely with respect to any amendment to the terms of the Private Placement Warrants or any provision of this Agreement with respect to the Private Placement Warrants (including, for the avoidance of doubt, the forfeiture or cancellation of any Private Placement Warrants), 50% of the then-outstanding Private Placement Warrants (including the vote in favor or written consent of the Representative). Notwithstanding the foregoing, the Company may lower the Warrant Price or extend the duration of the Exercise Period pursuant to Sections 3.1 and 3.2, respectively, without the consent of the registered holders.

9.9 Severability. This Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

FACTORIAL ENERGY INC.

By: /s/ Siyu Huang
Name: Siyu Huang
Title: Chief Executive Officer

**CONTINENTAL STOCK TRANSFER & TRUST COMPANY, AS
WARRANT AGENT**

By: /s/ Stacy Aqui
Name: Stacy Aqui
Title: Vice President

[Signature Page to Amended and Restated Warrant Agreement]

EXHIBIT A

FORM OF WARRANT CERTIFICATE

[FACE]

Number

Warrants

**THIS WARRANT SHALL BE VOID IF NOT EXERCISED PRIOR TO
THE EXPIRATION OF THE EXERCISE PERIOD PROVIDED FOR
IN THE WARRANT AGREEMENT DESCRIBED BELOW**

FACTORIAL ENERGY INC.
Incorporated Under the Laws of the Cayman Islands

CUSIP 30347G 111

Warrant Certificate

This Warrant Certificate certifies that [], or registered assigns, is the registered holder of [] warrant(s) (the “**Warrants**” and each, a “**Warrant**”) to purchase shares of Class A common stock, par value \$0.00001 per share (“**Series A Shares**”), of Factorial Energy Inc., a Delaware corporation (the “**Company**”). Each whole Warrant entitles the holder, upon exercise during the period set forth in the Warrant Agreement referred to below, to receive from the Company that number of fully paid and nonassessable Series A Shares as set forth below, at the exercise price (the “**Warrant Price**”) as determined pursuant to the Warrant Agreement, payable in lawful money (or through “cashless exercise” as provided for in the Warrant Agreement) of the United States of America upon surrender of this Warrant Certificate and payment of the Warrant Price at the office or agency of the Warrant Agent referred to below, subject to the conditions set forth herein and in the Warrant Agreement. Defined terms used in this Warrant Certificate but not defined herein shall have the meanings given to them in the Warrant Agreement.

Each whole Warrant is initially exercisable for one fully paid and non-assessable Series A Share. Fractional shares shall not be issued upon exercise of any Warrant. If, upon the exercise of Warrants, a holder would be entitled to receive a fractional interest in a Series A Share, the Company shall, upon exercise, round down to the nearest whole number the number of Series A Shares to be issued to the Warrant holder. The number of Series A Shares issuable upon exercise of the Warrants is subject to adjustment upon the occurrence of certain events as set forth in the Warrant Agreement.

The initial Warrant Price per one Series A Share for any Warrant is equal to \$11.50 per share. The Warrant Price is subject to adjustment upon the occurrence of certain events as set forth in the Warrant Agreement.

Subject to the conditions set forth in the Warrant Agreement, the Warrants may be exercised only during the Exercise Period and to the extent not exercised by the end of such Exercise Period, such Warrants shall become void. The Warrants may be redeemed, subject to certain conditions, as set forth in the Warrant Agreement. In addition, and notwithstanding anything else in this Warrant Certificate or the Warrant Agreement, to the extent that the holder of a Warrant has delivered a notice contemplated by subsection 3.3.5 of the Warrant Agreement, neither the Company nor the Warrant Agent shall issue to the holder, and the holder may not acquire, any right it might have to acquire, a number of Series A Shares upon exercise of any Warrant to the extent that, upon such exercise, the number of Series A Shares then beneficially owned by the holder would exceed the Maximum Percentage of Series A Shares outstanding immediately after giving effect to such exercise as determined in accordance with subsection 3.3.5 of the Warrant Agreement.

Reference is hereby made to the further provisions of this Warrant Certificate set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Warrant Certificate shall not be valid unless countersigned by the Warrant Agent, as such term is used in the Amended and Restated Warrant Agreement. This Warrant Certificate shall be governed by and construed in accordance with the internal laws of the State of New York.

FACTORIAL ENERGY INC.

By: _____
Name: Siyu Huang
Title: Chief Executive Officer

**CONTINENTAL STOCK TRANSFER & TRUST COMPANY, AS
WARRANT AGENT**

By: _____
Name:
Title:

[Form of Warrant Certificate]

[REVERSE]

The Warrants evidenced by this Warrant Certificate are part of a duly authorized issue of Warrants entitling the holder on exercise to receive Series A Shares and are issued or to be issued pursuant to the Amended and Restated Warrant Agreement dated as of June 4, 2026 (the “**Warrant Agreement**”), entered into by and between the Company and Continental Stock Transfer & Trust Company, a New York limited purpose trust company, as warrant agent (the “**Warrant Agent**”), which Warrant Agreement is hereby incorporated by reference in and made a part of this instrument and is hereby referred to for a description of the rights, limitation of rights, obligations, duties and immunities thereunder of the Warrant Agent, the Company and the holders (the words “**holders**” or “**holder**” meaning the registered holders or registered holder, respectively) of the Warrants. A copy of the Warrant Agreement may be obtained by the holder hereof upon written request to the Company. Defined terms used in this Warrant Certificate but not defined herein shall have the meanings given to them in the Warrant Agreement.

Warrants may be exercised at any time during the Exercise Period set forth in the Warrant Agreement. The holder of Warrants evidenced by this Warrant Certificate may exercise them by surrendering this Warrant Certificate, with the form of Election to Purchase set forth hereon properly completed and executed, together with payment of the Warrant Price as specified in the Warrant Agreement (or through “cashless exercise” as provided for in the Warrant Agreement) at the principal corporate trust office of the Warrant Agent. In the event that upon any exercise of Warrants evidenced hereby the number of Warrants exercised shall be less than the total number of Warrants evidenced hereby, there shall be issued to the holder hereof or his, her or its assignee, a new Warrant Certificate evidencing the number of Warrants not exercised.

Notwithstanding anything else in this Warrant Certificate or the Warrant Agreement, no Warrant may be exercised unless at the time of exercise (i) a registration statement covering the issuance of the Series A Shares to be issued upon exercise is effective under the Securities Act and (ii) a prospectus thereunder relating to the Series A Shares is current, except through “cashless exercise” as provided for in the Warrant Agreement.

The Warrant Agreement provides that upon the occurrence of certain events the number of Series A Shares issuable upon exercise of the Warrants set forth on the face hereof may, subject to certain conditions, be adjusted. If, upon exercise of a Warrant, the holder thereof would be entitled to receive a fractional interest in a Series A Share, the Company shall, upon exercise, round down to the nearest whole number of Series A Shares to be issued to the holder of the Warrant.

Warrant Certificates, when surrendered at the principal corporate trust office of the Warrant Agent by the registered holder thereof in person or by legal representative or attorney duly authorized in writing, may be exchanged, in the manner and subject to the limitations provided in the Warrant Agreement, but without payment of any service charge, for another Warrant Certificate or Warrant Certificates of like tenor evidencing in the aggregate a like number of Warrants.

Upon due presentation for registration of transfer of this Warrant Certificate at the office of the Warrant Agent a new Warrant Certificate or Warrant Certificates of like tenor and evidencing in the aggregate a like number of Warrants shall be issued to the transferee(s) in exchange for this Warrant Certificate, subject to the limitations provided in the Warrant Agreement, without charge except for any tax or other governmental charge imposed in connection therewith.

The Company and the Warrant Agent may deem and treat the registered holder(s) hereof as the absolute owner(s) of this Warrant Certificate (notwithstanding any notation of ownership or other writing hereon made by anyone), for the purpose of any exercise hereof, of any distribution to the holder(s) hereof, and for all other purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary. Neither the Warrants nor this Warrant Certificate entitles any holder hereof to any rights of a stockholder of the Company.

Election to Purchase

(To Be Executed Upon Exercise of Warrant)

The undersigned hereby irrevocably elects to exercise the right, represented by this Warrant Certificate, to receive Series A Shares and herewith tenders payment for such Series A Shares to the order of Factorial Energy Inc., a Delaware corporation (the “**Company**”) in the amount of \$ in accordance with the terms hereof. The undersigned requests that a certificate for such Series A Shares be registered in the name of , whose address is and that such Series A Shares be delivered to , whose address is . If said number of Series A Shares is less than all of the Series A Shares purchasable hereunder, the undersigned requests that a new Warrant Certificate representing the remaining balance of such Series A Shares be registered in the name of , whose address is and that such Warrant Certificate be delivered to , whose address is .

In the event that the Warrant has been called for redemption by the Company pursuant to Section 6.1 of the Warrant Agreement and the Company has required “cashless” exercise pursuant to Section 6.3 and subsection 3.3.1(c) of the Warrant Agreement, the number of Series A Shares that this Warrant is exercisable for shall be determined in accordance with subsection 3.3.1(c) of the Warrant Agreement.

In the event that the Warrant is to be exercised on a “cashless” basis pursuant to Section 7.4 of the Warrant Agreement, the number of Series A Shares that this Warrant is exercisable for shall be determined in accordance with Section 7.4 of the Warrant Agreement.

In the event that the Warrant may be exercised, to the extent allowed by the Warrant Agreement, through cashless exercise, (i) the number of Series A Shares that this Warrant is exercisable for will be determined in accordance with the relevant section of the Warrant Agreement which allows for such cashless exercise and (ii) the holder hereof shall complete the following: The undersigned hereby irrevocably elects to exercise the right, represented by this Warrant Certificate, through the cashless exercise provisions of the Warrant Agreement, to receive Series A Shares. If said number of shares is less than all of the Series A Shares purchasable hereunder (after giving effect to the cashless exercise), the undersigned requests that a new Warrant Certificate representing the remaining balance of such Series A Shares be registered in the name of , whose address is and that such Warrant Certificate be delivered to , whose address is .

[To be included in any Election to Purchase of a holder who has provided the notice set forth in subsection 3.3.5 of the Warrant Agreement.

By signing this Election to Purchase, the undersigned hereby certifies that, upon giving effect to such exercise, the undersigned (together with such person’s affiliates) or any “group” of which the undersigned or its affiliates is a member, would not beneficially own in excess of the Maximum Percentage of the Series A Shares outstanding immediately after giving effect to such exercise as determined in accordance with subsection 3.3.5 of the Warrant Agreement.]

[Signature Page Follows]

Date: , 20

(Signature)

(Address)

(Tax Identification Number)

Signature Guaranteed:

THE SIGNATURE(S) MUST BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (OR ANY SUCCESSOR RULE)).

EXHIBIT B

LEGEND FOR PRIVATE PLACEMENT WARRANTS

SUBJECT TO ANY ADDITIONAL LIMITATIONS ON TRANSFER DESCRIBED IN THE AMENDED AND RESTATED WARRANT AGREEMENT BY AND BETWEEN FACTORIAL ENERGY INC., A DELAWARE CORPORATION (FORMERLY KNOWN AS CARTESIAN GROWTH CORPORATION III), AND CONTINENTAL STOCK TRANSFER & TRUST COMPANY, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD OR TRANSFERRED PRIOR TO JULY 4, 2026 EXCEPT TO A PERMITTED TRANSFEREE (AS DEFINED IN SECTION 2 OF THE AMENDED AND RESTATED WARRANT AGREEMENT) WHO AGREES IN WRITING WITH THE COMPANY TO BE SUBJECT TO SUCH TRANSFER PROVISIONS.

**AMENDED AND RESTATED
REGISTRATION RIGHTS AGREEMENT**

THIS AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (this “Agreement”), dated as of June 5 2026, is made and entered into by and among Factorial Energy Inc., a Delaware corporation (the “Company”) (formerly known as Cartesian Growth Corporation III, a Cayman Islands exempted company, prior to its domestication as a Delaware corporation), CGC III Sponsor LLC, a Cayman Islands limited liability company (the “Sponsor”), CGC III Sponsor DirectorCo LLC, a Cayman Islands limited liability company (“DirectorCo”), Cantor Fitzgerald & Co. (“Cantor,” and together with DirectorCo, the “Cartesian Existing Investors”), certain former stockholders of Factorial Inc., a Delaware corporation (“Factorial”), set forth on Schedule 1 hereto (such stockholders, the “Factorial Holders”), certain stockholders of the Company as set forth on Schedule 2 hereto (such stockholders, the “Non-Redemption Holders”), and other persons and entities (collectively with the Sponsor, the Cartesian Existing Investors, the Factorial Holders, the Non-Redemption Holders and any person or entity who hereafter becomes a party to this Agreement pursuant to Section 5.2 of this Agreement, the “Holders” and each, a “Holder”). Capitalized terms used but not otherwise defined herein shall have the meanings given such terms in the Business Combination Agreement (as defined below).

RECITALS

WHEREAS, the Company, the Sponsor, DirectorCo, and Cantor are party to that certain Registration Rights Agreement, dated as of May 1, 2025 (the “Original RRA”);

WHEREAS, the Company is party to that certain Business Combination Agreement, dated as of December 17, 2025 (as it may be amended, restated, supplemented or otherwise modified from time to time, the “Business Combination Agreement”), by and among the Company, Fenway MS, Inc., a Delaware corporation and a direct, wholly owned subsidiary of the Company (“Merger Sub”), and Factorial, pursuant to which, on June 4 2026, the Company de-registered in the Cayman Islands and transferred by way of continuation out of the Cayman Islands and into the State of Delaware so as to migrate to and domesticate as a Delaware corporation (the “Domestication”) and, on June 5 2026, Merger Sub merged with and into Factorial (the “Merger”), with Factorial surviving the Merger as a wholly owned subsidiary of the Company;

WHEREAS, at the Domestication Effective Time (as defined in the Business Combination Agreement), pursuant to the Business Combination Agreement, each outstanding Class A ordinary share, par value \$0.0001 per share, of the Company (the “Cayman Class A Shares”) (including Cayman Class A Shares issued upon the conversion of Class B ordinary shares, par value \$0.0001 per share, of the Company immediately prior to the Domestication, but not including Cayman Class A Shares redeemed pursuant to the Company’s amended and restated memorandum and articles of association, was converted automatically into one share of the Company’s Series A common stock, par value \$0.00001 per share (the “Series A Common Stock”);

WHEREAS, at the Merger Effective Time, pursuant to the Business Combination Agreement, (i) each issued and outstanding share of common stock, par value \$0.0001 per share (the “Factorial Common Stock”) (including shares of Factorial Common Stock issued upon the conversion of shares of preferred stock of Factorial, but not including treasury shares or shares validly submitted for appraisal) was converted automatically into a number of shares of Series A Common Stock or, in the case of the Founders (as defined in the Business Combination Agreement), the Company’s Class B common stock, par value \$0.0001 per share (the “Class B Common Stock”) in accordance with the Conversion Ratio (as defined in the Business Combination Agreement), and (ii) each outstanding stock option of Factorial was assumed by the Company and became an option to purchase a number of shares of Series A Common Stock at an exercise price each determined by reference to the Conversion Ratio (the “Equity Awards”) covering a number of shares of Series A Common Stock determined by reference to the Conversion Ratio;

WHEREAS, on the date hereof, certain investors purchased an aggregate of 7,519,404 shares of Series A Common Stock (the “*Investor Shares*”) in a transaction exempt from registration under the Securities Act pursuant to the respective Stock Purchase Agreements, each dated as of December 17, 2025, entered into by and between the Company and each of such investors (the “*PIPE Investment*”);

WHEREAS, on or before the date hereof, the Non-Redemption Holders acquired or retained an aggregate of 1,470,764 shares of Series A Common Stock (the “*Non-Redemption Shares*”) (the “*Non-Redemption Investment*”);

WHEREAS, pursuant to Section 6.7 of the Original RRA, the provisions, covenants and conditions set forth therein may be amended or modified upon the written consent of the Company and the Holders (as defined in the Original RRA) of at least a majority-in-interest of the Registrable Securities (as defined in the Original RRA) at the time in question; and

WHEREAS, the Company, the Sponsor, DirectorCo, and Cantor desire to amend and restate the Original RRA in its entirety and enter into this Agreement, pursuant to which the Company shall grant the Holders certain registration rights with respect to certain securities of the Company, as set forth in this Agreement.

NOW, THEREFORE, in consideration of the representations, covenants and agreements contained herein, and certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 **Definitions.** The terms defined in this Article I shall, for all purposes of this Agreement, have the respective meanings set forth below:

“**Adverse Disclosure**” shall mean any public disclosure of material non-public information, which disclosure, in the good faith judgment of the Chief Executive Officer or the Chief Financial Officer of the Company or the Board, in each case, after consultation with counsel to the Company, (a) would be required to be made in any Registration Statement or Prospectus in order for the applicable Registration Statement or Prospectus not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein (in the case of any prospectus and any preliminary prospectus, in the light of the circumstances under which they were made) not misleading, (b) would not be required to be made at such time if the Registration Statement were not being filed, declared effective or used, as the case may be, and (c) the Company has a bona fide business purpose for not making such information public.

“**Agreement**” shall have the meaning given in the Preamble hereto.

“**Block Trade**” shall have the meaning given in Section 2.4.1.

“**Board**” shall mean the Board of Directors of the Company.

“**Business Combination Agreement**” shall have the meaning given in the Recitals hereto.

“Business Day” shall mean any day other than a Saturday, Sunday or any other day on which commercial banks are required or authorized to close in the State of New York.

“Cantor” shall have the meaning given in the Preamble hereto.

“Cartesian Existing Investors” shall have the meaning given in the Preamble hereto.

“Series A Common Stock” shall have the meaning given in the Recitals hereto.

“Closing” shall have the meaning given in the Business Combination Agreement.

“Closing Date” shall have the meaning given in the Business Combination Agreement.

“Commission” shall mean the U.S. Securities and Exchange Commission.

“Company” shall have the meaning given in the Preamble hereto and includes the Company’s successors by recapitalization, merger, consolidation, spin-off, reorganization or similar transaction.

“Demanding Holder” shall have the meaning given in Section 2.1.4.

“DirectorCo” shall have the meaning given in the Preamble hereto.

“Domestication” shall have the meaning given in the Recitals hereto.

“Equity Awards” shall have the meaning given in the Recitals hereto.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as it may be amended from time to time, and the rules and regulations of the Commission promulgated thereunder.

“Factorial” shall have the meaning given in the Preamble hereto.

“Factorial Holders” shall have the meaning given in the Preamble hereto.

“Form S-1 Shelf” shall have the meaning given in Section 2.1.1.

“Form S-3 Shelf” shall have the meaning given in Section 2.1.1.

“Founder Holder” shall mean each of Siyu Huang, Alex Yu, North Point Family Trust, Danehy Family Trust and Siyu Huang 2024 Family Trust dated March 1, 2024.

“Gatemoore Holder” shall mean each of Gatemoore Special Opportunities Master Fund Ltd. and GVP Climate Fund I LP.

“Holder Information” shall have the meaning given in Section 4.1.2.

“Holders” shall have the meaning given in the Preamble hereto, for so long as such person or entity holds any Registrable Securities.

“Investor Shares” shall have the meaning given in the Recitals hereto.

“Lock-Up Period” shall mean, with respect to the Factorial Holders and the Sponsor, the lock-up period specified in the Company’s Bylaws.

“Maximum Number of Securities” shall have the meaning given in Section 2.1.5.

“Mercedes Holder” shall mean Mercedes-Benz Corporate Investments LLC.

“Merger” shall have the meaning given in the Recitals hereto.

“Merger Sub” shall have the meaning given in the Recitals hereto.

“Minimum Takedown Threshold” shall have the meaning given in Section 2.1.4.

“Misstatement” shall mean an untrue statement of a material fact or an omission to state a material fact required to be stated in a Registration Statement or Prospectus or necessary to make the statements in a Registration Statement or Prospectus (in the case of a Prospectus, in the light of the circumstances under which they were made) not misleading.

“Non-Redemption Investment” shall have the meaning given in the Recitals hereto.

“Original RRA” shall have the meaning given in the Recitals hereto.

“Other Coordinated Offering” shall have the meaning given in Section 2.4.1.

“Permitted Transferees” shall mean persons to whom a holder of Registrable Securities is permitted to transfer such Registrable Securities prior to the expiration of the applicable Lock-Up Period.

“Piggyback Registration” shall have the meaning given in Section 2.2.1.

“PIPE Investment” shall have the meaning given in the Recitals hereto.

“Prospectus” shall mean the prospectus included in any Registration Statement, as supplemented by any and all prospectus supplements and as amended by any and all post-effective amendments and including all material incorporated by reference in such prospectus.

“Registrable Security” shall mean (a) any outstanding shares of Series A Common Stock held by a Holder following the Closing that are issued in connection with the transactions contemplated by the Business Combination Agreement, the Non-Redemption Investment, and the PIPE Investment, including, for the avoidance of doubt, any shares of Series A Common Stock (i) issued in connection with the Domestication, (ii) issued as Aggregate Merger Consideration (as defined in the Business Combination Agreement) and (iii) that are Investor Shares; (b) any shares of Series A Common Stock that may be acquired by a Holder upon the exercise, conversion or redemption of any other security of the Company or other right to acquire Series A Common Stock held by a Holder following the Closing that are issued or distributable in connection with the transactions contemplated by the Business Combination Agreement, including, for the avoidance of doubt, the shares of Series A Common Stock issued or issuable upon the exercise of any Warrants (as defined in the Business Combination Agreement) or Equity Awards of the Company held by a Holder immediately following the Closing; (c) any outstanding shares of Series A Common Stock and shares of Series A Common Stock issued or issuable upon the exercise of any other equity security of the Company acquired by a Holder following the date hereof to the extent that such securities are “restricted securities” (as defined in Rule 144) or are otherwise held by an “affiliate” (as defined in Rule 144) of the Company; and (d) any other equity security of the Company or any of its subsidiaries issued or issuable with respect to any securities referenced in clause (a), (b) or (c) above by way of a stock dividend or stock split or in connection with a recapitalization, merger, consolidation, spin-off, reorganization or similar transaction; provided, however, that, as to any particular Registrable Security, such securities shall cease to be Registrable Securities upon the earliest to occur of: (A) a Registration Statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been sold, transferred, disposed of or exchanged in accordance with such Registration Statement by the applicable Holder; (B)(i) such securities shall have been otherwise transferred (other than to a Permitted Transferee), (ii) new certificates for such securities not bearing (or book entry positions not subject to) a legend restricting further transfer shall have been delivered by the Company and (iii) subsequent public distribution of such securities shall not require registration under the Securities Act; (C) such securities shall have ceased to be outstanding; (D) such securities may be sold without registration pursuant to Rule 144 or any successor rule promulgated under the Securities Act (but with no volume or other restrictions or limitations including as to manner or timing of sale); and (E) such securities have been sold to, or through, a broker, dealer or underwriter in a public distribution or other public securities transaction.

“Registration” shall mean a registration, including any related Shelf Takedown, effected by preparing and filing a registration statement, Prospectus or similar document in compliance with the requirements of the Securities Act, and the applicable rules and regulations promulgated thereunder, and such registration statement becoming effective.

“Registration Expenses” shall mean the documented, out-of-pocket expenses of a Registration, including, without limitation, the following:

- (A) all registration, listing and filing fees, including fees with respect to filings required to be made with the Financial Industry Regulatory Authority, Inc. and any national securities exchange on which the Series A Common Stock is then listed;
- (B) fees and expenses of compliance with securities or blue sky laws (including reasonable and documented fees and disbursements of outside counsel for the Underwriters in connection with blue sky qualifications of Registrable Securities);
- (C) printing, messenger, telephone and delivery expenses;
- (D) reasonable fees and disbursements of counsel for the Company;
- (E) reasonable fees and disbursements of all independent registered public accountants of the Company incurred specifically in connection with such Registration; and
- (F) in an Underwritten Offering or Other Coordinated Offering, reasonable fees and expenses of one (1) legal counsel selected by the majority-in-interest of the Demanding Holders, up to \$30,000 in the aggregate.

“Registration Statement” shall mean any registration statement that covers Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus included in such registration statement, amendments (including post-effective amendments) and supplements to such registration statement, and all exhibits to and all material incorporated by reference in such registration statement.

“Requesting Holders” shall have the meaning given in Section 2.1.5.

“Securities Act” shall mean the Securities Act of 1933, as amended from time to time, and the rules and regulations of the Commission promulgated thereunder.

“Shelf” shall mean the Form S-1 Shelf, the Form S-3 Shelf or any Subsequent Shelf Registration Statement, as the case may be.

“Shelf Registration” shall mean a registration of securities pursuant to a registration statement filed with the Commission in accordance with and pursuant to Rule 415 promulgated under the Securities Act (or any successor rule then in effect).

“Shelf Takedown” shall mean any proposed transfer or sale using a Registration Statement, including a Piggyback Registration.

“Sponsor” shall have the meaning given in the Preamble hereto.

“Stellantis Holder” shall mean each of Stellantis Europe S.p.A. and Stellantis Ventures B.V.

“Subsequent Shelf Registration Statement” shall have the meaning given in Section 2.1.2.

“Transfer” shall mean the (a) sale or assignment of, offer to sell, contract or agreement to sell, gift, hypothecate, place a lien on, pledge, lend, assign, grant of any option to purchase or otherwise dispose of or agreement to dispose of, directly or indirectly, or establishment or increase of a put equivalent position or liquidation with respect to or decrease of a call equivalent position within the meaning of Section 16 of the Exchange Act, and the rules and regulations of the Commission promulgated thereunder, with respect to, any security, (b) engage in any hedging or other transaction or arrangement (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) which is designed to or which reasonably could be expected to lead to or result in a sale, loan, pledge or other disposition (whether by the undersigned or someone other than the undersigned), or transfer of any of the economic consequences of ownership, in whole or in part, directly or indirectly, of any Subject Shares, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Subject Shares or other securities, in cash or otherwise, or (c) public announcement of any intention to effect any transaction specified in clause (a) or (b).

“Underwriter” shall mean a securities dealer who purchases any Registrable Securities as principal in an Underwritten Offering and not as part of such dealer’s market-making activities.

“Underwritten Offering” shall mean a Registration in which securities of the Company are sold to an Underwriter in a firm commitment underwriting for distribution to the public.

“WAVE Holder” shall mean each of WAVE Equity Fund, L.P, WAVE AAC/LIO Co-Invest III, LLC and WAVE Factorial Energy I, LLC.

“Withdrawal Notice” shall have the meaning given in Section 2.1.6.

ARTICLE II
REGISTRATIONS AND OFFERINGS

2.1 Shelf Registration.

2.1.1 Filing. Within thirty (30) calendar days following the Closing Date (the “Filing Deadline”), the Company shall submit to or file with the Commission a Registration Statement for a Shelf Registration on Form S-1 (the “Form S-1 Shelf”) or a Registration Statement for a Shelf Registration on Form S-3 (the “Form S-3 Shelf”), if the Company is then eligible to use a Form S-3 Shelf, in each case, covering the resale of all the Registrable Securities (determined as of two (2) Business Days prior to such submission or filing) on a delayed or continuous basis as permitted by Rule 415 under the Securities Act (or any successor or similar provision adopted by the Commission then in effect) and shall use its commercially reasonable efforts to have such Shelf declared effective as soon as practicable after the filing thereof, but no later than the earlier of (i) the 60th calendar day (or 90th calendar day if the Commission notifies the Company that it will “review” the Registration Statement) following the earlier of (A) the filing of the Registration Statement and (B) the Filing Deadline, and (ii) the 10th Business Day after the date the Company is notified (orally or in writing, whichever is earlier) by the Commission that the Registration Statement will not be “reviewed” or will not be subject to further review by the Commission (such deadline the “Effectiveness Deadline”); provided, that if the Filing Deadline or Effectiveness Deadline falls on a Saturday, Sunday or other day that the Commission is closed for business, the Filing Deadline or Effectiveness Deadline, as the case may be, shall be extended to the next Business Day on which the Commission is open for business; provided further, that if the Commission is closed for operations due to a government shutdown, the Filing Deadline or the Effectiveness Deadline, as the case may be, shall be extended by the same number of Business Days on which the Commission remains closed. Such Shelf shall provide for the resale of the Registrable Securities included therein pursuant to any method or combination of methods legally available (the “Plan of Distribution”) to, and requested by, any Holder named therein. The Company shall maintain a Shelf in accordance with the terms hereof, and shall prepare and file with the Commission such amendments, including post-effective amendments, and supplements as may be necessary to keep a Shelf continuously effective, available for use to permit the Holders named therein to sell their Registrable Securities included therein and in compliance with the provisions of the Securities Act until such time as there are no longer any Registrable Securities. In the event the Company files a Form S-1 Shelf, the Company shall use its commercially reasonable efforts to convert the Form S-1 Shelf (and any Subsequent Shelf Registration Statement) to a Form S-3 Shelf as soon as practicable after the Company is eligible to use Form S-3. The Company’s obligation under this Section 2.1.1, shall, for the avoidance of doubt, be subject to Section 3.4.

2.1.2 Subsequent Shelf Registration. If any Shelf ceases to be effective under the Securities Act for any reason at any time while Registrable Securities are still outstanding, the Company shall, subject to Section 3.4, use its commercially reasonable efforts to as promptly as is reasonably practicable cause such Shelf to again become effective under the Securities Act (including using its commercially reasonable efforts to obtain the prompt withdrawal of any order suspending the effectiveness of such Shelf), and shall use its commercially reasonable efforts to as promptly as is reasonably practicable amend such Shelf in a manner reasonably expected to result in the withdrawal of any order suspending the effectiveness of such Shelf or file an additional registration statement as a Shelf Registration (a “Subsequent Shelf Registration Statement”) registering the resale of all Registrable Securities (determined as of two (2) Business Days prior to such filing), and pursuant to the Plan of Distribution. If a Subsequent Shelf Registration Statement is filed, the Company shall use its commercially reasonable efforts to (i) cause such Subsequent Shelf Registration Statement to become effective under the Securities Act as promptly as is reasonably practicable after the filing thereof (it being agreed that the Subsequent Shelf Registration Statement shall be an automatic shelf registration statement (as defined in Rule 405 promulgated under the Securities Act) if the Company is a well-known seasoned issuer (as defined in Rule 405 promulgated under the Securities Act) at the most recent applicable eligibility determination date) and (ii) keep such Subsequent Shelf Registration Statement continuously effective, available for use to permit the Holders named therein to sell their Registrable Securities included therein and in compliance with the provisions of the Securities Act until such time as there are no longer any Registrable Securities. Any such Subsequent Shelf Registration Statement shall be on Form S-3 to the extent that the Company is eligible to use such form. Otherwise, such Subsequent Shelf Registration Statement shall be on another appropriate form. The Company’s obligation under this Section 2.1.2, shall, for the avoidance of doubt, be subject to Section 3.4.

2.1.3 Additional Registration Statement(s). Subject to Section 3.4, in the event that any Holder holds Registrable Securities that are not registered for resale on a delayed or continuous basis, the Company, upon written request of such Holder at any time beginning 30 days prior to the expiration of the Lock-Up Period (if applicable), shall promptly use its commercially reasonable efforts to cause the resale of such Registrable Securities to be covered by filing a Subsequent Shelf Registration Statement and cause the same to become effective as soon as practicable after such filing and such Subsequent Shelf Registration Statement shall be subject to the terms hereof; provided, however, that the Company shall only be required to cause such additional Registrable Securities to be so covered twice per calendar year for each of (i) the Sponsor and the Cartesian Existing Investors, on the one hand, and (ii) the Factorial Holders, on the other hand.

2.1.4 Requests for Underwritten Offerings. Subject to Section 3.4, at any time and from time to time and beginning 30 days prior to the expiration of the Lock-Up Period (if applicable), the Sponsor (inclusive of its affiliated Non-Redemption Holders), each Founder Holder, each Gatemore Holder, the Mercedes Holder, each Stellantis Holder or each WAVE Holder (any such Holder being in such case, a “Demanding Holder”) may request to sell all or any portion of its Registrable Securities in an Underwritten Offering that is registered pursuant to the Shelf; provided that the Company shall only be obligated to effect an Underwritten Offering following the expiration of the Lock-Up Period (if applicable) if such offering shall include Registrable Securities proposed to be sold by the Demanding Holder, either individually or together with other Demanding Holders, with a total offering price reasonably expected to exceed, in the aggregate, \$25 million (the “Minimum Takedown Threshold”). All requests for Underwritten Offerings shall be made by giving written notice to the Company, which shall specify the approximate number of Registrable Securities proposed to be sold in the Underwritten Offering. Subject to Section 2.4.4, the initial Demanding Holder shall have the right to select the Underwriters for such offering (which shall consist of one or more reputable nationally recognized investment banks), subject to the Company’s prior approval (which shall not be unreasonably withheld, conditioned or delayed). During the term of this Agreement, (i) Sponsor may demand not more than three Underwritten Offerings, (ii) the Founder Holders, collectively, may demand not more than seven Underwritten Offerings, (iii) the Gatemore Holders, collectively, may demand not more than two Underwritten Offerings, (iv) the Mercedes Holder may demand not more than four Underwritten Offerings, (v) the Stellantis Holders, collectively, may demand not more than four Underwritten Offerings and (vi) the WAVE Holders, collectively, may demand not more than five Underwritten Offerings, in each case, pursuant to this Section 2.1.4; provided, that the Company shall not be required to conduct more than one Underwritten Offering in any six-month period. Notwithstanding anything to the contrary in this Agreement, the Company may effect any Underwritten Offering pursuant to any then effective Registration Statement, including a Form S-3, that is then available for such offering.

2.1.5 Reduction of Underwritten Offering. If the managing Underwriter or Underwriters in an Underwritten Offering, in good faith, advises the Company, the Demanding Holders and the Holders requesting piggy-back rights pursuant to this Agreement with respect to such Underwritten Offering (such Holders, the “Requesting Holders”) (if any) in writing that the dollar amount or number of Registrable Securities that the Demanding Holders and the Requesting Holders (if any) desire to sell, taken together with all other shares of Series A Common Stock or other equity securities that the Company desires to sell and all other shares of Series A Common Stock or other equity securities, if any, that have been requested to be sold in such Underwritten Offering pursuant to separate written contractual piggy-back registration rights held by any other stockholders, exceeds the maximum dollar amount or maximum number of equity securities that can be sold in the Underwritten Offering without adversely affecting the proposed offering price, the timing, the distribution method, or the probability of success of such offering (such maximum dollar amount or maximum number of such securities, as applicable, the “Maximum Number of Securities”), then the Company shall include in such Underwritten Offering, before including any shares of Series A Common Stock or other equity securities proposed to be sold by Company or by other holders of Series A Common Stock or other equity securities, (i) first, the Registrable Securities of the Demanding Holders that can be sold without exceeding the Maximum Number of Securities (pro rata based on the respective number of Registrable Securities that each Demanding Holder has requested be included in such Underwritten Offering and the aggregate number of Registrable Securities that all of the Demanding Holders have requested be included in such Underwritten Offering), (ii) second, to the extent that the Maximum Number of Securities has not been reached under the foregoing clause (i), the Registrable Securities of the Requesting Holders (if any) (pro rata based on the respective number of Registrable Securities that each Requesting Holder (if any) has requested be included in such Underwritten Offering and the aggregate number of Registrable Securities that all of the Requesting Holders have requested be included in such Underwritten Offering) that can be sold without exceeding the Maximum Number of Securities, (iii) third, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (i) and (ii), the shares of Series A Common Stock or other equity securities that the Company desires to sell, which can be sold without exceeding the Maximum Number of Securities, and (iv) fourth, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (i), (ii) and (iii), the shares of Series A Common Stock or other equity securities of persons other than Holders of Registrable Securities that the Company is obligated to register in a Registration pursuant to separate written contractual arrangements with such persons that can be sold without exceeding the Maximum Number of Securities.

2.1.6 Withdrawal. Prior to the filing of the applicable “red herring” prospectus or prospectus supplement used for marketing such Underwritten Offering, a majority-in-interest of the Demanding Holders initiating an Underwritten Offering shall have the right to withdraw from such Underwritten Offering for any or no reason whatsoever upon written notification (a “Withdrawal Notice”) to the Company and the Underwriter or Underwriters (if any) of their intention to withdraw from such Underwritten Offering; provided that the Sponsor or a Factorial Holder may elect to have the Company continue an Underwritten Offering if the Minimum Takedown Threshold would still be satisfied by the Registrable Securities proposed to be sold in the Underwritten Offering by the Sponsor, the Factorial Holders or any of their respective Permitted Transferees, as applicable. If withdrawn, a demand for an Underwritten Offering shall constitute a demand for an Underwritten Offering by the withdrawing Demanding Holder for purposes of Section 2.1.4, unless such Demanding Holder reimburses the Company for all Registration Expenses with respect to such Underwritten Offering (or, if there is more than one Demanding Holder, a pro rata portion of such Registration Expenses based on the respective number of Registrable Securities that each Demanding Holder has requested be included in such Underwritten Offering); provided that, if the Sponsor or a Factorial Holder elects to continue an Underwritten Offering pursuant to the proviso in the immediately preceding sentence, such Underwritten Offering shall instead count as an Underwritten Offering demanded by the Sponsor or such Factorial Holder, as applicable, for purposes of Section 2.1.4. Following the receipt of any Withdrawal Notice, the Company shall promptly forward such Withdrawal Notice to any other Holders that had elected to participate in such Underwritten Offering. Notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for the Registration Expenses incurred in connection with an Underwritten Offering prior to its withdrawal under this Section 2.1.6, other than if a Demanding Holder elects to pay such Registration Expenses pursuant to the second sentence of this Section 2.1.6.

2.2 Piggyback Registration.

2.2.1 Piggyback Rights. Subject to Section 2.4.3, if any Holder proposes to conduct a registered offering of, or if the Company proposes to file a resale Registration Statement under the Securities Act with respect to the Registration of, equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into equity securities, (including, without limitation, an Underwritten Offering pursuant to Section 2.1, if such Underwritten Offering is for the resale of Registrable Securities by any Holder), other than a Registration Statement (or any registered offering with respect thereto) (i) filed in connection with any employee stock option or other benefit plan, (ii) pursuant to a Registration Statement on Form S-4 (or similar form that relates to a transaction subject to Rule 145 under the Securities Act or any successor rule thereto), (iii) for an offering of debt that is convertible into equity securities of the Company, (iv) for a dividend reinvestment plan, (v) for an exchange offer or offering of securities solely to the Company's existing securityholders, (vi) for a rights offering, (vii) for an equity line of credit or an at-the-market offering of securities, (viii) a Block Trade, (ix) by the Company for any primary offering of the Company's securities, or (x) an Other Coordinated Offering, then the Company shall give written notice of such proposed offering to all of the Holders of Registrable Securities as soon as practicable but not less than ten (10) days before the anticipated filing date of such Registration Statement or, in the case of an Underwritten Offering pursuant to a Shelf Registration, the applicable "red herring" prospectus or prospectus supplement used for marketing such offering, which notice shall (A) describe the amount and type of securities to be included in such offering, the intended method(s) of distribution, and the name of the proposed managing Underwriter or Underwriters, if any, in such offering, and (B) offer to all of the Holders of Registrable Securities the opportunity to include in such registered offering such number of Registrable Securities as such Holders may request in writing within five (5) days after receipt of such written notice (such registered offering, a "Piggyback Registration"); provided, in the case of an "overnight" or "bought" offering, such requests must be made by the Holders within two (2) Business Days after delivery of any such notice by the Company; provided further that if the Company has been advised in writing by the managing Underwriter(s) that the inclusion of Registrable Securities for sale for the benefit of the Holders will have an adverse effect on the price, timing, or distribution of the Series A Common Stock in an Underwritten Offering, then (1) if no Registrable Securities can be included in the Underwritten Offering in the opinion of the managing Underwriter(s), the Company shall not be required to offer such opportunity to such Holders or (2) if any Registrable Securities can be included in the Underwritten Offering in the opinion of the managing Underwriter(s), then the amount of Registrable Securities to be offered for the accounts of Holders shall be determined based on the provisions of Section 2.2.2. Subject to the foregoing proviso and to Section 2.2.2, the Company shall, in good faith, cause such Registrable Securities to be included in such Piggyback Registration and, if applicable, shall use its commercially reasonable efforts to cause the managing Underwriter or Underwriters of such Piggyback Registration to permit the Registrable Securities requested by the Holders pursuant to this Section 2.2.1 to be included therein on the same terms and conditions as any similar securities of the Company included in such registered offering and to permit the sale or other disposition of such Registrable Securities in accordance with the intended method(s) of distribution thereof. The inclusion of any Holder's Registrable Securities in a Piggyback Registration shall be subject to such Holder agreement to enter into an underwriting agreement in customary form with the Underwriter(s) selected for such Underwritten Offering.

2.2.2 Reduction of Piggyback Registration. If the managing Underwriter or Underwriters in an Underwritten Offering that is to be a Piggyback Registration, in good faith, advises the Company and the Holders of Registrable Securities participating in the Piggyback Registration in writing that the dollar amount or number of shares of Series A Common Stock or other equity securities that the Company desires to sell, taken together with (i) the shares of Series A Common Stock or other equity securities, if any, as to which Registration or a registered offering has been demanded pursuant to separate written contractual arrangements with persons or entities other than the Holders of Registrable Securities hereunder, (ii) the Registrable Securities as to which registration has been requested pursuant to Section 2.2 hereof, and (iii) the shares of Series A Common Stock or other equity securities, if any, as to which Registration or a registered offering has been requested pursuant to separate written contractual piggy-back registration rights of persons or entities other than the Holders of Registrable Securities hereunder, exceeds the Maximum Number of Securities, then:

(a) if the Registration or registered offering is pursuant to a demand by persons or entities other than the Holders of Registrable Securities, then the Company shall include in any such Registration or registered offering (A) first, the shares of Series A Common Stock or other equity securities, if any, of such requesting persons or entities, other than the Holders of Registrable Securities, which can be sold without exceeding the Maximum Number of Securities; (B) second, to the extent that the Maximum Number of Securities has not been reached under the foregoing clause (A), the Registrable Securities of Holders exercising their rights to register their Registrable Securities pursuant to Section 2.2.1, pro rata, based on the respective number of Registrable Securities that each Holder has requested be included in such Underwritten Offering and the aggregate number of Registrable Securities that the Holders have requested to be included in such Underwritten Offering, which can be sold without exceeding the Maximum Number of Securities; (C) third, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (A) and (B), the shares of Series A Common Stock or other equity securities that the Company desires to sell, which can be sold without exceeding the Maximum Number of Securities; and (D) fourth, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (A), (B) and (C), the shares of Series A Common Stock or other equity securities, if any, as to which Registration or a registered offering has been requested pursuant to separate written contractual piggy-back registration rights of persons or entities other than the Holders of Registrable Securities hereunder, which can be sold without exceeding the Maximum Number of Securities; and

(b) if the Registration or registered offering and Underwritten Offering is pursuant to a request by Holder(s) of Registrable Securities pursuant to Section 2.1 hereof, then the Company shall include in any such Registration or registered offering securities in the priority set forth in Section 2.1.5.

2.2.3 Piggyback Registration Withdrawal. Any Holder of Registrable Securities (other than a Demanding Holder, whose right to withdraw from an Underwritten Offering, and related obligations, shall be governed by Section 2.1.6) shall have the right to withdraw from a Piggyback Registration for any or no reason whatsoever upon written notification to the Company and the Underwriter or Underwriters (if any) of his, her or its intention to withdraw from such Piggyback Registration prior to the effectiveness of the Registration Statement filed with the Commission with respect to such Piggyback Registration or, in the case of a Piggyback Registration pursuant to a Shelf Registration, the filing of the applicable “red herring” prospectus or prospectus supplement with respect to such Piggyback Registration used for marketing such transaction. The Company (whether on its own good faith determination or as the result of a request for withdrawal by persons or entities pursuant to separate written contractual obligations) may withdraw a Registration Statement filed with the Commission in connection with a Piggyback Registration (which, in no circumstance, shall include a Shelf) at any time prior to the effectiveness of such Registration Statement. Notwithstanding anything to the contrary in this Agreement (other than Section 2.1.6), the Company shall be responsible for the Registration Expenses incurred in connection with the Piggyback Registration prior to its withdrawal under this Section 2.2.3.

2.2.4 Unlimited Piggyback Registration Rights. For purposes of clarity, subject to Section 2.1.6, any Piggyback Registration effected pursuant to Section 2.2 hereof shall not be counted as a demand for an Underwritten Offering under Section 2.1.4 hereof.

2.3 Market Stand-off. In connection with any Underwritten Offering of equity securities of the Company (other than a Block Trade or Other Coordinated Offering), if requested by the managing Underwriters, each Holder that is (a) an executive officer, (b) a director, (c) Holder in excess of five percent (5%) of the outstanding Series A Common Stock (and for which it is customary for such a Holder to agree to a lock-up), or (d) a Demanding Holder or Requesting Holder any of whose Registrable Securities are included in the Underwritten Offering agrees that it shall not Transfer any shares of Series A Common Stock or other equity securities of the Company (other than those included in such offering pursuant to this Agreement), without the prior written consent of the Company, during the ninety (90)-day period (or such shorter time agreed to by the managing Underwriters) beginning on the date of pricing of such offering, except as expressly permitted by such lock-up agreement or in the event the managing Underwriters otherwise agree by written consent. Each such Holder agrees to execute a customary lock-up agreement in favor of the Underwriters to such effect (in each case on substantially the same terms and conditions as all such Holders).

2.4 Block Trades; Other Coordinated Offerings.

2.4.1 Notwithstanding any other provision of this Article II, but subject to Section 3.4, at any time and from time to time when an effective Shelf is on file with the Commission, at any time and from time to time following the expiration of the Lock-Up Period (if applicable), if a Demanding Holder wishes to engage in (a) an underwritten registered offering not involving a “roadshow”, an offer commonly known as a “block trade” (a “Block Trade”), or (b) an “at the market” or similar registered offering through a broker, sales agent or distribution agent, whether as agent or principal (an “Other Coordinated Offering”), in each case, (x) with a total offering price reasonably expected to exceed \$25 million in the aggregate or (y) with respect to all remaining Registrable Securities held by the Demanding Holder, then such Demanding Holder shall notify the Company of the Block Trade or Other Coordinated Offering at least five (5) Business Days prior to the day such offering is to commence and the Company shall use its commercially reasonable efforts to facilitate such Block Trade or Other Coordinated Offering; provided that the Demanding Holders representing a majority of the Registrable Securities wishing to engage in the Block Trade or Other Coordinated Offering shall use commercially reasonable efforts to work with the Company and any Underwriters, brokers, sales agents or placement agents prior to making such request in order to facilitate preparation of the registration statement, prospectus and other offering documentation related to the Block Trade or Other Coordinated Offering.

2.4.2 Prior to the filing of the applicable “red herring” prospectus or prospectus supplement used in connection with a Block Trade or Other Coordinated Offering, a majority-in-interest of the Demanding Holders initiating such Block Trade or Other Coordinated Offering shall have the right to submit a Withdrawal Notice to the Company, the Underwriter or Underwriters (if any) and any brokers, sales agents or placement agents (if any) of their intention to withdraw from such Block Trade or Other Coordinated Offering. Notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for the Registration Expenses incurred in connection with a Block Trade or Other Coordinated Offering prior to its withdrawal under this Section 2.4.2.

2.4.3 Notwithstanding anything to the contrary in this Agreement, Section 2.2 shall not apply to a Block Trade or Other Coordinated Offering initiated by a Demanding Holder pursuant to this Agreement.

2.4.4 The Demanding Holder in a Block Trade or Other Coordinated Offering shall have the right to select the Underwriters and any brokers, sales agents or placement agents (if any) for such Block Trade or Other Coordinated Offering (in each case, which shall consist of one or more reputable nationally recognized investment banks).

2.4.5 The Company shall not be required to effect any Block Trade or Other Coordinated Offering at any time during which the 90-day market stand-off restrictions pursuant to Section 2.3 apply. Any Block Trade or Other Coordinated Offering effected pursuant to this Section 2.4 shall not be counted as a demand for an Underwritten Offering pursuant to Section 2.1.4 hereof, as long as the Company is not required to provide any of the items required by Sections 3.1.10, 3.1.11 and 3.1.12 in connection with such Block Trade or Other Coordinated Offering.

ARTICLE III
COMPANY PROCEDURES

3.1 General Procedures. If at any time the Company is required to effect the Registration of Registrable Securities hereunder, the Company shall use its commercially reasonable efforts to effect such Registration to permit the sale of such Registrable Securities in accordance with the intended plan of distribution thereof, and pursuant thereto the Company shall:

3.1.1 prepare and file with the Commission as soon as reasonably practicable a Registration Statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such Registration Statement to become effective and remain effective until all Registrable Securities covered by such Registration Statement are sold in accordance with the intended plan of distribution set forth in such Registration Statement or have ceased to be Registrable Securities;

3.1.2 prepare and file with the Commission such amendments and post-effective amendments to the Registration Statement, and such supplements to the Prospectus, as may be reasonably requested by any Holder that holds at least five percent (5%) of the Registrable Securities registered on such Registration Statement or any Underwriter of Registrable Securities or as may be required by the rules, regulations or instructions applicable to the registration form used by the Company or by the Securities Act or rules and regulations thereunder to keep the Registration Statement effective until all Registrable Securities covered by such Registration Statement are sold in accordance with the intended plan of distribution set forth in such Registration Statement or supplement to the Prospectus or have ceased to be Registrable Securities;

3.1.3 in connection with the filing of a Registration Statement or Prospectus, or any amendment or supplement thereto, upon the reasonable request of a Holder, furnish without charge to the Underwriters, if any, and the Holders of Registrable Securities included in such Registration, and such Holders' legal counsel, (i) excerpts of such Registration Statement naming such Holders or Underwriters, and the section entitled "Plan of Distribution", "Underwriting" or similar sections, (ii) each amendment and supplement to such Registration Statement (in each case including all exhibits thereto and documents incorporated by reference therein), (iii) the Prospectus included in such Registration Statement (including each preliminary Prospectus), and (iv) such other documents as the Underwriters and the Holders of Registrable Securities included in such Registration or the legal counsel for any such Holders may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Holders; provided, that, in no event shall the Company be required to delay or postpone the filing of such Registration Statement as a result of or in connection with a Holder's review; and provided, further, that the Company shall have no obligation to furnish any documents publicly filed or furnished with the Commission pursuant to the Electronic Data Gathering, Analysis and Retrieval System ("EDGAR");

3.1.4 prior to any public offering of Registrable Securities, use its commercially reasonable efforts to (i) register or qualify the Registrable Securities covered by the Registration Statement under such securities or "blue sky" laws of such jurisdictions in the United States as the Holders of Registrable Securities included in such Registration Statement (in light of their intended plan of distribution) may request (or provide evidence satisfactory to such Holders that the Registrable Securities are exempt from such registration or qualification) and (ii) take such action necessary to cause such Registrable Securities covered by the Registration Statement to be registered with or approved by such other governmental authorities as may be necessary by virtue of the business and operations of the Company and do any and all other acts and things that may be necessary or advisable to enable the Holders of Registrable Securities included in such Registration Statement to consummate the disposition of such Registrable Securities in such jurisdictions; provided, however, that the Company shall not be required to qualify generally to do business or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify or take any action to which it would be subject to general service of process or taxation in any such jurisdiction where it is not then otherwise so subject;

3.1.5 cause all such Registrable Securities to be listed on each national securities exchange on which similar securities issued by the Company are then listed;

3.1.6 provide a transfer agent and registrar for all such Registrable Securities no later than the effective date of such Registration Statement;

3.1.7 advise each seller of such Registrable Securities, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the Commission suspending the effectiveness of such Registration Statement or the initiation or threatening of any proceeding for such purpose and promptly use its commercially reasonable efforts to prevent the issuance of any stop order or to obtain its withdrawal if such stop order should be issued;

3.1.8 notify the selling Holders at any time when a Prospectus relating to such Registration Statement is required to be delivered under the Securities Act, of the happening of any event as a result of which the Prospectus included in such Registration Statement, as then in effect, includes a Misstatement, and then to correct such Misstatement as set forth in Section 3.4;

3.1.9 in the event of an Underwritten Offering, a Block Trade, an Other Coordinated Offering, or sale by a broker, placement agent or sales agent pursuant to such Registration, in each of the following cases to the extent customary for a transaction of its type, permit a representative of the Holders, the Underwriters or other financial institutions facilitating such Underwritten Offering, Block Trade, Other Coordinated Offering or other sale pursuant to such Registration, if any, and any attorney, consultant or accountant retained by such Holders or Underwriter to participate, at each such person's or entity's own expense, in the preparation of the Registration Statement, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such representative, Underwriter, financial institution, attorney, consultant or accountant in connection with the Registration; provided, however, that such representatives, Underwriters or financial institutions agree to confidentiality arrangements in form and substance reasonably satisfactory to the Company, prior to the release or disclosure of any such information;

3.1.10 obtain a "cold comfort" letter (including a bring-down letter dated as of the date the Registrable Securities are delivered for sale pursuant to such Registration) from the Company's independent registered public accountants in the event of an Underwritten Offering (other than a Block Trade or Other Coordinated Offering) pursuant to such Registration (subject to such placement agent or sales agent providing such certification or representation reasonably requested by the Company's independent registered public accountants and the Company's counsel) in customary form and covering such matters of the type customarily covered by "cold comfort" letters for a transaction of its type as the managing Underwriter may reasonably request, and reasonably satisfactory to a majority-in-interest of the participating Holders;

3.1.11 in the event of an Underwritten Offering (other than a Block Trade or Other Coordinated Offering) pursuant to such Registration, on the date the Registrable Securities are delivered for sale pursuant to such Registration, to the extent customary for a transaction of its type, obtain an opinion and negative assurance letter, dated such date, of counsel representing the Company for the purposes of such Registration, addressed to the participating Holders, the broker, placement agents or sales agent, if any, and the Underwriters, if any, covering such legal matters with respect to the Registration in respect of which such opinion is being given as the participating Holders, broker, placement agent, sales agent or Underwriter may reasonably request and as are customarily included in such opinions and negative assurance letters;

3.1.12 in the event of any Underwritten Offering (other than a Block Trade or Other Coordinated Offering), enter into and perform its obligations under an underwriting or other purchase or sales agreement, in usual and customary form, with the managing Underwriter of such offering or sale;

3.1.13 make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve (12) months beginning with the first day of the Company's first full calendar quarter after the effective date of the Registration Statement which satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any successor rule then in effect), which requirement will be deemed satisfied if the Company timely files Forms 10-K, 10-Q, and 8-K as may be required to be filed under the Exchange Act and otherwise complies with Rule 158 under the Securities Act;

3.1.14 with respect to an Underwritten Offering pursuant to Section 2.1.4, use its commercially reasonable efforts to make available senior executives of the Company to participate in customary "road show" presentations that may be reasonably requested by the Underwriter in such Underwritten Offering; and

3.1.15 otherwise, in good faith, cooperate reasonably with, and take such customary actions as may reasonably be requested by the participating Holders, consistent with the terms of this Agreement, in connection with such Registration.

Notwithstanding the foregoing, the Company shall not be required to provide any documents or information to an Underwriter, broker, sales agent or placement agent if such Underwriter, broker, sales agent or placement agent has not then been named with respect to the applicable Underwritten Offering or other offering involving a registration as an Underwriter, broker, sales agent or placement agent, as applicable.

3.2 Registration Expenses. The Registration Expenses of all Registrations shall be borne by the Company. It is acknowledged by the Holders that the Holders shall bear all incremental selling expenses relating to the sale of Registrable Securities, such as Underwriters' commissions and discounts, brokerage fees, Underwriter marketing costs and, other than as set forth in the definition of "Registration Expenses," all fees and expenses of any legal counsel representing the Holders.

3.3 Requirements for Participation in Registration Statement and Underwritten Offerings. Notwithstanding anything in this Agreement to the contrary, if any Holder does not provide the Company with its requested Holder Information, the Company may exclude such Holder's Registrable Securities from the applicable Registration Statement or Prospectus if the Company determines, based on the advice of counsel, that it is necessary or advisable to include such information in the applicable Registration Statement or Prospectus and such Holder continues thereafter to withhold such information. In addition, no person or entity may participate in any Underwritten Offering or other offering for equity securities of the Company pursuant to a Registration initiated by the Company hereunder unless such person or entity (i) agrees to sell such person's or entity's securities on the basis provided in any underwriting, sales, distribution or placement arrangements approved by the Company and (ii) completes and executes all customary questionnaires, powers of attorney, indemnities, lock-up agreements, underwriting or other agreements and other customary documents as may be reasonably required under the terms of such underwriting, sales, distribution or placement arrangements provided that such Holder shall only be subject to the restrictions set forth in any such lock-up agreements if the directors and officers of the Company are subject to a lock-up obligation to the Underwriters managing the offering and the length of such lock-up for such Holder shall be no longer than the shortest lock-up of any such directors and officers; provided, further, that if the Company or the Underwriters managing the offering waive or shorten the Lock-Up Period for any of the Company's officers, directors or stockholders, then (i) all Holders subject to such lock-up shall receive notice of such waiver or modification no later than two (2) Business Days following such waiver or modification, and (ii) such lock-up will be similarly waived pro rata or shortened for each such Holder. For the avoidance of doubt, the exclusion of a Holder's Registrable Securities as a result of this Section 3.3 shall not affect the registration of the other Registrable Securities to be included in such Registration.

3.4 Suspension of Sales; Adverse Disclosure; Restrictions on Registration Rights.

3.4.1 Upon receipt of written notice from the Company that a Registration Statement or Prospectus contains a Misstatement, each of the Holders shall forthwith discontinue disposition of Registrable Securities until it has received copies of a supplemented or amended Prospectus correcting the Misstatement (it being understood that the Company hereby covenants to prepare and file such supplement or amendment as soon as reasonably practicable after the time of such notice), or until it is advised in writing by the Company that the use of the Prospectus may be resumed.

3.4.2 Subject to Section 3.4.4, if the filing, initial effectiveness or continued use of a Registration Statement in respect of any Registration at any time would (a) require the Company to make an Adverse Disclosure, (b) require the inclusion in such Registration Statement of financial statements that are unavailable to the Company, or (c) in the good faith judgment of the majority of the Board such Registration, be seriously detrimental to the Company and the majority of the Board concludes as a result that it is essential to defer such filing, initial effectiveness or continued use at such time, the Company may, upon giving prompt written notice of such action to the Holders (which notice shall not specify the nature of the event giving rise to such delay or suspension), delay the filing or initial effectiveness of, or suspend use of, such Registration Statement for the shortest period of time determined in good faith by the Company to be necessary for such purpose. In the event the Company exercises its rights under this Section 3.4.2, the Holders agree to suspend, immediately upon their receipt of the notice referred to above, their use of the Prospectus relating to any Registration in connection with any sale or offer to sell Registrable Securities until such Holder receives written notice from the Company that such sales or offers of Registrable Securities may be resumed, and in each case maintain the confidentiality of such notice and its contents.

3.4.3 Subject to Section 3.4.4, (a) during the period starting with the date thirty (30) days prior to the Company's good faith estimate of the date of the filing of, and ending on a date ninety (90) days after the effective date of, a Company-initiated Registration and provided that the Company continues to actively employ, in good faith, all commercially reasonable efforts to maintain the effectiveness of the applicable Shelf Registration, or (b) if, pursuant to Section 2.1.4, Holders have requested an Underwritten Offering and the Company and Holders are unable to obtain the commitment of underwriters to firmly underwrite such offering, the Company may, upon giving prompt written notice of such action to the Holders, delay any other registered offering pursuant to Section 2.1.4 or 2.4.

3.4.4 The right to delay or suspend any filing, initial effectiveness or continued use of a Registration Statement pursuant to Section 3.4.2 or a registered offering pursuant to Section 3.4.3 shall be exercised by the Company, in the aggregate, on not more than two (2) occasions for not more than ninety (90) consecutive calendar days on each occasion or not more than one-hundred-twenty (120) total calendar days, in each case, during any twelve (12)-month period.

3.5 Reporting Obligations. As long as any Holder shall own Registrable Securities, the Company, at all times while it shall be a reporting company under the Exchange Act, covenants to file timely (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to Sections 13(a) or 15(d) of the Exchange Act and to promptly furnish the Holders with true and complete copies of all such filings; provided that any documents publicly filed or furnished with the Commission pursuant to EDGAR shall be deemed to have been furnished or delivered to the Holders pursuant to this Section 3.5. The Company further covenants that it shall take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell shares of Series A Common Stock held by such Holder without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 promulgated under the Securities Act (or any successor rule then in effect). Upon the request of any Holder, the Company shall deliver to such Holder a written certification of a duly authorized officer as to whether it has complied with such requirements.

3.6 Restrictive Legend Removal.

3.6.1 At any time and from time to time in connection with a bona fide sale of Registrable Securities effected in compliance with the requirements of Rule 144 under the Securities Act or through any broker-dealer sale transactions described in the plan of distribution set forth within any prospectus and pursuant to the Registration Statement of which such prospectus forms a part, the Company shall use its commercially reasonable efforts, subject to the receipt of customary documentation required from the holder of the applicable Registrable Securities and broker in connection therewith and compliance with applicable laws, (i) promptly instruct its transfer agent to remove any restrictive legends applicable to the Registrable Securities being sold and (ii) cause its legal counsel to deliver the necessary legal opinions, if any, to the transfer agent in connection with the instruction under subclause (i). The Company shall be responsible for the fees of its transfer agent, its legal counsel (including for purposes of giving the opinion referenced herein) and all DTC fees associated with such issuance and the Holder shall be responsible for its fees or costs associated with such removal of such restrictive legends (including its legal fees or costs of its legal counsel).

3.6.2 With a view to making available to each Holder of Registrable Securities the benefits of Rule 144 that permit the Holder to sell securities of the Company to the public without registration, the Company agrees, for so long as any Holder holds Registrable Securities, to:

(a) use commercially reasonable efforts to make and keep public information available, as those terms are understood and defined in Rule 144; and

(b) use commercially reasonable efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act so long as the Company remains subject to such requirements and the filing of such reports and other documents as may be required pursuant to the applicable provisions of Rule 144.

ARTICLE IV

INDEMNIFICATION AND CONTRIBUTION

4.1 Indemnification.

4.1.1 The Company agrees to indemnify, to the extent permitted by law, each Holder of Registrable Securities, its officers, directors and agents and each person or entity who controls such Holder (within the meaning of the Securities Act), against all losses, claims, damages, liabilities and out-of-pocket expenses (including, without limitation, reasonable and documented outside attorneys' fees) resulting from any untrue or alleged untrue statement of material fact contained in or incorporated by reference in any Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of a Prospectus, in light of the circumstances in which they were made), except insofar as the same are caused by or contained in any information or affidavit so furnished in writing to the Company by such Holder expressly for use therein.

4.1.2 In connection with any Registration Statement in which a Holder of Registrable Securities is participating, such Holder shall furnish (or cause to be furnished) to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such Registration Statement or Prospectus (the “Holder Information”) and, to the extent permitted by law, shall indemnify the Company, its directors, officers and agents and each person or entity who controls the Company (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and reasonable and documented out-of-pocket expenses (including, without limitation, reasonable and documented outside attorneys’ fees) resulting from any untrue or alleged untrue statement of material fact contained or incorporated by reference in any Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of a Prospectus, in light of the circumstances in which they were made), but only to the extent that such untrue statement is contained in (or not contained in, in the case of an omission) any information or affidavit so furnished in writing by or on behalf of such Holder expressly for use therein; provided, however, that the obligation to indemnify shall be several, not joint and several, among such Holders of Registrable Securities, and the liability of each such Holder of Registrable Securities shall be in proportion to and limited to the net proceeds received by such Holder from the sale of Registrable Securities pursuant to such Registration Statement. The Holders of Registrable Securities shall indemnify the Underwriters, their officers, directors and each person or entity who controls such Underwriters (within the meaning of the Securities Act) to the same extent as provided in the foregoing with respect to indemnification of the Company.

4.1.3 Any person or entity entitled to indemnification herein shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any person’s or entity’s right to indemnification hereunder to the extent such failure has not materially prejudiced the indemnifying party) and (ii) unless in such indemnified party’s reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel (plus one local counsel if necessary in the reasonable judgment of the indemnified party) for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. No indemnifying party shall, without the consent of the indemnified party, consent to the entry of any judgment or enter into any settlement which cannot be settled in all respects by the payment of money (and such money is so paid by the indemnifying party pursuant to the terms of such settlement) or which settlement includes a statement or admission of fault and culpability on the part of such indemnified party or which settlement does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

4.1.4 The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling person or entity of such indemnified party and shall survive the transfer of securities. The Company and each Holder of Registrable Securities participating in an offering also agrees to make such provisions as are reasonably requested by any indemnified party for contribution to such party in the event the Company’s or such Holder’s indemnification is unavailable for any reason.

4.1.5 If the indemnification provided under Section 4.1 from the indemnifying party is unavailable or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities and documented out-of-pocket expenses referred to herein, then the indemnifying party, in lieu of indemnifying the indemnified party, shall contribute to the amount paid or payable by the indemnified party as a result of such losses, claims, damages, liabilities and documented out-of-pocket expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, was made by (or not made by, in the case of an omission), or relates to information supplied by (or not supplied by in the case of an omission), such indemnifying party or indemnified party, and the indemnifying party's and indemnified party's relative intent, knowledge, access to information and opportunity to correct or prevent such action; provided, however, that the liability of any Holder under this Section 4.1.5 shall be limited to the amount of the net proceeds received by such Holder in such offering giving rise to such liability. The amount paid or payable by a party as a result of the losses or other liabilities referred to above shall be deemed to include, subject to the limitations set forth in Sections 4.1.1, 4.1.2 and 4.1.3 above, any legal or other fees, charges or out-of-pocket expenses reasonably incurred by such party in connection with any investigation or proceeding. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 4.1.5 were determined by pro rata allocation or by any other method of allocation, which does not take account of the equitable considerations referred to in this Section 4.1.5. No person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution pursuant to this Section 4.1.5 from any person or entity who was not guilty of such fraudulent misrepresentation.

ARTICLE V

MISCELLANEOUS

5.1 Notices. All notices, requests, demands, claims, and other communications hereunder shall be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed to have been duly given (i) when delivered in person, (ii) when delivered after posting in the United States mail having been sent registered or certified mail return receipt requested, postage prepaid, (iii) when delivered by FedEx or other nationally recognized overnight delivery service, or (iv) when delivered by email, during normal business hours on a Business Day and otherwise as of the opening of the immediately following Business Day, in each case, addressed to the intended recipient at its address specified on the signature page hereof or to such electronic mail address or address as subsequently modified by written notice given in accordance with this Section 5.1.

5.2 Assignment; No Third Party Beneficiaries.

5.2.1 This Agreement and the rights, duties and obligations of the Company hereunder may not be assigned or delegated by the Company in whole or in part.

5.2.2 Subject to Section 5.2.4 and Section 5.2.5, this Agreement and the rights, duties and obligations of a Holder hereunder may be assigned in whole or in part to such Holder's Permitted Transferees to which it transfers Registrable Securities; provided that with respect to the Factorial Holders, the Sponsor, and the Cartesian Existing Investors, the rights hereunder that are personal to such Holders may not be assigned or delegated in whole or in part, except that each of the Holders shall be permitted to transfer its rights hereunder to one or more affiliates or any direct or indirect partners, members or equity holders of such Holder, which, for the avoidance of doubt, shall include a transfer of its rights in connection with a distribution of any Registrable Securities held by such Holder to its members (it being understood that no such transfer shall reduce or multiply any rights of such Holder or such transferees).

5.2.3 This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the parties and its successors and the permitted assigns of the Holders, which shall include Permitted Transferees.

5.2.4 This Agreement shall not confer any rights or benefits on any persons or entities that are not parties hereto, other than as expressly set forth in this Agreement.

5.2.5 No assignment by any party hereto of such party's rights, duties and obligations hereunder shall be binding upon or obligate the Company unless and until the Company shall have received (i) written notice of such assignment as provided in Section 5.1 hereof and (ii) the written agreement of the assignee, in a form reasonably satisfactory to the Company, to be bound by the terms and provisions of this Agreement (which may be accomplished by an addendum or certificate of joinder to this Agreement, including the joinder in the form of Exhibit A attached hereto). Any transfer or assignment made other than as provided in this Section 5.2 shall be null and void.

5.3 Counterparts. This Agreement may be executed and delivered in one or more counterparts (including by facsimile or electronic mail or in .pdf) and by different parties in separate counterparts, with the same effect as if all parties hereto had signed the same document. All counterparts so executed and delivered shall be construed together and shall constitute one and the same agreement.

5.4 Governing Law; Venue. This Agreement, and any claim or cause of action hereunder based upon, arising out of or related to this Agreement (whether based on law, in equity, in contract, in tort or any other theory) or the negotiation, execution, performance or enforcement of this Agreement, shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the principles of conflicts of laws that would otherwise require the application of the law of any other state. The parties agree that all disputes, legal actions, suits and proceedings arising out of or relating to this Agreement must be brought exclusively in the Court of Chancery of the State of Delaware (or, to the extent such court does not have subject matter jurisdiction, the Superior Court of the State of Delaware), or, if it has or can acquire jurisdiction, in the United States District Court for the District of Delaware (collectively the "Designated Courts"). Each party hereby consents and submits to the exclusive jurisdiction of the Designated Courts. No legal action, suit or proceeding with respect to this Agreement may be brought in any other forum. Each party hereby irrevocably waives all claims of immunity from jurisdiction, and any objection which such party may now or hereafter have to the laying of venue of any suit, action or proceeding in any Designated Court, including any right to object on the basis that any dispute, action, suit or proceeding brought in the Designated Courts has been brought in an improper or inconvenient forum or venue. Each of the parties also agrees that delivery of any process, summons, notice or document to a party hereof in compliance with Section 5.1 of this Agreement shall be effective service of process for any action, suit or proceeding in a Designated Court with respect to any matters to which the parties have submitted to jurisdiction as set forth above.

5.5 TRIAL BY JURY. EACH PARTY HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY OR ANY AFFILIATE OF ANY OTHER SUCH PARTY, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS OR OTHERWISE. THE PARTIES AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT.

5.6 Amendments and Modifications. Upon the written consent of (a) the Company and (b) the Holders of a majority of the total Registrable Securities, compliance with any of the provisions, covenants and conditions set forth in this Agreement may be waived, or any of such provisions, covenants or conditions may be amended or modified; provided, however, that notwithstanding the foregoing, any amendment hereto or waiver hereof shall also require the written consent of a Factorial Holder, for so long as such Factorial Holder and its affiliates hold, in the aggregate, Registrable Securities representing at least five percent (5%) of the outstanding shares of Series A Common Stock of the Company; and provided, further, that any amendment hereto or waiver hereof that adversely affects one Holder, solely in its capacity as a holder of the shares of capital stock of the Company, in a manner that is materially different from the other Holders (in such capacity) shall require the consent of the Holder so affected. No course of dealing between any Holder or the Company and any other party hereto or any failure or delay on the part of a Holder or the Company in exercising any rights or remedies under this Agreement shall operate as a waiver of any rights or remedies of any Holder or the Company. No single or partial exercise of any rights or remedies under this Agreement by a party shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder or thereunder by such party.

5.7 Other Registration Rights. Other than as provided in the (i) Private Placement Warrants Purchase Agreement, dated as of May 1, 2025, between the Company and the Sponsor, (ii) Private Placement Warrants Purchase Agreement, dated as of May 1, 2025, between the Company and Cantor, and (iii) any subscription agreement entered into by the Company and the investors party thereto in connection with a PIPE Investment, the Company represents and warrants that no person or entity, other than a Holder of Registrable Securities, has any right to require the Company to register any securities of the Company for sale or to include such securities of the Company in any Registration Statement filed by the Company for the sale of securities for its own account or for the account of any other person or entity. The Company hereby agrees and covenants that it will not grant rights to register any Series A Common Stock (or securities convertible into or exchangeable for Series A Common Stock) pursuant to the Securities Act that are more favorable, *pari passu* or senior to those granted to the Holders hereunder without (a) the prior written consent of a Factorial Holder, for so long as such Factorial Holder and its affiliates hold, in the aggregate, Registrable Securities representing at least five percent (5%) of the outstanding shares of Series A Common Stock of the Company or (b) granting economically and legally equivalent rights to the Holders hereunder such that the Holders shall receive the benefit of such more favorable or senior terms and/or conditions. Further, the Company represents and warrants that this Agreement supersedes any other registration rights agreement or agreement with similar terms and conditions and in the event of a conflict between any such agreement or agreements and this Agreement, the terms of this Agreement shall prevail.

5.8 Term. This Agreement shall terminate on the earlier of (a) the seventh (7th) anniversary of the date of this Agreement and (b) with respect to any Holder, on the date that such Holder no longer holds any Registrable Securities. The provisions of Sections 3.5 and Article IV shall survive any termination.

5.9 Holder Information. Each Holder agrees, if requested in writing, to represent to the Company the total number of Registrable Securities held by such Holder in order for the Company to make determinations hereunder.

5.10 Severability. It is the desire and intent of the parties that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Agreement shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

5.11 Entire Agreement; Restatement. This Agreement constitutes the full and entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter. Upon the Closing, the Original RRA shall no longer be of any force or effect.

5.12 Adjustments. If, and as often as, there are any changes in the Registrable Securities by way of stock split, stock dividend, combination or reclassification, or through merger, consolidation, reorganization, recapitalization or sale, or by any other means, appropriate adjustment shall be made in the provisions of this Agreement, as may be required, so that the rights, privileges, duties and obligations hereunder shall continue with respect to the Registrable Securities as so changed.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first written above.

COMPANY:

FACTORIAL ENERGY INC.

By: /s/ Siyu Huang

Name: Siyu Huang

Title: Chief Executive Officer

Address for Notices:

805 Middlesex Turnpike

Billerica, MA 01821

SPONSOR:

CGC III SPONSOR LLC

By: /s/ Peter Yu

Name: Peter Yu

Title: President

Address for Notices:

505 Fifth Avenue, 15th Floor

New York, NY 10017

CARTESIAN EXISTING INVESTORS:

CGC III SPONSOR DIRECTORCO LLC

By: /s/ Peter Yu

Name: Peter Yu

Title: President

Address for Notices:

505 Fifth Avenue, 15th Floor

New York, NY 10017

[Signature Page to Amended and Restated Registration Rights Agreement]

CANTOR FITZGERALD & CO.

By: /s/ Sage Kelly

Name: Sage Kelly

Title: Co-Chief Executive Officer & Global

Address for Notices:

110 East 59 Street

New York, NY 10022

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

/s/ Siyu Huang

Siyu Huang

Address for Notices:

49 Alpine Street

Cambridge, MA 02138

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

/s/ Yingchao Yu

Yingchao Yu

Address for Notices:

49 Alpine Street

Cambridge, MA 02138

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

North Point Family Trust

By: /s/ Siyu Huang

Name: Siyu Huang

Title: Trustee

Address for Notices:

11 8th Street

Cambridge, MA 02141

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

Danehy Family Trust

By: /s/ Yingchao Yu

Name: Yingchao Yu

Title: Trustee

Address for Notices:

49 Alpine Street

Cambridge, MA 02138

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

Siyu Huang 2024 Family Trust Dated March 1, 2024

By: /s/ Siyu Huang

Name: Siyu Huang

Title: Trustee

By: /s/ Yingchao Yu

Name: Yingchao Yu

Title: Trustee

Address for Notices:

11 8th Street

Cambridge, MA 02141

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

/s/ Joseph M. Taylor

Joseph M. Taylor

Address for Notices:

710 Ocean Avenue

Sea Bright, NJ 07760

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FACTORIAL HOLDERS:

/s/ Richard Wei

Richard Wei

Address for Notices:

12359 Main Campus Dr

Lexington, MA 02421-8641

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FACTORIAL HOLDERS:

/s/ Jason Duva

Jason Duva

Address for Notices:

42 Park Ave Ext

Arlington, MA 02474

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FACTORIAL HOLDERS:

/s/ Liad Meidar

Liad Meidar

Address for Notices:
763 Willoughby Way
Aspen, CO 81611

Elm Tree Investments LLC

By: /s/ Liad Meidar

Name: Liad Meidar

Title: Manager

Address for Notices:
430 Park Avenue
New York, NY 10022

Old Farm Blue Trust

By: /s/ Liad Meidar

Name: Liad Meidar

Title: Trustee

Address for Notices:
430 Park Avenue
New York, NY 10022

Old Farm Red Trust

By: /s/ Liad Meidar

Name: Liad Meidar

Title: Trustee

Address for Notices:
430 Park Avenue
New York, NY 10022

Old Farm White Trust

By: /s/ Liad Meidar

Name: Liad Meidar

Title: Trustee

Address for Notices:
430 Park Avenue
New York, NY 10022

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

GATEMORE SPECIAL OPPORTUNITIES MASTER FUND LTD.

By: /s/ David Cassells

Name: David Cassells

Title: Authorized Signatory

GVP Climate Fund I LP

By: /s/ David Cassells

Name: David Cassells

Title: Authorized Signatory

Address for Notices:

430 Park Avenue, 19th Floor

New York, NY 10022

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

Mercedes-Benz Corporate Investments LLC

By: /s/ Abe Yacobian

Name: Abe Yacobian

Title: VP M&A

By: /s/ Holly Wu

Name: Holly Wu

Title: VP M&A

Address for Notices:

35555 W. 12 Mile Rd., Suite 100

Farmington Hills, MI 48331

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FACTORIAL HOLDERS:

Stellantis Europe S.p.A

By: /s/ Emanuele Cappellano

Name: Emanuele Cappellano
Title: Chief Executive Officer
Address for Notices:
Stellantis Europe
Corso Agnelli 200
Torino 10135 Italy

Stellantis Ventures B.V.

By: /s/ Niccolo Camerana

Name: Niccolo Camerana
Title: Director
Address for Notices:
Taurusavenue 1
Hoofddorp, NH 2132 LS, Netherlands

Stellantis Ventures B.V.

By: /s/ Linda Trbizan

Name: Linda Trbizan
Title: Director
Address for Notices:
Taurusavenue 1
Hoofddorp, NH 2132 LS, Netherlands

[Signature Page to Amended and Restated Registration Rights Agreement]

FACTORIAL HOLDERS:

WAVE AAC/LIO CO-INVEST III, LLC

By: /s/ Praveen Sahay
Name: Praveen Sahay
Title: Managing Director

WAVE EQUITY FUND, L.P.

By: /s/ Praveen Sahay
Name: Praveen Sahay
Title: Managing Director

WAVE FACTORIAL ENERGY 1, LLC

By: /s/ Praveen Sahay
Name: Praveen Sahay
Title: Managing Director

Address for Notices:
20 Lexington Dr
Acton, MA 01720

[Signature Page to Amended and Restated Registration Rights Agreement]

NON-REDEMPTION HOLDERS:

Pangaea Three-B, LP

By: /s/ Peter Yu

Name: Peter Yu

Title: Authorized Signatory

Address for Notices:

505 Fifth Avenue, 15th Floor
New York, NY 10017

[Signature Page to Amended and Restated Registration Rights Agreement]

Schedule 1

Factorial Holders

Siyu Huang

Alex Yu

North Point Family Trust

Danehy Family Trust

Siyu Huang 2024 Family Trust dated March 1, 2024

Joseph Taylor

Richard Wei

Jason Duva

Liad Meidar

Elm Tree Investments LLC

Old Farm Blue Trust

Old Farm Red Trust

Old Farm White Trust

Gatemoore Special Opportunities Master Fund Ltd.

GVP Climate Fund I LP

Mercedes-Benz Corporate Investments LLC

Stellantis Europe S.p.A.

Stellantis Ventures B.V.

WAVE Equity Fund, L.P.

WAVE AAC/LIO Co-Invest III, LLC

WAVE Factorial Energy I, LLC

Schedule 2

Non-Redemption Holders

Pangaea Three-B, LP

Exhibit A

REGISTRATION RIGHTS AGREEMENT JOINDER

The undersigned is executing and delivering this joinder (this “Joinder”) pursuant to the Amended and Restated Registration Rights Agreement, dated as of June 5, 2026 (as the same may hereafter be amended, the “Registration Rights Agreement”), among Factorial Energy Inc., a Delaware corporation (the “Company”), and the other persons or entities named as parties therein. Capitalized terms used but not otherwise defined herein shall have the meanings provided in the Registration Rights Agreement.

By executing and delivering this Joinder to the Company, and upon acceptance hereof by the Company upon the execution of a counterpart hereof, the undersigned hereby agrees to become a party to, to be bound by, and to comply with the Registration Rights Agreement as a Holder of Registrable Securities in the same manner as if the undersigned were an original signatory to the Registration Rights Agreement, and the undersigned’s shares of Series A Common Stock shall be included as Registrable Securities under the Registration Rights Agreement to the extent provided therein.

Accordingly, the undersigned has executed and delivered this Joinder as of the _____ day of _____, 20__.

Signature of Stockholder

Print Name of Stockholder

Its:

Address: _____

Agreed and Accepted as of
_____, 20__

[•]

By: _____
Name:
Its:

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (“Agreement”) is made by and between Factorial Inc. (the “Company”) and Siyu Huang (the “Executive” and, together with the Company, the “Parties”), and shall be effective, subject to, and as of, the consummation of the transactions contemplated by the Business Combination Agreement, dated as of December 17, 2025, by and among Cartesian Growth Corporation III, Fenway MS, Inc. and the Company (the “Effective Date”).

WHEREAS, the Company desires to continue employing the Executive and the Executive desires to continue to be employed by the Company on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Employment.

(a) Term. The Company shall employ the Executive and the Executive shall be employed by the Company pursuant to this Agreement commencing as of the Effective Date and continuing until such employment is terminated in accordance with the provisions hereof (the “Term”). The Executive’s employment with the Company shall be “at will,” meaning that the Executive’s employment may be terminated by the Company or the Executive at any time and for any reason subject to the terms of this Agreement.

(b) Position and Duties. During the Term, the Executive shall serve as the Chief Executive Officer of the Company and report directly to the Company’s Board of Directors. The Executive shall have such powers and duties as may from time to time be prescribed. The Executive shall devote the Executive’s full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with prior written approval of the Company’s Board of Directors (the “Board”), and/or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive’s performance of the Executive’s duties to the Company.

(c) Work Location. The Executive’s primary work location will be the Company’s headquarters, currently located in Billerica, MA. Additional travel to other locations may be required from time to time, consistent with business needs.

2. Compensation and Related Matters.

(a) Base Salary. As of the Effective Date, the Executive’s base salary shall be paid at the rate of \$550,000.00 per year, less applicable deductions and withholdings. The Executive’s base salary shall be subject to periodic review by the Board or the Compensation Committee of the Board (the “Compensation Committee”). The Executive’s annual base salary in effect at any given time is referred to herein as “Base Salary.” The Base Salary shall be payable in a manner that is consistent with the Company’s usual payroll practices for its executive officers.

(b) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by the Executive during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company.

(c) Other Benefits. The Executive shall be eligible to participate in or receive benefits under the Company's U.S. employee benefit plans in effect from time to time, subject to the terms of such plans.

(d) Paid Time Off. The Executive shall be entitled to take paid time off in accordance with the Company's applicable paid time off policy, as may be in effect from time to time.

(e) Long-Term Incentive Plans. The Executive shall be eligible to participate in and receive awards under the Company's long-term incentive plans as approved by the Board, the Compensation Committee of the Board or its delegate, subject to the terms and conditions of the applicable plan(s) and/or award agreement(s) governing such awards. The Executive's initial target long-term incentive award (the "LTIP Award") shall have a grant date value of approximately \$5,320,000.00, as determined in accordance with the Company's equity valuation practices and subject to the approval of the Board, the Compensation Committee of the Board or its delegate.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon death.

(b) Disability. The Company may terminate the Executive's employment if the Executive is disabled and unable to perform or expected to be unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.*, and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(c) Termination by the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause (as defined in the Company's Executive Change in Control Severance Plan (the "Severance Plan")).

(d) Termination by the Company without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate employment hereunder at any time for any reason, including but not limited to, Good Reason (as defined in the Severance Plan).

4. Matters Related to Termination.

(a) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(b) Date of Termination. "Date of Termination" shall mean: (i) if the Executive's employment is terminated by death, the date of death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive's employment is terminated by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given or the date otherwise specified by the Company in the Notice of Termination; (iv) if the Executive's employment is terminated by the Executive under Section 3(e) other than for Good Reason, 30 days after the date on which a Notice of Termination is given, and (v) if the Executive's employment is terminated by the Executive under Section 3(e) for Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period (as defined in the Severance Plan). Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination, and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(c) Accrued Obligations. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 2(b) of this Agreement); and (iii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Obligations").

(d) Resignation of All Other Positions. To the extent applicable, the Executive shall be deemed to have resigned from all officer and board member positions that the Executive holds with the Company or any of its respective subsidiaries and affiliates upon the termination of the Executive's employment for any reason. The Executive shall execute any documents in reasonable form as may be requested to confirm or effectuate any such resignations.

5. Severance Plan. The Executive shall be eligible as a Tier 1 Executive for severance payments and benefits pursuant to, and subject to the terms and conditions of, the Severance Plan.

6. Restrictions and Continuing Obligations.

(a) Restrictive Covenants Agreement; Continuing Obligations. In consideration of and as a condition of, among other things, continued employment with the Company under this Agreement and receipt of the LTIP Award, the Executive shall be required to enter into the Company's standard form of Employee Confidentiality, Assignment, and Restrictive Covenants Agreement attached hereto as Exhibit A (the "Restrictive Covenants Agreement"). For purposes of this Agreement, the obligations in this Section 6 and those that arise in the Restrictive Covenants Agreement and any other agreement relating to confidentiality, assignment of inventions, or other restrictive covenants shall collectively be referred to as the "Continuing Obligations." For the avoidance of doubt, all restrictive covenants obligations are supplemental to one another, and in the event of any conflict between restrictive covenants obligations, the most restrictive provision that is enforceable shall govern.

(b) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information, other than confidentiality restrictions (if any), or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's duties for the Company have not and will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(c) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in (i) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company and (ii) the investigation, whether internal or external, of any matters about which the Company believes the Executive may have knowledge or information. The Executive's full cooperation in connection with such claims, actions or investigations shall include, but not be limited to, being available to meet with counsel to answer questions or to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 6(c). The Company also shall compensate the Executive at a reasonable hourly rate for the Executive's performance of obligations pursuant to this Section 6(c) after the CIC Severance Period (as defined in the Severance Plan).

(d) Relief. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the Continuing Obligations, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of the Continuing Obligations, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

7. Consent to Jurisdiction. The Parties hereby consent to the jurisdiction of the state and federal courts of the Commonwealth of Massachusetts. Accordingly, with respect to any such court action, each Party (a) submits to the exclusive personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

8. Waiver of Jury Trial. Each of the Executive and the Company irrevocably and unconditionally WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT BY THE COMPANY OR ANY AFFILIATE OF THE COMPANY, INCLUDING WITHOUT LIMITATION THE EXECUTIVE'S OR THE COMPANY'S PERFORMANCE UNDER, OR THE ENFORCEMENT OF, THIS AGREEMENT.

9. Integration. This Agreement, together with the Restrictive Covenants Agreement, the Continuing Obligations, and the Severance Plan, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements between the Parties concerning such subject matter.

10. Withholding; Tax Effect. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Assignment; Successors and Assigns. Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; *provided, however*, that the Company may assign its rights and obligations under this Agreement (including the Restrictive Covenants Agreement) without the Executive's consent to any affiliate or to any person or entity with whom the Company shall hereafter effect a reorganization or consolidation, into which the Company merges or to whom it transfers all or substantially all of its properties or assets. This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of the Executive's and the Company's respective successors, executors, administrators, heirs and permitted assigns. In the event of the Executive's death after the Executive's termination of employment but prior to the completion by the Company of all payments due to the Executive under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to the Executive's death (or to the Executive's estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Chief Financial Officer ("CFO"). Notices, requests, demands and other communications provided for by this Agreement shall also be sufficient if sent by email to the Company email address of the Executive or, in the case of Company, the Company email address of the CFO, with confirmation of receipt.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

17. Effect on Other Plans and Agreements. An election by the Executive to resign for Good Reason under the provisions of this Agreement and the Severance Plan shall not be deemed a voluntary termination of employment by the Executive for the purpose of interpreting the provisions of any of the Company's benefit plans, programs or policies. Nothing in this Agreement shall be construed to limit the rights of the Executive under the Company's benefit plans, programs or policies. Notwithstanding anything to the contrary in this Agreement, all severance pay and benefits provided to the Executive pursuant to the Severance Plan shall be reduced and/or offset by any amounts or benefits paid to the Executive to satisfy the federal Worker Adjustment and Retraining Notification (WARN) Act, 29 U.S.C. § 2101 et seq., as amended, and any applicable state plant or facility closing or mass layoff law (whether as damages, as payment of salary or other wages during an applicable notice period or otherwise). In the event that the Executive is party to an agreement with the Company providing for payments or benefits under such plan or agreement and under this Agreement, the terms of this Agreement shall govern and the Executive may receive payment under this Agreement only and not both.

18. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts without giving effect to the conflict of laws principles thereof. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

19. Clawback Acknowledgement. The Executive acknowledges that the Executive is or may be subject to any policy established by the Company as of the Effective Date, or as later adopted by the Company, providing for clawback or recovery of amounts that were paid to the Executive (each, a "Clawback Policy"). Any determination for clawback or recovery shall be made in the Company's sole discretion in accordance with the terms of the applicable Clawback Policy and applicable law or regulation. Any action by the Company to recover compensation from the Executive in accordance with the applicable Clawback Policy from the Executive shall not, whether alone or in combination with any other action, event or condition, be deemed (i) a Good Reason Condition (as defined in the Severance Plan) or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Executive, or (ii) to constitute a breach of a contract or other arrangement to which the Executive is a party. This Section 19 is a material term of this Agreement.

20. Conditions. Notwithstanding anything to the contrary herein, the effectiveness of this Agreement shall be conditioned on (i) the Executive's satisfactory completion of reference and background checks, if so requested by the Company, and (ii) the Executive's submission of satisfactory proof of the Executive's legal authorization to work in the United States.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective on the Effective Date.

FACTORIAL INC.

By: /s/ Jason Duva
Name: Jason Duva
Its: General Counsel and Secretary

EXECUTIVE

/s/ Siyu Huang
Siyu Huang

Exhibit A

Restrictive Covenants Agreement

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (“Agreement”) is made by and between Factorial Inc. (the “Company”) and Alex Yu (the “Executive” and, together with the Company, the “Parties”), and shall be effective, subject to, and as of, the consummation of the transactions contemplated by the Business Combination Agreement, dated as of December 17, 2025, by and among Cartesian Growth Corporation III, Fenway MS, Inc. and the Company (the “Effective Date”).

WHEREAS, the Company desires to continue employing the Executive and the Executive desires to continue to be employed by the Company on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Employment.

(a) Term. The Company shall employ the Executive and the Executive shall be employed by the Company pursuant to this Agreement commencing as of the Effective Date and continuing until such employment is terminated in accordance with the provisions hereof (the “Term”). The Executive’s employment with the Company shall be “at will,” meaning that the Executive’s employment may be terminated by the Company or the Executive at any time and for any reason subject to the terms of this Agreement.

(b) Position and Duties. During the Term, the Executive shall serve as the Chief Technology Officer of the Company and report directly to the Company’s Chief Executive Officer. The Executive shall have such powers and duties as may from time to time be prescribed. The Executive shall devote the Executive’s full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with prior written approval of the Company’s Board of Directors (the “Board”), and/or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive’s performance of the Executive’s duties to the Company.

(c) Work Location. The Executive’s primary work location will be the Company’s headquarters, currently located in Billerica, MA. Additional travel to other locations may be required from time to time, consistent with business needs.

2. Compensation and Related Matters.

(a) Base Salary. As of the Effective Date, the Executive’s base salary shall be paid at the rate of \$385,000.00 per year, less applicable deductions and withholdings. The Executive’s base salary shall be subject to periodic review by the Board or the Compensation Committee of the Board (the “Compensation Committee”). The Executive’s annual base salary in effect at any given time is referred to herein as “Base Salary.” The Base Salary shall be payable in a manner that is consistent with the Company’s usual payroll practices for its executive officers.

(b) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by the Executive during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company.

(c) Other Benefits. The Executive shall be eligible to participate in or receive benefits under the Company's U.S. employee benefit plans in effect from time to time, subject to the terms of such plans.

(d) Paid Time Off. The Executive shall be entitled to take paid time off in accordance with the Company's applicable paid time off policy, as may be in effect from time to time.

(e) Long-Term Incentive Plans. The Executive shall be eligible to participate in and receive awards under the Company's long-term incentive plans as approved by the Board, the Compensation Committee of the Board or its delegate, subject to the terms and conditions of the applicable plan(s) and/or award agreement(s) governing such awards. The Executive's initial target long-term incentive award (the "LTIP Award") shall have a grant date value of approximately \$2,710,000.00, as determined in accordance with the Company's equity valuation practices and subject to the approval of the Board, the Compensation Committee of the Board or its delegate.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon death.

(b) Disability. The Company may terminate the Executive's employment if the Executive is disabled and unable to perform or expected to be unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.*, and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(c) Termination by the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause (as defined in the Company's Executive Change in Control Severance Plan (the "Severance Plan")).

(d) Termination by the Company without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate employment hereunder at any time for any reason, including but not limited to, Good Reason (as defined in the Severance Plan).

4. Matters Related to Termination.

(a) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(b) Date of Termination. "Date of Termination" shall mean: (i) if the Executive's employment is terminated by death, the date of death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive's employment is terminated by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given or the date otherwise specified by the Company in the Notice of Termination; (iv) if the Executive's employment is terminated by the Executive under Section 3(e) other than for Good Reason, 30 days after the date on which a Notice of Termination is given, and (v) if the Executive's employment is terminated by the Executive under Section 3(e) for Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period (as defined in the Severance Plan). Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination, and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(c) Accrued Obligations. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 2(b) of this Agreement); and (iii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Obligations").

(d) Resignation of All Other Positions. To the extent applicable, the Executive shall be deemed to have resigned from all officer and board member positions that the Executive holds with the Company or any of its respective subsidiaries and affiliates upon the termination of the Executive's employment for any reason. The Executive shall execute any documents in reasonable form as may be requested to confirm or effectuate any such resignations.

5. Severance Plan. The Executive shall be eligible as a Tier 2 Executive for severance payments and benefits pursuant to, and subject to the terms and conditions of, the Severance Plan.

6. Restrictions and Continuing Obligations.

(a) Restrictive Covenants Agreement; Continuing Obligations. In consideration of and as a condition of, among other things, continued employment with the Company under this Agreement and receipt of the LTIP Award, the Executive shall be required to enter into the Company's standard form of Employee Confidentiality, Assignment, and Restrictive Covenants Agreement attached hereto as Exhibit A (the "Restrictive Covenants Agreement"). For purposes of this Agreement, the obligations in this Section 6 and those that arise in the Restrictive Covenants Agreement and any other agreement relating to confidentiality, assignment of inventions, or other restrictive covenants shall collectively be referred to as the "Continuing Obligations." For the avoidance of doubt, all restrictive covenants obligations are supplemental to one another, and in the event of any conflict between restrictive covenants obligations, the most restrictive provision that is enforceable shall govern.

(b) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information, other than confidentiality restrictions (if any), or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's duties for the Company have not and will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(c) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in (i) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company and (ii) the investigation, whether internal or external, of any matters about which the Company believes the Executive may have knowledge or information. The Executive's full cooperation in connection with such claims, actions or investigations shall include, but not be limited to, being available to meet with counsel to answer questions or to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 6(c). The Company also shall compensate the Executive at a reasonable hourly rate for the Executive's performance of obligations pursuant to this Section 6(c) after the CIC Severance Period (as defined in the Severance Plan).

(d) Relief. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the Continuing Obligations, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of the Continuing Obligations, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

7. Consent to Jurisdiction. The Parties hereby consent to the jurisdiction of the state and federal courts of the Commonwealth of Massachusetts. Accordingly, with respect to any such court action, each Party (a) submits to the exclusive personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

8. Waiver of Jury Trial. Each of the Executive and the Company irrevocably and unconditionally WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT BY THE COMPANY OR ANY AFFILIATE OF THE COMPANY, INCLUDING WITHOUT LIMITATION THE EXECUTIVE'S OR THE COMPANY'S PERFORMANCE UNDER, OR THE ENFORCEMENT OF, THIS AGREEMENT.

9. Integration. This Agreement, together with the Restrictive Covenants Agreement, the Continuing Obligations, and the Severance Plan, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements between the Parties concerning such subject matter.

10. Withholding; Tax Effect. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Assignment; Successors and Assigns. Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; *provided, however*, that the Company may assign its rights and obligations under this Agreement (including the Restrictive Covenants Agreement) without the Executive's consent to any affiliate or to any person or entity with whom the Company shall hereafter effect a reorganization or consolidation, into which the Company merges or to whom it transfers all or substantially all of its properties or assets. This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of the Executive's and the Company's respective successors, executors, administrators, heirs and permitted assigns. In the event of the Executive's death after the Executive's termination of employment but prior to the completion by the Company of all payments due to the Executive under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to the Executive's death (or to the Executive's estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Chief Executive Officer ("CEO"). Notices, requests, demands and other communications provided for by this Agreement shall also be sufficient if sent by email to the Company email address of the Executive or, in the case of Company, the Company email address of the CEO, with confirmation of receipt.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

17. Effect on Other Plans and Agreements. An election by the Executive to resign for Good Reason under the provisions of this Agreement and the Severance Plan shall not be deemed a voluntary termination of employment by the Executive for the purpose of interpreting the provisions of any of the Company's benefit plans, programs or policies. Nothing in this Agreement shall be construed to limit the rights of the Executive under the Company's benefit plans, programs or policies. Notwithstanding anything to the contrary in this Agreement, all severance pay and benefits provided to the Executive pursuant to the Severance Plan shall be reduced and/or offset by any amounts or benefits paid to the Executive to satisfy the federal Worker Adjustment and Retraining Notification (WARN) Act, 29 U.S.C. § 2101 et seq., as amended, and any applicable state plant or facility closing or mass layoff law (whether as damages, as payment of salary or other wages during an applicable notice period or otherwise). In the event that the Executive is party to an agreement with the Company providing for payments or benefits under such plan or agreement and under this Agreement, the terms of this Agreement shall govern and the Executive may receive payment under this Agreement only and not both.

18. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts without giving effect to the conflict of laws principles thereof. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

19. Clawback Acknowledgement. The Executive acknowledges that the Executive is or may be subject to any policy established by the Company as of the Effective Date, or as later adopted by the Company, providing for clawback or recovery of amounts that were paid to the Executive (each, a "Clawback Policy"). Any determination for clawback or recovery shall be made in the Company's sole discretion in accordance with the terms of the applicable Clawback Policy and applicable law or regulation. Any action by the Company to recover compensation from the Executive in accordance with the applicable Clawback Policy from the Executive shall not, whether alone or in combination with any other action, event or condition, be deemed (i) a Good Reason Condition (as defined in the Severance Plan) or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Executive, or (ii) to constitute a breach of a contract or other arrangement to which the Executive is a party. This Section 19 is a material term of this Agreement.

20. Conditions. Notwithstanding anything to the contrary herein, the effectiveness of this Agreement shall be conditioned on (i) the Executive's satisfactory completion of reference and background checks, if so requested by the Company, and (ii) the Executive's submission of satisfactory proof of the Executive's legal authorization to work in the United States.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective on the Effective Date.

FACTORIAL INC.

By: /s/ Siyu Huang
Name: Siyu Huang
Its: Chief Executive Officer

EXECUTIVE

/s/ Yingchao Yu
Yingchao Yu

Exhibit A

Restrictive Covenants Agreement

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (“Agreement”) is made by and between Factorial Inc. (the “Company”) and Jason Duva (the “Executive” and, together with the Company, the “Parties”), and shall be effective, subject to, and as of, the consummation of the transactions contemplated by the Business Combination Agreement, dated as of December 17, 2025, by and among Cartesian Growth Corporation III, Fenway MS, Inc. and the Company (the “Effective Date”).

WHEREAS, the Company desires to continue employing the Executive and the Executive desires to continue to be employed by the Company on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Employment.

(a) Term. The Company shall employ the Executive and the Executive shall be employed by the Company pursuant to this Agreement commencing as of the Effective Date and continuing until such employment is terminated in accordance with the provisions hereof (the “Term”). The Executive’s employment with the Company shall be “at will,” meaning that the Executive’s employment may be terminated by the Company or the Executive at any time and for any reason subject to the terms of this Agreement.

(b) Position and Duties. During the Term, the Executive shall serve as the General Counsel and Secretary of the Company and report directly to the Company’s Chief Executive Officer. The Executive shall have such powers and duties as may from time to time be prescribed. The Executive shall devote the Executive’s full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with prior written approval of the Company’s Board of Directors (the “Board”), and/or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive’s performance of the Executive’s duties to the Company.

(c) Work Location. The Executive’s primary work location will be the Company’s headquarters, currently located in Billerica, MA. Additional travel to other locations may be required from time to time, consistent with business needs.

2. Compensation and Related Matters.

(a) Base Salary. As of the Effective Date, the Executive’s base salary shall be paid at the rate of \$375,000 per year, less applicable deductions and withholdings. The Executive’s base salary shall be subject to periodic review by the Board or the Compensation Committee of the Board (the “Compensation Committee”). The Executive’s annual base salary in effect at any given time is referred to herein as “Base Salary.” The Base Salary shall be payable in a manner that is consistent with the Company’s usual payroll practices for its executive officers.

(b) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by the Executive during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company.

(c) Other Benefits. The Executive shall be eligible to participate in or receive benefits under the Company's U.S. employee benefit plans in effect from time to time, subject to the terms of such plans.

(d) Paid Time Off. The Executive shall be entitled to take paid time off in accordance with the Company's applicable paid time off policy, as may be in effect from time to time.

(e) Long-Term Incentive Plans. The Executive shall be eligible to participate in and receive awards under the Company's long-term incentive plans as approved by the Board, the Compensation Committee of the Board or its delegate, subject to the terms and conditions of the applicable plan(s) and/or award agreement(s) governing such awards. The Executive's initial target long-term incentive award (the "LTIP Award") shall have a grant date value of approximately \$1,780,000, as determined in accordance with the Company's equity valuation practices and subject to the approval of the Board, the Compensation Committee of the Board or its delegate.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon death.

(b) Disability. The Company may terminate the Executive's employment if the Executive is disabled and unable to perform or expected to be unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.*, and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(c) Termination by the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause (as defined in the Company's Executive Change in Control Severance Plan (the "Severance Plan")).

(d) Termination by the Company without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate employment hereunder at any time for any reason, including but not limited to, Good Reason (as defined in the Severance Plan).

4. Matters Related to Termination.

(a) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(b) Date of Termination. "Date of Termination" shall mean: (i) if the Executive's employment is terminated by death, the date of death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive's employment is terminated by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given or the date otherwise specified by the Company in the Notice of Termination; (iv) if the Executive's employment is terminated by the Executive under Section 3(e) other than for Good Reason, 30 days after the date on which a Notice of Termination is given, and (v) if the Executive's employment is terminated by the Executive under Section 3(e) for Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period (as defined in the Severance Plan). Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination, and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(c) Accrued Obligations. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 2(b) of this Agreement); and (iii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Obligations").

(d) Resignation of All Other Positions. To the extent applicable, the Executive shall be deemed to have resigned from all officer and board member positions that the Executive holds with the Company or any of its respective subsidiaries and affiliates upon the termination of the Executive's employment for any reason. The Executive shall execute any documents in reasonable form as may be requested to confirm or effectuate any such resignations.

5. Severance Plan. The Executive shall be eligible as a Tier 2 Executive for severance payments and benefits pursuant to, and subject to the terms and conditions of, the Severance Plan.

6. Restrictions and Continuing Obligations.

(a) Restrictive Covenants Agreement; Continuing Obligations. In consideration of and as a condition of, among other things, continued employment with the Company under this Agreement and receipt of the LTIP Award, the Executive shall be required to enter into the Company's standard form of Employee Confidentiality, Assignment, and Restrictive Covenants Agreement attached hereto as Exhibit A (the "Restrictive Covenants Agreement"). For purposes of this Agreement, the obligations in this Section 6 and those that arise in the Restrictive Covenants Agreement and any other agreement relating to confidentiality, assignment of inventions, or other restrictive covenants shall collectively be referred to as the "Continuing Obligations." For the avoidance of doubt, all restrictive covenants obligations are supplemental to one another, and in the event of any conflict between restrictive covenants obligations, the most restrictive provision that is enforceable shall govern.

(b) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information, other than confidentiality restrictions (if any), or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's duties for the Company have not and will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(c) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in (i) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company and (ii) the investigation, whether internal or external, of any matters about which the Company believes the Executive may have knowledge or information. The Executive's full cooperation in connection with such claims, actions or investigations shall include, but not be limited to, being available to meet with counsel to answer questions or to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 6(c). The Company also shall compensate the Executive at a reasonable hourly rate for the Executive's performance of obligations pursuant to this Section 6(c) after the CIC Severance Period (as defined in the Severance Plan).

(d) Relief. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the Continuing Obligations, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of the Continuing Obligations, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

7. Consent to Jurisdiction. The Parties hereby consent to the jurisdiction of the state and federal courts of the Commonwealth of Massachusetts. Accordingly, with respect to any such court action, each Party (a) submits to the exclusive personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

8. Waiver of Jury Trial. Each of the Executive and the Company irrevocably and unconditionally WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT BY THE COMPANY OR ANY AFFILIATE OF THE COMPANY, INCLUDING WITHOUT LIMITATION THE EXECUTIVE'S OR THE COMPANY'S PERFORMANCE UNDER, OR THE ENFORCEMENT OF, THIS AGREEMENT.

9. Integration. This Agreement, together with the Restrictive Covenants Agreement, the Continuing Obligations, and the Severance Plan, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements between the Parties concerning such subject matter.

10. Withholding; Tax Effect. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Assignment; Successors and Assigns. Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; *provided, however*, that the Company may assign its rights and obligations under this Agreement (including the Restrictive Covenants Agreement) without the Executive's consent to any affiliate or to any person or entity with whom the Company shall hereafter effect a reorganization or consolidation, into which the Company merges or to whom it transfers all or substantially all of its properties or assets. This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of the Executive's and the Company's respective successors, executors, administrators, heirs and permitted assigns. In the event of the Executive's death after the Executive's termination of employment but prior to the completion by the Company of all payments due to the Executive under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to the Executive's death (or to the Executive's estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Chief Executive Officer ("CEO"). Notices, requests, demands and other communications provided for by this Agreement shall also be sufficient if sent by email to the Company email address of the Executive or, in the case of Company, the Company email address of the CEO, with confirmation of receipt.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

17. Effect on Other Plans and Agreements. An election by the Executive to resign for Good Reason under the provisions of this Agreement and the Severance Plan shall not be deemed a voluntary termination of employment by the Executive for the purpose of interpreting the provisions of any of the Company's benefit plans, programs or policies. Nothing in this Agreement shall be construed to limit the rights of the Executive under the Company's benefit plans, programs or policies. Notwithstanding anything to the contrary in this Agreement, all severance pay and benefits provided to the Executive pursuant to the Severance Plan shall be reduced and/or offset by any amounts or benefits paid to the Executive to satisfy the federal Worker Adjustment and Retraining Notification (WARN) Act, 29 U.S.C. § 2101 et seq., as amended, and any applicable state plant or facility closing or mass layoff law (whether as damages, as payment of salary or other wages during an applicable notice period or otherwise). In the event that the Executive is party to an agreement with the Company providing for payments or benefits under such plan or agreement and under this Agreement, the terms of this Agreement shall govern and the Executive may receive payment under this Agreement only and not both.

18. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts without giving effect to the conflict of laws principles thereof. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

19. Clawback Acknowledgement. The Executive acknowledges that the Executive is or may be subject to any policy established by the Company as of the Effective Date, or as later adopted by the Company, providing for clawback or recovery of amounts that were paid to the Executive (each, a "Clawback Policy"). Any determination for clawback or recovery shall be made in the Company's sole discretion in accordance with the terms of the applicable Clawback Policy and applicable law or regulation. Any action by the Company to recover compensation from the Executive in accordance with the applicable Clawback Policy from the Executive shall not, whether alone or in combination with any other action, event or condition, be deemed (i) a Good Reason Condition (as defined in the Severance Plan) or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Executive, or (ii) to constitute a breach of a contract or other arrangement to which the Executive is a party. This Section 19 is a material term of this Agreement.

20. Conditions. Notwithstanding anything to the contrary herein, the effectiveness of this Agreement shall be conditioned on (i) the Executive's satisfactory completion of reference and background checks, if so requested by the Company, and (ii) the Executive's submission of satisfactory proof of the Executive's legal authorization to work in the United States.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective on the Effective Date.

FACTORIAL INC.

By: /s/ Siyu Huang
Name: Siyu Huang
Its: Chief Executive Officer

EXECUTIVE

/s/ Jason Duva
Jason Duva

Exhibit A

Restrictive Covenants Agreement

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (“Agreement”) is made by and between Factorial Inc. (the “Company”) and Richard Wei (the “Executive” and, together with the Company, the “Parties”), and shall be effective, subject to, and as of, the consummation of the transactions contemplated by the Business Combination Agreement, dated as of December 17, 2025, by and among Cartesian Growth Corporation III, Fenway MS, Inc. and the Company (the “Effective Date”).

WHEREAS, the Company desires to continue employing the Executive and the Executive desires to continue to be employed by the Company on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Employment.

(a) Term. The Company shall employ the Executive and the Executive shall be employed by the Company pursuant to this Agreement commencing as of the Effective Date and continuing until such employment is terminated in accordance with the provisions hereof (the “Term”). The Executive’s employment with the Company shall be “at will,” meaning that the Executive’s employment may be terminated by the Company or the Executive at any time and for any reason subject to the terms of this Agreement.

(b) Position and Duties. During the Term, the Executive shall serve as the Chief Financial Officer of the Company and report directly to the Company’s Chief Executive Officer. The Executive shall have such powers and duties as may from time to time be prescribed. The Executive shall devote the Executive’s full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with prior written approval of the Company’s Board of Directors (the “Board”), and/or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive’s performance of the Executive’s duties to the Company.

(c) Work Location. The Executive’s primary work location will be the Company’s headquarters, currently located in Billerica, MA. Additional travel to other locations may be required from time to time, consistent with business needs.

2. Compensation and Related Matters.

(a) Base Salary. As of the Effective Date, the Executive’s base salary shall be paid at the rate of \$435,000 per year, less applicable deductions and withholdings. The Executive’s base salary shall be subject to periodic review by the Board or the Compensation Committee of the Board (the “Compensation Committee”). The Executive’s annual base salary in effect at any given time is referred to herein as “Base Salary.” The Base Salary shall be payable in a manner that is consistent with the Company’s usual payroll practices for its executive officers.

(b) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by the Executive during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company.

(c) Other Benefits. The Executive shall be eligible to participate in or receive benefits under the Company's U.S. employee benefit plans in effect from time to time, subject to the terms of such plans.

(d) Paid Time Off. The Executive shall be entitled to take paid time off in accordance with the Company's applicable paid time off policy, as may be in effect from time to time.

(e) Long-Term Incentive Plans. The Executive shall be eligible to participate in and receive awards under the Company's long-term incentive plans as approved by the Board, the Compensation Committee of the Board or its delegate, subject to the terms and conditions of the applicable plan(s) and/or award agreement(s) governing such awards. The Executive's initial target long-term incentive award (the "LTIP Award") shall have a grant date value of approximately \$2,275,000, as determined in accordance with the Company's equity valuation practices and subject to the approval of the Board, the Compensation Committee of the Board or its delegate.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon death.

(b) Disability. The Company may terminate the Executive's employment if the Executive is disabled and unable to perform or expected to be unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.*, and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(c) Termination by the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause (as defined in the Company's Executive Change in Control Severance Plan (the "Severance Plan")).

(d) Termination by the Company without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate employment hereunder at any time for any reason, including but not limited to, Good Reason (as defined in the Severance Plan).

4. Matters Related to Termination.

(a) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(b) Date of Termination. "Date of Termination" shall mean: (i) if the Executive's employment is terminated by death, the date of death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive's employment is terminated by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given or the date otherwise specified by the Company in the Notice of Termination; (iv) if the Executive's employment is terminated by the Executive under Section 3(e) other than for Good Reason, 30 days after the date on which a Notice of Termination is given, and (v) if the Executive's employment is terminated by the Executive under Section 3(e) for Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period (as defined in the Severance Plan). Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination, and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(c) Accrued Obligations. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 2(b) of this Agreement); and (iii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Obligations").

(d) Resignation of All Other Positions. To the extent applicable, the Executive shall be deemed to have resigned from all officer and board member positions that the Executive holds with the Company or any of its respective subsidiaries and affiliates upon the termination of the Executive's employment for any reason. The Executive shall execute any documents in reasonable form as may be requested to confirm or effectuate any such resignations.

5. Severance Plan. The Executive shall be eligible as a Tier 2 Executive for severance payments and benefits pursuant to, and subject to the terms and conditions of, the Severance Plan.

6. Restrictions and Continuing Obligations.

(a) Restrictive Covenants Agreement; Continuing Obligations. In consideration of and as a condition of, among other things, continued employment with the Company under this Agreement and receipt of the LTIP Award, the Executive shall be required to enter into the Company's standard form of Employee Confidentiality, Assignment, and Restrictive Covenants Agreement attached hereto as Exhibit A (the "Restrictive Covenants Agreement"). For purposes of this Agreement, the obligations in this Section 6 and those that arise in the Restrictive Covenants Agreement and any other agreement relating to confidentiality, assignment of inventions, or other restrictive covenants shall collectively be referred to as the "Continuing Obligations." For the avoidance of doubt, all restrictive covenants obligations are supplemental to one another, and in the event of any conflict between restrictive covenants obligations, the most restrictive provision that is enforceable shall govern.

(b) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information, other than confidentiality restrictions (if any), or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's duties for the Company have not and will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(c) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in (i) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company and (ii) the investigation, whether internal or external, of any matters about which the Company believes the Executive may have knowledge or information. The Executive's full cooperation in connection with such claims, actions or investigations shall include, but not be limited to, being available to meet with counsel to answer questions or to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 6(c). The Company also shall compensate the Executive at a reasonable hourly rate for the Executive's performance of obligations pursuant to this Section 6(c) after the CIC Severance Period (as defined in the Severance Plan).

(d) Relief. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the Continuing Obligations, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of the Continuing Obligations, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

7. Consent to Jurisdiction. The Parties hereby consent to the jurisdiction of the state and federal courts of the Commonwealth of Massachusetts. Accordingly, with respect to any such court action, each Party (a) submits to the exclusive personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

8. Waiver of Jury Trial. Each of the Executive and the Company irrevocably and unconditionally WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT BY THE COMPANY OR ANY AFFILIATE OF THE COMPANY, INCLUDING WITHOUT LIMITATION THE EXECUTIVE'S OR THE COMPANY'S PERFORMANCE UNDER, OR THE ENFORCEMENT OF, THIS AGREEMENT.

9. Integration. This Agreement, together with the Restrictive Covenants Agreement, the Continuing Obligations, and the Severance Plan, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements between the Parties concerning such subject matter.

10. Withholding; Tax Effect. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Assignment; Successors and Assigns. Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; *provided, however*, that the Company may assign its rights and obligations under this Agreement (including the Restrictive Covenants Agreement) without the Executive's consent to any affiliate or to any person or entity with whom the Company shall hereafter effect a reorganization or consolidation, into which the Company merges or to whom it transfers all or substantially all of its properties or assets. This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of the Executive's and the Company's respective successors, executors, administrators, heirs and permitted assigns. In the event of the Executive's death after the Executive's termination of employment but prior to the completion by the Company of all payments due to the Executive under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to the Executive's death (or to the Executive's estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Chief Executive Officer ("CEO"). Notices, requests, demands and other communications provided for by this Agreement shall also be sufficient if sent by email to the Company email address of the Executive or, in the case of Company, the Company email address of the CEO, with confirmation of receipt.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

17. Effect on Other Plans and Agreements. An election by the Executive to resign for Good Reason under the provisions of this Agreement and the Severance Plan shall not be deemed a voluntary termination of employment by the Executive for the purpose of interpreting the provisions of any of the Company's benefit plans, programs or policies. Nothing in this Agreement shall be construed to limit the rights of the Executive under the Company's benefit plans, programs or policies. Notwithstanding anything to the contrary in this Agreement, all severance pay and benefits provided to the Executive pursuant to the Severance Plan shall be reduced and/or offset by any amounts or benefits paid to the Executive to satisfy the federal Worker Adjustment and Retraining Notification (WARN) Act, 29 U.S.C. § 2101 et seq., as amended, and any applicable state plant or facility closing or mass layoff law (whether as damages, as payment of salary or other wages during an applicable notice period or otherwise). In the event that the Executive is party to an agreement with the Company providing for payments or benefits under such plan or agreement and under this Agreement, the terms of this Agreement shall govern and the Executive may receive payment under this Agreement only and not both.

18. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts without giving effect to the conflict of laws principles thereof. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

19. Clawback Acknowledgement. The Executive acknowledges that the Executive is or may be subject to any policy established by the Company as of the Effective Date, or as later adopted by the Company, providing for clawback or recovery of amounts that were paid to the Executive (each, a "Clawback Policy"). Any determination for clawback or recovery shall be made in the Company's sole discretion in accordance with the terms of the applicable Clawback Policy and applicable law or regulation. Any action by the Company to recover compensation from the Executive in accordance with the applicable Clawback Policy from the Executive shall not, whether alone or in combination with any other action, event or condition, be deemed (i) a Good Reason Condition (as defined in the Severance Plan) or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Executive, or (ii) to constitute a breach of a contract or other arrangement to which the Executive is a party. This Section 19 is a material term of this Agreement.

20. Conditions. Notwithstanding anything to the contrary herein, the effectiveness of this Agreement shall be conditioned on (i) the Executive's satisfactory completion of reference and background checks, if so requested by the Company, and (ii) the Executive's submission of satisfactory proof of the Executive's legal authorization to work in the United States.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective on the Effective Date.

FACTORIAL INC.

By: /s/ Siyu Huang
Name: Siyu Huang
Its: Chief Executive Officer

EXECUTIVE

/s/ Richard Wei
Richard Wei

Exhibit A

Restrictive Covenants Agreement

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (“Agreement”) is made by and between Factorial Inc. (the “Company”) and Joseph Taylor (the “Executive” and, together with the Company, the “Parties”), and shall be effective, subject to, and as of, the consummation of the transactions contemplated by the Business Combination Agreement, dated as of December 17, 2025, by and among Cartesian Growth Corporation III, Fenway MS, Inc. and the Company (the “Effective Date”).

WHEREAS, the Company desires to continue employing the Executive and the Executive desires to continue to be employed by the Company on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Employment.

(a) Term. The Company shall employ the Executive and the Executive shall be employed by the Company pursuant to this Agreement commencing as of the Effective Date and continuing until such employment is terminated in accordance with the provisions hereof (the “Term”). The Executive’s employment with the Company shall be “at will,” meaning that the Executive’s employment may be terminated by the Company or the Executive at any time and for any reason subject to the terms of this Agreement.

(b) Position and Duties. During the Term, the Executive shall serve as the Executive Chairman of the Company and report directly to the Company’s Board of Directors (the “Board”). The Executive shall have such powers and duties as may from time to time be prescribed. The Executive shall devote the full working time and efforts necessary in order to perform the Executive’s duties hereunder, initially including, without limitation, serving as a non-independent member of the Board, overseeing the activities of the Board, advising the Company on day-to-day operations and strategic direction, liaising between the Board and the Company’s Chief Executive Officer, providing guidance on key customer and stakeholder relationships, and ensuring effective governance and investor relations. Notwithstanding the foregoing, the Executive may engage in other professional activities and serve on other boards of directors that do not interfere or conflict with the Executive’s duties to the Company, in each case, with prior written approval of the Board, and/or engage in religious, charitable or other community activities as long as such services and activities do not interfere or conflict with the Executive’s performance of the Executive’s duties to the Company.

(c) Work Location. The Executive’s primary work location will be the Company’s headquarters, currently located in Billerica, MA. Additional travel to other locations may be required from time to time, consistent with business needs.

2. Compensation and Related Matters.

(a) Base Salary. As of the Effective Date, the Executive's base salary shall be paid at the rate of \$360,000 per year, less applicable deductions and withholdings. The Executive's base salary shall be subject to periodic review by the Board or the Compensation Committee of the Board (the "Compensation Committee"). The Executive's annual base salary in effect at any given time is referred to herein as "Base Salary." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices for its executive officers.

(b) Expenses. The Executive shall be entitled to receive reimbursement for all reasonable expenses incurred by the Executive during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company.

(c) Other Benefits. The Executive shall be eligible to participate in or receive benefits under the Company's U.S. employee benefit plans in effect from time to time, subject to the terms of such plans.

(d) Paid Time Off. The Executive shall be entitled to take paid time off in accordance with the Company's applicable paid time off policy, as may be in effect from time to time.

(e) Long-Term Incentive Plans. The Executive shall be eligible to participate in and receive awards under the Company's long-term incentive plans as approved by the Board, the Compensation Committee of the Board or its delegate, subject to the terms and conditions of the applicable plan(s) and/or award agreement(s) governing such awards (together, the "Equity Documents"). The Executive's initial target long-term incentive award (the "LTIP Award") shall have a grant date value of approximately \$540,000, as determined in accordance with the Company's equity valuation practices and subject to the approval of the Board, the Compensation Committee of the Board or its delegate. The LTIP Award shall be subject to the vesting terms and conditions set forth in the Equity Documents, which shall provide, among other things, that the portion of the LTIP Award subject to time-based vesting shall not begin vesting until the first anniversary of the applicable grant date, subject to the Executive's continued employment with the Company through such date. Notwithstanding the foregoing, except as otherwise provided in Section 5(a) below, in the event of any conflict between the terms of this Agreement and the terms of the Equity Documents, the terms of the Equity Documents shall control.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon death.

(b) Disability. The Company may terminate the Executive's employment if the Executive is disabled and unable to perform or expected to be unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.*, and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(c) Termination by the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause (as defined below).

(d) Termination by the Company without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate employment hereunder at any time for any reason, including but not limited to, Good Reason (as defined below).

4. Matters Related to Termination.

(a) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(b) Date of Termination. "Date of Termination" shall mean: (i) if the Executive's employment is terminated by death, the date of death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive's employment is terminated by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given or the date otherwise specified by the Company in the Notice of Termination; (iv) if the Executive's employment is terminated by the Executive under Section 3(e) other than for Good Reason, 30 days after the date on which a Notice of Termination is given, and (v) if the Executive's employment is terminated by the Executive under Section 3(e) for Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period (as defined in Section 5). Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination, and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(c) Accrued Obligations. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 2(b) of this Agreement); and (iii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Obligations").

(d) Resignation of All Other Positions. To the extent applicable, the Executive shall be deemed to have resigned from all officer and board member positions that the Executive holds with the Company or any of its respective subsidiaries and affiliates upon the termination of the Executive's employment for any reason. The Executive shall execute any documents in reasonable form as may be requested to confirm or effectuate any such resignations.

5. Severance Benefits. If the Executive experiences a Qualifying Termination during the Change in Control Period (each as defined below), then, in addition to the Accrued Obligations, and subject to (i) the Executive signing a separation agreement and release in a form and manner satisfactory to the Company, which shall include, without limitation, a general release of claims against the Company and all related persons and entities, a reaffirmation of all of the Executive's Continuing Obligations (as defined below), and confidentiality, return of property and non-disparagement provisions (the "Separation Agreement and Release"), and (ii) the Separation Agreement and Release becoming irrevocable, all within 60 days after the Date of Termination (or such shorter period as set forth in the Separation Agreement and Release):

(a) Notwithstanding anything to the contrary in the Equity Documents or any other applicable award agreement, all restricted stock units granted to the Executive as consideration for the Executive's public Executive Chairman services, including, without limitation, the LTIP Award (collectively, the "Chairman RSU Awards"), shall immediately accelerate and become fully vested and nonforfeitable as of the later of (1) the Accelerated Vesting Date (as defined below) or (2) the date of the Change in Control; provided that, in order to effectuate the accelerated vesting contemplated by this Section 5, the unvested portion of the Executive's Chairman RSU Awards that would otherwise terminate or be forfeited on the Date of Termination will be delayed until the earlier of (x) the effective date of the Separation Agreement and Release or the date of the Change in Control, as applicable (at which time acceleration will occur), or (y) the date that the Separation Agreement and Release can no longer become fully effective (at which time the unvested portion of the Executive's Chairman RSU Awards will terminate or be forfeited). For the avoidance of doubt, upon a Qualifying Termination prior to the consummation of a Change in Control, all Chairman RSU Awards held by the Executive as of the Date of Termination will remain outstanding for a period of three (3) months thereafter (unless such Chairman RSU Awards are forfeited prior to such date pursuant to clause (y) of the preceding sentence) and remain eligible to become vested upon the consummation of such Change in Control and, to the extent such Chairman RSU Awards do not become vested in accordance with the terms set forth in this Section 5 on or prior to the date that is three (3) months following the Date of Termination, all then-unvested Chairman RSU Awards held by the Executive will automatically and without further action be canceled and forfeited on the three-month anniversary of the Date of Termination. Notwithstanding the foregoing, no additional vesting of the Chairman RSU Awards shall occur during the period between the Date of Termination and the Accelerated Vesting Date or the date of the Change in Control, as applicable. "Accelerated Vesting Date" means the later of (i) the Executive's Date of Termination or (ii) the effective date of the Executive's Separation Agreement and Release.

(b) For purposes of this Agreement, the following definitions shall apply:

(i) “Affiliate” means any “parent” or “subsidiary” of the Company as such terms are defined in Rule 405 of the Securities Act of 1933, as amended.

(ii) “Cause” means (i) the Executive's continued, willful failure to substantially perform the Executive's duties and responsibilities (other than due to physical or mental impairment) or to comply with Company policies, rules or instructions, in each case as determined by the Board in its sole discretion; (ii) the Executive's misappropriation of funds or property of the Company or its Affiliates; (iii) the Executive's willful failure to cooperate in good faith with a governmental or internal investigation of the Company or its directors, officers or employees, if the Company has requested the Executive's cooperation; (iv) in the course of the Executive's responsibilities for the Company, the Executive's engagement in material dishonesty, gross negligence or willful misconduct; (v) the commission by the Executive of acts satisfying the elements of, the Executive's conviction for, or the entry of a plea of guilty or nolo contendere by the Executive to any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud; (vi) the Executive's material violation of any of the Company's or its Affiliates' written employment policies; (vii) the Executive's breach of any material provision of this Agreement, the Restrictive Covenants Agreement, or any other agreement between the Executive and the Company or any of its Affiliates; or (viii) any misconduct by the Executive, regardless of whether or not in the course of the Executive's employment, that would reasonably be expected to result in material injury or reputational harm to the Company or any of its Affiliates if the Executive were to continue to be employed in the same position. In the event of any action or omission alleged to constitute Cause under clauses (i) or (vi), the Company shall provide the Executive with written notice detailing the alleged circumstances and a period of 30 days to cure the alleged circumstances constituting Cause (if capable of cure).

(iii) “Change in Control” means a Sale Event, as defined in the Company's 2026 Equity Incentive Plan, as amended from time to time.

(iv) “Change in Control Period” means the period beginning three (3) months prior to a Change in Control and ending on the one-year anniversary of the Change in Control.

(v) “Good Reason” means that the Executive has completed all steps of the Good Reason Process following the occurrence of any of the following events without the Executive's consent (each, a “Good Reason Condition”): (i) a material diminution in the Executive's base salary, except for salary reductions based on the Company's financial performance similarly affecting all senior management employees of the Company; (ii) a material change in the geographic location at which the Executive is required to regularly provide services to the Company (which shall mean more than 50 miles from the Executive's principal residence as of such change and more than 50 miles from the geographic location at which the Executive was previously required to regularly perform services to the Company and which shall not include business travel reasonably required by the Company); or (iii) a material breach of this Agreement by the Company.

(vi) “Good Reason Process” consists of the following steps: (i) the Executive reasonably determines in good faith that a Good Reason Condition has occurred; (ii) the Executive notifies the Company in writing of the first occurrence of the Good Reason Condition within 60 days of the first occurrence of such condition; (iii) the Executive cooperates in good faith with the Company's efforts, for a period of not less than 30 days following such notice (the “Cure Period”), to remedy the Good Reason Condition; (iv) notwithstanding such efforts, the Good Reason Condition continues to exist at the end of the Cure Period; and (v) the Executive terminates employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason Condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(vii) “Qualifying Termination” means (i) a termination of the Executive's employment by the Company other than for Cause, death or Disability (as defined in Section 3(b)) or (ii) the Executive's resignation from the Company for Good Reason.

6. Restrictions and Continuing Obligations.

(a) Restrictive Covenants Agreement; Continuing Obligations. In consideration of and as a condition of, among other things, continued employment with the Company under this Agreement and receipt of the LTIP Award, the Executive shall be required to enter into the Company's standard form of Employee Confidentiality, Assignment, and Restrictive Covenants Agreement attached hereto as Exhibit A (the “Restrictive Covenants Agreement”). For purposes of this Agreement, the obligations in this Section 6 and those that arise in the Restrictive Covenants Agreement and any other agreement relating to confidentiality, assignment of inventions, or other restrictive covenants shall collectively be referred to as the “Continuing Obligations.” For the avoidance of doubt, all restrictive covenants obligations are supplemental to one another, and in the event of any conflict between restrictive covenants obligations, the most restrictive provision that is enforceable shall govern.

(b) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information, other than confidentiality restrictions (if any), or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's duties for the Company have not and will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(c) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in (i) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company and (ii) the investigation, whether internal or external, of any matters about which the Company believes the Executive may have knowledge or information. The Executive's full cooperation in connection with such claims, actions or investigations shall include, but not be limited to, being available to meet with counsel to answer questions or to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 6(c). The Company also shall compensate the Executive at a reasonable hourly rate for the Executive's performance of obligations pursuant to this Section 6(c).

(d) Relief. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the Continuing Obligations, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of the Continuing Obligations, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

7. Consent to Jurisdiction. The Parties hereby consent to the jurisdiction of the state and federal courts of the Commonwealth of Massachusetts. Accordingly, with respect to any such court action, each Party (a) submits to the exclusive personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

8. Waiver of Jury Trial. Each of the Executive and the Company irrevocably and unconditionally WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT BY THE COMPANY OR ANY AFFILIATE OF THE COMPANY, INCLUDING WITHOUT LIMITATION THE EXECUTIVE'S OR THE COMPANY'S PERFORMANCE UNDER, OR THE ENFORCEMENT OF, THIS AGREEMENT.

9. Integration. This Agreement, together with the Restrictive Covenants Agreement, the Continuing Obligations, and the Equity Documents, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements between the Parties concerning such subject matter.

10. Withholding; Tax Effect. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Assignment; Successors and Assigns. Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; *provided, however*, that the Company may assign its rights and obligations under this Agreement (including the Restrictive Covenants Agreement) without the Executive's consent to any affiliate or to any person or entity with whom the Company shall hereafter effect a reorganization or consolidation, into which the Company merges or to whom it transfers all or substantially all of its properties or assets. This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of the Executive's and the Company's respective successors, executors, administrators, heirs and permitted assigns. In the event of the Executive's death after the Executive's termination of employment but prior to the completion by the Company of all payments due to the Executive under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to the Executive's death (or to the Executive's estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Chief Executive Officer (“CEO”). Notices, requests, demands and other communications provided for by this Agreement shall also be sufficient if sent by email to the Company email address of the Executive or, in the case of Company, the Company email address of the CEO, with confirmation of receipt.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

17. Effect on Other Plans and Agreements. An election by the Executive to resign for Good Reason under the provisions of this Agreement shall not be deemed a voluntary termination of employment by the Executive for the purpose of interpreting the provisions of any of the Company's benefit plans, programs or policies. Nothing in this Agreement shall be construed to limit the rights of the Executive under the Company's benefit plans, programs or policies. In the event that the Executive is party to an agreement with the Company providing for payments or benefits under such plan or agreement and under this Agreement, the terms of this Agreement shall govern and the Executive may receive payment under this Agreement only and not both.

18. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts without giving effect to the conflict of laws principles thereof. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

19. Clawback Acknowledgement. The Executive acknowledges that the Executive is or may be subject to any policy established by the Company as of the Effective Date, or as later adopted by the Company, providing for clawback or recovery of amounts that were paid to the Executive (each, a “Clawback Policy”). Any determination for clawback or recovery shall be made in the Company's sole discretion in accordance with the terms of the applicable Clawback Policy and applicable law or regulation. Any action by the Company to recover compensation from the Executive in accordance with the applicable Clawback Policy from the Executive shall not, whether alone or in combination with any other action, event or condition, be deemed (i) a Good Reason Condition or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Executive, or (ii) to constitute a breach of a contract or other arrangement to which the Executive is a party. This Section 19 is a material term of this Agreement.

20. Conditions. Notwithstanding anything to the contrary herein, the effectiveness of this Agreement shall be conditioned on (i) the Executive's satisfactory completion of reference and background checks, if so requested by the Company, and (ii) the Executive's submission of satisfactory proof of the Executive's legal authorization to work in the United States.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective on the Effective Date.

FACTORIAL INC.

By: /s/ Siyu Huang
Name: Siyu Huang
Its: Chief Executive Officer

EXECUTIVE

/s/ Joseph M. Taylor
Joseph M. Taylor

[Signature Page to the Executive Employment Agreement]

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Exhibit A

Restrictive Covenants Agreement

**FACTORIAL ENERGY INC.
FORM OF INDEMNIFICATION AGREEMENT**

This Indemnification Agreement (“Agreement”) is made as of [] by and between Factorial Energy Inc., a Delaware corporation (the “Company”), and [] (“Indemnitee”).

RECITALS

WHEREAS, the Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, to serve the Company;

WHEREAS, in order to induce Indemnitee to provide services to the Company, the Company wishes to provide for the indemnification of, and advancement of expenses to, Indemnitee to the maximum extent permitted by law;

WHEREAS, the Certificate of Incorporation (as amended and in effect from time to time, the “Charter”) and the Bylaws (as amended and in effect from time to time, the “Bylaws”) of the Company require indemnification of the officers and directors of the Company, and Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (the “DGCL”);

WHEREAS, the Charter, the Bylaws and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors, officers and other persons with respect to indemnification;

WHEREAS, the Board of Directors of the Company (the “Board”) has determined that the increased difficulty in attracting and retaining highly qualified persons such as Indemnitee is detrimental to the best interests of the Company’s stockholders;

WHEREAS, it is reasonable and prudent for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law, regardless of any amendment or revocation of the Charter or the Bylaws, so that they will serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the indemnification provided in the Charter, the Bylaws and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, Indemnitee has certain rights to indemnification and/or insurance provided by [Name of Fund/Sponsor] (“[Name of Fund/Sponsor]”) which Indemnitee and [Name of Fund/Sponsor] intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided in this Agreement, with the Company’s acknowledgment and agreement to the foregoing being a material condition to Indemnitee’s willingness to serve on the Board.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to serve as a director of the Company. Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by law), in which event the Company shall have no obligation under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnitee.

Section 2. Definitions.

As used in this Agreement:

(a) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as in effect on the date of this Agreement; provided, however, that no Person who is a director or officer of the Company shall be deemed an Affiliate or an Associate of any other director or officer of the Company solely as a result of his or her position as director or officer of the Company.

(b) A Person shall be deemed the "Beneficial Owner" of, and shall be deemed to "Beneficially Own" and have "Beneficial Ownership" of, any securities:

(i) which such Person or any of such Person's Affiliates or Associates, directly or indirectly, Beneficially Owns (as determined pursuant to Rule 13d-3 of the Rules under the Exchange Act, as in effect on the date of this Agreement);

(ii) which such Person or any of such Person's Affiliates or Associates, directly or indirectly, has: (A) the legal, equitable or contractual right or obligation to acquire (whether directly or indirectly and whether exercisable immediately or only after the passage of time, compliance with regulatory requirements, satisfaction of one or more conditions (whether or not within the control of such Person) or otherwise) upon the exercise of any conversion rights, exchange rights, rights, warrants or options, or otherwise; (B) the right to vote pursuant to any agreement, arrangement or understanding (whether or not in writing); or (C) the right to dispose of pursuant to any agreement, arrangement or understanding (whether or not in writing) (other than customary arrangements with and between underwriters and selling group members with respect to a *bona fide* public offering of securities);

(iii) which are Beneficially Owned, directly or indirectly, by any other Person (or any Affiliate or Associate thereof) with which such Person or any of such Person's Affiliates or Associates has any agreement, arrangement or understanding (whether or not in writing) (other than customary agreements with and between underwriters and selling group members with respect to a *bona fide* public offering of securities) for the purpose of acquiring, holding, voting or disposing of any securities of the Company; or

(iv) that are the subject of a derivative transaction entered into by such Person or any of such Person's Affiliates or Associates, including, for these purposes, any derivative security acquired by such Person or any of such Person's Affiliates or Associates that gives such Person or any of such Person's Affiliates or Associates the economic equivalent of ownership of an amount of securities due to the fact that the value of the derivative security is explicitly determined by reference to the price or value of such securities, or that provides such Person or any of such Person's Affiliates or Associates an opportunity, directly or indirectly, to profit or to share in any profit derived from any change in the value of such securities, in any case without regard to whether (A) such derivative security conveys any voting rights in such securities to such Person or any of such Person's Affiliates or Associates; (B) the derivative security is required to be, or capable of being, settled through delivery of such securities; or (C) such Person or any of such Person's Affiliates or Associates may have entered into other transactions that hedge the economic effect of such derivative security.

Notwithstanding the foregoing, no Person engaged in business as an underwriter of securities shall be deemed the Beneficial Owner of any securities acquired through such Person's participation as an underwriter in good faith in a firm commitment underwriting.

(c) A "Change in Control" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person is or becomes the Beneficial Owner (as defined above), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities unless the change in relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors, provided that a Change in Control shall be deemed to have occurred if subsequent to such reduction such Person becomes the Beneficial Owner, directly or indirectly, of any additional securities of the Company conferring upon such Person any additional voting power;

(ii) Change in Board of Directors. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a Person who has entered into an agreement with the Company to effect a transaction described in Sections 2(c)(i), 2(c)(iii) or 2(c)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or successor entity) more than 50% of the combined voting power of the voting securities of the surviving or successor entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving or successor entity;

(iv) Liquidation. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale, lease, exchange or other transfer by the Company, in one or a series of related transactions, of all or substantially all of the Company's assets; and

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act whether or not the Company is then subject to such reporting requirement.

(d) "Corporate Status" describes the status of a person as a current or former director of the Company or current or former director, manager, partner, officer, employee, agent or trustee of any other Enterprise which such person is or was serving at the request of the Company.

(e) "Enforcement Expenses" shall include all reasonable attorneys' fees, court costs, transcript costs, fees of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other out-of-pocket disbursements or expenses of the types customarily incurred in connection with an action to enforce indemnification or advancement rights, or an appeal from such action. Expenses, however, shall not include fees, salaries, wages or benefits owed to Indemnitee.

(f) "Enterprise" shall mean any corporation (other than the Company), partnership, joint venture, trust, employee benefit plan, limited liability company or other legal entity of which Indemnitee is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee.

(g) "Expenses" shall include all reasonable attorneys' fees, court costs, transcript costs, fees of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other out-of-pocket disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding or an appeal resulting from a Proceeding. Expenses, however, shall not include amounts paid in settlement by Indemnitee, the amount of judgments or fines against Indemnitee or fees, salaries, wages or benefits owed to Indemnitee.

(h) "Independent Counsel" means a law firm, or a partner (or, if applicable, member or shareholder) of such a law firm, that is experienced in matters of Delaware corporation law and neither presently is, nor in the past five (5) years has been, retained to represent: (i) the Company, any subsidiary of the Company, any Enterprise or Indemnitee in any matter material to any such party; or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any Person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) “Person” shall mean (i) an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, a business trust, a government or political subdivision, any unincorporated organization or any other association or entity including any successor (by merger or otherwise) thereof or thereto, and (ii) a “group” as that term is used for purposes of Section 13(d)(3) of the Exchange Act.

(j) The term “Proceeding” shall include any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative, regulatory or investigative nature, and whether formal or informal, in which Indemnatee was, is or will be involved as a party or otherwise by reason of the fact that Indemnatee is or was a director of the Company or is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any Enterprise or by reason of any action taken by Indemnatee or of any action taken on his or her part while acting as a director of the Company or while serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any Enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement; provided, however, that the term “Proceeding” shall not include any action, suit or arbitration, or part thereof, initiated by Indemnatee to enforce Indemnatee’s rights under this Agreement as provided for in Section 12(a) of this Agreement.

Section 3. Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnatee to the extent set forth in this Section 3 if Indemnatee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnatee shall be indemnified against all Expenses, judgments, fines, penalties, excise taxes and amounts paid in settlement actually and reasonably incurred by Indemnatee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnatee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnatee to the extent set forth in this Section 4 if Indemnatee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, Indemnatee shall be indemnified against all Expenses actually and reasonably incurred by Indemnatee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnatee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 4 in respect of any claim, issue or matter as to which Indemnatee shall have been finally adjudged by a court to be liable to the Company, unless and only to the extent that the Delaware Court of Chancery (the “Delaware Court”) shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnatee is fairly and reasonably entitled to indemnification for such expenses as the Delaware Court shall deem proper.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement and except as provided in Section 7, to the extent that Indemnitee is a party to or a participant in any Proceeding and is successful in such Proceeding or in defense of any claim, issue or matter therein, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Reimbursement for Expenses of a Witness or in Response to a Subpoena. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee, by reason of his or her Corporate Status, (i) is a witness in any Proceeding to which Indemnitee is not a party and is not threatened to be made a party or (ii) receives a subpoena with respect to any Proceeding to which Indemnitee is not a party and is not threatened to be made a party, the Company shall reimburse Indemnitee for all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

Section 7. Exclusions. Notwithstanding any provision in this Agreement to the contrary, the Company shall not be obligated under this Agreement:

(a) to indemnify for amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such amounts under any insurance policy, contract, agreement or otherwise; provided that the foregoing shall not [(i)] apply to any personal or umbrella liability insurance maintained by Indemnitee, [or, (ii) affect the rights of Indemnitee or the Fund Indemnitors as set forth in Section 13(c)];

(b) to indemnify for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law, or from the purchase or sale by Indemnitee of such securities in violation of Section 306 of the Sarbanes-Oxley Act of 2002 ("SOX");

(c) to indemnify with respect to any Proceeding, or part thereof, brought by Indemnatee against the Company, any legal entity which it controls, any director or officer thereof or any third party, unless (i) the Board has consented to the initiation of such Proceeding or part thereof and (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; provided, however, that this Section 7(c) shall not apply to (A) counterclaims or affirmative defenses asserted by Indemnatee in an action brought against Indemnatee or (B) any action brought by Indemnatee for indemnification or advancement from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company in the suit for which indemnification or advancement is being sought as described in Section 12; or

(d) to provide any indemnification or advancement of expenses that is prohibited by applicable law (as such law exists at the time payment would otherwise be required pursuant to this Agreement).

Section 8. Advancement of Expenses. Subject to Section 9(b), the Company shall advance the Expenses incurred by Indemnatee in connection with any Proceeding, and such advancement shall be made within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances (including any invoices received by Indemnatee, which such invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnatee's (i) ability to repay the expenses, (ii) ultimate entitlement to indemnification under the other provisions of this Agreement, and (iii) entitlement to and availability of insurance coverage, including advancement, payment or reimbursement of defense costs, expenses or covered loss under the provisions of any applicable insurance policy (including, without limitation, whether such advancement, payment or reimbursement is withheld, conditioned or delayed by the insurer(s)). Indemnatee shall qualify for advances upon the execution and delivery to the Company of this Agreement which shall constitute an undertaking providing that Indemnatee undertakes to the fullest extent required by law to repay the advance if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnatee is not entitled to be indemnified by the Company. No other form of undertaking shall be required. The right to advances under this paragraph shall in all events continue until final disposition of any Proceeding, including any appeal therein. Nothing in this Section 8 shall limit Indemnatee's right to advancement pursuant to Section 12(e) of this Agreement.

Section 9. Procedure for Notification and Defense of Claim.

(a) To obtain indemnification under this Agreement, Indemnatee shall submit to the Company a written request therefor specifying the basis for the claim, the amounts for which Indemnatee is seeking payment under this Agreement, and all documentation related thereto as reasonably requested by the Company.

(b) In the event that the Company shall be obligated hereunder to provide indemnification for or make any advancement of Expenses with respect to any Proceeding, the Company shall be entitled to assume the defense of such Proceeding, or any claim, issue or matter therein, with counsel approved by Indemnatee (which approval shall not be unreasonably withheld or delayed) upon the delivery to Indemnatee of written notice of the Company's election to do so. After delivery of such notice, approval of such counsel by Indemnatee and the retention of such counsel by the Company, the Company will not be liable to Indemnatee under this Agreement for any fees or expenses of separate counsel subsequently employed by or on behalf of Indemnatee with respect to the same Proceeding; provided that (i) Indemnatee shall have the right to employ separate counsel in any such Proceeding at Indemnatee's expense and (ii) if (A) the employment of separate counsel by Indemnatee has been previously authorized by the Company, (B) Indemnatee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnatee in the conduct of such defense, (C) the Company shall not continue to retain such counsel to defend such Proceeding or (D) a Change in Control shall have occurred, then the fees and expenses actually and reasonably incurred by Indemnatee with respect to his or her separate counsel shall be Expenses hereunder.

(c) In the event that the Company does not assume the defense in a Proceeding pursuant to paragraph (b) above, then the Company will be entitled to participate in the Proceeding at its own expense.

(d) The Company shall not be liable to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without its prior written consent (which consent shall not be unreasonably withheld or delayed). Without limiting the generality of the foregoing, the fact that an insurer under an applicable insurance policy delays or is unwilling to consent to such settlement or is or may be in breach of its obligations under such policy, or the fact that directors' and officers' liability insurance is otherwise unavailable or not maintained by the Company, may not be taken into account by the Company in determining whether to provide its consent. The Company shall not, without the prior written consent of Indemnitee (which consent shall not be unreasonably withheld or delayed), enter into any settlement which (i) includes an admission of fault of Indemnitee, any non-monetary remedy imposed on Indemnitee or any monetary damages for which Indemnitee is not wholly and actually indemnified hereunder or (ii) with respect to any Proceeding with respect to which Indemnitee may be or is made a party or may be otherwise entitled to seek indemnification hereunder, does not include the full release of Indemnitee from all liability in respect of such Proceeding.

Section 10. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 9(a), a determination, if such determination is required by applicable law, with respect to Indemnitee's entitlement to indemnification hereunder shall be made in the specific case by one of the following methods: (x) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Board; or (y) if a Change in Control shall not have occurred: (i) by a majority vote of the disinterested directors, even though less than a quorum; (ii) by a committee of disinterested directors designated by a majority vote of the disinterested directors, even though less than a quorum; or (iii) if there are no disinterested directors or if the disinterested directors so direct, by Independent Counsel in a written opinion to the Board. For purposes hereof, disinterested directors are those members of the Board who are not parties to the action, suit or proceeding in respect of which indemnification is sought. In the case that such determination is made by Independent Counsel, a copy of Independent Counsel's written opinion shall be delivered to Indemnitee and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within thirty (30) days after such determination. Indemnitee shall cooperate with the Independent Counsel or the Company, as applicable, in making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel or the Company, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. The Company shall likewise cooperate with Indemnitee and Independent Counsel, if applicable, in making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel and Indemnitee, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to the Company and reasonably necessary to such determination. Any out-of-pocket costs or expenses (including reasonable attorneys' fees and disbursements) actually and reasonably incurred by Indemnitee in so cooperating with the Independent Counsel or the Company shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(b) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(a), the Independent Counsel shall be selected by the Board if a Change in Control shall not have occurred or, if a Change in Control shall have occurred, by Indemnitee. Indemnitee or the Company, as the case may be, may, within ten (10) days after written notice of such selection, deliver to the Company or Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the Person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court has determined that such objection is without merit. If, within twenty (20) days after the later of (i) submission by Indemnitee of a written request for indemnification pursuant to Section 9(a), and (ii) the final disposition of the Proceeding, including any appeal therein, no Independent Counsel shall have been selected without objection, either Indemnitee or the Company may petition the Delaware Court for resolution of any objection which shall have been made by Indemnitee or the Company to the selection of Independent Counsel and/or for the appointment as Independent Counsel of a Person selected by the court or by such other Person as the court shall designate. The Person with respect to whom all objections are so resolved or the Person so appointed shall act as Independent Counsel under Section 10(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 12(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) Notwithstanding anything to the contrary contained in this Agreement, the determination of entitlement to indemnification under this Agreement shall be made without regard to the Indemnitee's entitlement to and availability of insurance coverage, including advancement, payment or reimbursement of defense costs, expenses or covered loss under the provisions of any applicable insurance policy (including, without limitation, whether such advancement, payment or reimbursement is withheld, conditioned or delayed by the insurer(s)).

Section 11. Presumptions and Effect of Certain Proceedings.

(a) To the extent permitted by applicable law, in making a determination with respect to entitlement to indemnification hereunder, it shall be presumed that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 9(a) of this Agreement, and the Company shall have the burden of proof and the burden of persuasion by clear and convincing evidence to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of guilty, nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(c) Indemnitee shall be deemed to have acted in good faith if Indemnitee's actions were based on the records or books of account of the Company or any other Enterprise, including financial statements, or on information supplied to Indemnitee by the directors, officers, agents or employees of the Company or any other Enterprise in the course of their duties, or on the advice of legal counsel for the Company or any other Enterprise or on information or records given or reports made to the Company or any other Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or any other Enterprise. The provisions of this Section 11(c) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement. In addition, the knowledge and/or actions, or failure to act, of any director, manager, partner, officer, employee, agent or trustee of the Company, any subsidiary of the Company, or any Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 11(c) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

Section 12. Remedies of Indemnatee.

(a) Subject to Section 12(f), in the event that (i) a determination is made pursuant to Section 10 of this Agreement that Indemnatee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(a) of this Agreement within sixty (60) days after receipt by the Company of the request for indemnification for which a determination is to be made other than by Independent Counsel, (iv) payment of indemnification or reimbursement of expenses is not made pursuant to Section 5 or 6 or the last sentence of Section 10(a) of this Agreement within thirty (30) days after receipt by the Company of a written request therefor (including any invoices received by Indemnatee, which such invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) or (v) payment of indemnification pursuant to Section 3 or 4 of this Agreement is not made within thirty (30) days after a determination has been made that Indemnatee is entitled to indemnification, Indemnatee shall be entitled to an adjudication by the Delaware Court of his or her entitlement to such indemnification or advancement. Alternatively, Indemnatee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, with the seat of arbitration in Boston, MA. Indemnatee shall commence such proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnatee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing time limitation shall not apply in respect of a proceeding brought by Indemnatee to enforce his or her rights under Section 5 of this Agreement. The Company shall not oppose Indemnatee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnatee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 12 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnatee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 12, the Company shall have the burden of proving Indemnatee is not entitled to indemnification or advancement, as the case may be.

(c) If a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnatee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent (i) a misstatement by Indemnatee of a material fact, or an omission of a material fact necessary to make Indemnatee's statement not materially misleading, in connection with the request for indemnification or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) The Company shall indemnify Indemnatee to the fullest extent permitted by law against any and all Enforcement Expenses and, if requested by Indemnatee, shall (within thirty (30) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Enforcement Expenses to Indemnatee, which are incurred by Indemnatee in connection with any action brought by Indemnatee for indemnification or advancement from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company in the suit for which indemnification or advancement is being sought. Such written request for advancement shall include invoices received by Indemnatee in connection with such Enforcement Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnatee to waive any privilege accorded by applicable law need not be included with the invoice.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding, including any appeal therein.

Section 13. Non-exclusivity; Survival of Rights; Insurance; [Primacy of Indemnification;] Subrogation.

(a) The rights of indemnification and to receive advancement as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Charter, the Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement than would be afforded currently under the Charter, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, managers, partners, officers, employees, agents or trustees of the Company or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, manager, partner, officer, employee, agent or trustee under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies. Upon request of Indemnitee, the Company shall also promptly provide to Indemnitee: (i) copies of all of the Company's potentially applicable directors' and officers' liability insurance policies, (ii) copies of such notices delivered to the applicable insurers and (iii) copies of all subsequent communications and correspondence between the Company and such insurers regarding the Proceeding.

(c) [The Company hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by [Name of Fund/Sponsor] and certain of [its][their] affiliates (collectively, the “Fund Indemnitors”). The Company hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to Indemnitee are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the Charter and/or Bylaws (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Fund Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Fund Indemnitors are express third party beneficiaries of the terms of this Section 13(c).]

(d) [Except as provided in paragraph (c) above,] [I/i]n the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee [(other than against the Fund Indemnitors)], who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) [Except as provided in paragraph (c) above,] [T/t]he Company’s obligation to provide indemnification or advancement hereunder to Indemnitee who is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any other Enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement from such other Enterprise.

Section 14. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as a director of the Company or (b) one (1) year after the final termination of any Proceeding, including any appeal, then pending in respect of which Indemnitee is granted rights of indemnification or advancement hereunder and of any proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement relating thereto. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his or her heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 15. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 16. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Charter, the Bylaws and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 17. Modification and Waiver. No supplement, modification or amendment, or waiver of any provision, of this Agreement shall be binding unless executed in writing by the parties thereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver. No supplement, modification or amendment of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee prior to such supplement, modification or amendment.

Section 18. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification, reimbursement or advancement as provided hereunder. The failure of Indemnitee to so notify the Company or any delay in notification shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise, unless, and then only to the extent that, the Company did not otherwise learn of the Proceeding and such delay is materially prejudicial to the Company's ability to defend such Proceeding or matter; and, provided, further, that notice will be deemed to have been given without any action on the part of Indemnitee in the event the Company is a party to the same Proceeding.

Section 19. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (iii) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (iv) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(a) If to Indemnitee, at such address as Indemnitee shall provide to the Company.

(b) If to the Company to:

Factorial Energy Inc.
805 Middlesex Turnpike
Billerica, MA 01821
Attention: Chief Executive Officer

or to any other address as may have been furnished to Indemnitee by the Company.

Section 20. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any Proceeding in such proportion as is deemed fair and reasonable in light of all of the circumstances in order to reflect (i) the relative benefits received by the Company and Indemnitee in connection with the event(s) and/or transaction(s) giving rise to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transactions.

Section 21. Internal Revenue Code Section 409A. The Company intends for this Agreement to comply with the Indemnification exception under Section 1.409A-1(b)(10) of the regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Code"), which provides that indemnification of, or the purchase of an insurance policy providing for payments of, all or part of the expenses incurred or damages paid or payable by Indemnitee with respect to a bona fide claim against Indemnitee or the Company do not provide for a deferral of compensation, subject to Section 409A of the Code, where such claim is based on actions or failures to act by Indemnitee in his or her capacity as a service provider of the Company. The parties intend that this Agreement be interpreted and construed with such intent.

Section 22. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 12(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Delaware Court, and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) consent to service of process at the address set forth in Section 19 of this Agreement with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 23. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 24. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 25. Monetary Damages Insufficient/Specific Enforcement. The Company and Indemnatee agree that a monetary remedy for breach of this Agreement may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnatee irreparable harm. Accordingly, the parties hereto agree that Indemnatee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm (having agreed that actual and irreparable harm will result in not forcing the Company to specifically perform its obligations pursuant to this Agreement) and that by seeking injunctive relief and/or specific performance, Indemnatee shall not be precluded from seeking or obtaining any other relief to which he may be entitled. The Company and Indemnatee further agree that Indemnatee shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnatee by the Court, and the Company hereby waives any such requirement of a bond or undertaking.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

FACTORIAL ENERGY INC.

By: _____
Name:
Title:

[Name of Indemnitee]

**FACTORIAL ENERGY INC.
FORM OF INDEMNIFICATION AGREEMENT**

This Indemnification Agreement (“Agreement”) is made as of [] by and between Factorial Energy Inc., a Delaware corporation (the “Company”), and [] (“Indemnitee”).

RECITALS

WHEREAS, the Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, to serve the Company;

WHEREAS, in order to induce Indemnitee to provide services to the Company, the Company wishes to provide for the indemnification of, and advancement of expenses to, Indemnitee to the maximum extent permitted by law;

WHEREAS, the Certificate of Incorporation (as amended and in effect from time to time, the “Charter”) and the Bylaws (as amended and in effect from time to time, the “Bylaws”) of the Company require indemnification of the officers and directors of the Company, and Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (the “DGCL”);

WHEREAS, the Charter, the Bylaws and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors, officers and other persons with respect to indemnification;

WHEREAS, the Board of Directors of the Company (the “Board”) has determined that the increased difficulty in attracting and retaining highly qualified persons such as Indemnitee is detrimental to the best interests of the Company’s stockholders;

WHEREAS, it is reasonable and prudent for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law, regardless of any amendment or revocation of the Charter or the Bylaws, so that they will serve the Company free from undue concern that they will not be so indemnified; and

WHEREAS, this Agreement is a supplement to and in furtherance of the indemnification provided in the Charter, the Bylaws and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to serve as [a director and] an officer of the Company. Indemnitee may at any time and for any reason resign from [any] such position (subject to any other contractual obligation or any obligation imposed by law), in which event the Company shall have no obligation under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnitee.

Section 2. Definitions.

As used in this Agreement:

(a) “Affiliate” and “Associate” shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as in effect on the date of this Agreement; provided, however, that no Person who is a director or officer of the Company shall be deemed an Affiliate or an Associate of any other director or officer of the Company solely as a result of his or her position as director or officer of the Company.

(b) A Person shall be deemed the “Beneficial Owner” of, and shall be deemed to “Beneficially Own” and have “Beneficial Ownership” of, any securities:

(i) which such Person or any of such Person’s Affiliates or Associates, directly or indirectly, Beneficially Owns (as determined pursuant to Rule 13d-3 of the Rules under the Exchange Act, as in effect on the date of this Agreement);

(ii) which such Person or any of such Person’s Affiliates or Associates, directly or indirectly, has: (A) the legal, equitable or contractual right or obligation to acquire (whether directly or indirectly and whether exercisable immediately or only after the passage of time, compliance with regulatory requirements, satisfaction of one or more conditions (whether or not within the control of such Person) or otherwise) upon the exercise of any conversion rights, exchange rights, rights, warrants or options, or otherwise; (B) the right to vote pursuant to any agreement, arrangement or understanding (whether or not in writing); or (C) the right to dispose of pursuant to any agreement, arrangement or understanding (whether or not in writing) (other than customary arrangements with and between underwriters and selling group members with respect to a bona fide public offering of securities);

(iii) which are Beneficially Owned, directly or indirectly, by any other Person (or any Affiliate or Associate thereof) with which such Person or any of such Person’s Affiliates or Associates has any agreement, arrangement or understanding (whether or not in writing) (other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities) for the purpose of acquiring, holding, voting or disposing of any securities of the Company; or

(iv) that are the subject of a derivative transaction entered into by such Person or any of such Person’s Affiliates or Associates, including, for these purposes, any derivative security acquired by such Person or any of such Person’s Affiliates or Associates that gives such Person or any of such Person’s Affiliates or Associates the economic equivalent of ownership of an amount of securities due to the fact that the value of the derivative security is explicitly determined by reference to the price or value of such securities, or that provides such Person or any of such Person’s Affiliates or Associates an opportunity, directly or indirectly, to profit or to share in any profit derived from any change in the value of such securities, in any case without regard to whether (A) such derivative security conveys any voting rights in such securities to such Person or any of such Person’s Affiliates or Associates; (B) the derivative security is required to be, or capable of being, settled through delivery of such securities; or (C) such Person or any of such Person’s Affiliates or Associates may have entered into other transactions that hedge the economic effect of such derivative security.

Notwithstanding the foregoing, no Person engaged in business as an underwriter of securities shall be deemed the Beneficial Owner of any securities acquired through such Person's participation as an underwriter in good faith in a firm commitment underwriting.

(c) A "Change in Control" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person is or becomes the Beneficial Owner (as defined above), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities unless the change in relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors, provided that a Change in Control shall be deemed to have occurred if subsequent to such reduction such Person becomes the Beneficial Owner, directly or indirectly, of any additional securities of the Company conferring upon such Person any additional voting power;

(ii) Change in Board of Directors. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a Person who has entered into an agreement with the Company to effect a transaction described in Sections 2(c)(i), 2(c)(iii) or 2(c)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or successor entity) more than 50% of the combined voting power of the voting securities of the surviving or successor entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving or successor entity;

(iv) Liquidation. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale, lease, exchange or other transfer by the Company, in one or a series of related transactions, of all or substantially all of the Company's assets; and

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act whether or not the Company is then subject to such reporting requirement.

(d) “Corporate Status” describes the status of a person as a current or former [director or] officer of the Company or current or former director, manager, partner, officer, employee, agent or trustee of any other Enterprise which such person is or was serving at the request of the Company.

(e) “Enforcement Expenses” shall include all reasonable attorneys’ fees, court costs, transcript costs, fees of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other out-of-pocket disbursements or expenses of the types customarily incurred in connection with an action to enforce indemnification or advancement rights, or an appeal from such action. Expenses, however, shall not include fees, salaries, wages or benefits owed to Indemnitee.

(f) “Enterprise” shall mean any corporation (other than the Company), partnership, joint venture, trust, employee benefit plan, limited liability company or other legal entity of which Indemnitee is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee.

(g) “Expenses” shall include all reasonable attorneys’ fees, court costs, transcript costs, fees of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other out-of-pocket disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding or an appeal resulting from a Proceeding. Expenses, however, shall not include amounts paid in settlement by Indemnitee, the amount of judgments or fines against Indemnitee or fees, salaries, wages or benefits owed to Indemnitee.

(h) “Independent Counsel” means a law firm, or a partner (or, if applicable, member or shareholder) of such a law firm, that is experienced in matters of Delaware corporation law and neither presently is, nor in the past five (5) years has been, retained to represent: (i) the Company, any subsidiary of the Company, any Enterprise or Indemnitee in any matter material to any such party; or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any Person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) “Person” shall mean (i) an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, a business trust, a government or political subdivision, any unincorporated organization or any other association or entity including any successor (by merger or otherwise) thereof or thereto, and (ii) a “group” as that term is used for purposes of Section 13(d)(3) of the Exchange Act.

(j) The term “Proceeding” shall include any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative, regulatory or investigative nature, and whether formal or informal, in which Indemnatee was, is or will be involved as a party or otherwise by reason of the fact that Indemnatee is or was [a director or] an officer of the Company or is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any Enterprise or by reason of any action taken by Indemnatee or of any action taken on his or her part while acting as [a director or] an officer of the Company or while serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any Enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement; provided, however, that the term “Proceeding” shall not include any action, suit or arbitration, or part thereof, initiated by Indemnatee to enforce Indemnatee’s rights under this Agreement as provided for in Section 12(a) of this Agreement.

Section 3. Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnatee to the extent set forth in this Section 3 if Indemnatee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnatee shall be indemnified against all Expenses, judgments, fines, penalties, excise taxes, and amounts paid in settlement actually and reasonably incurred by Indemnatee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnatee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnatee to the extent set forth in this Section 4 if Indemnatee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, Indemnatee shall be indemnified against all Expenses actually and reasonably incurred by Indemnatee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnatee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 4 in respect of any claim, issue or matter as to which Indemnatee shall have been finally adjudged by a court to be liable to the Company, unless and only to the extent that the Delaware Court of Chancery (the “Delaware Court”) shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnatee is fairly and reasonably entitled to indemnification for such expenses as the Delaware Court shall deem proper.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement and except as provided in Section 7, to the extent that Indemnitee is a party to or a participant in any Proceeding and is successful in such Proceeding or in defense of any claim, issue or matter therein, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Reimbursement for Expenses of a Witness or in Response to a Subpoena. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee, by reason of his or her Corporate Status, (i) is a witness in any Proceeding to which Indemnitee is not a party and is not threatened to be made a party or (ii) receives a subpoena with respect to any Proceeding to which Indemnitee is not a party and is not threatened to be made a party, the Company shall reimburse Indemnitee for all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

Section 7. Exclusions. Notwithstanding any provision in this Agreement to the contrary, the Company shall not be obligated under this Agreement:

(a) to indemnify for amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such amounts under any insurance policy, contract, agreement or otherwise; provided that the foregoing shall not apply to any personal or umbrella liability insurance maintained by Indemnitee;

(b) to indemnify for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law, or from the purchase or sale by Indemnitee of such securities in violation of Section 306 of the Sarbanes-Oxley Act of 2002 ("SOX");

(c) to indemnify for any reimbursement of, or repayment to, the Company by Indemnitee of (i) any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company pursuant to the terms of (A) Section 304 of SOX, (B) Exchange Act Rule 10D-1 or (C) any formal policy of the Company adopted by the Board (or a committee thereof) or (ii) any other remuneration paid to Indemnitee if it shall be determined by a final judgment or other final adjudication that payment of such remuneration was or would have been in violation of law;

(d) to indemnify with respect to any Proceeding, or part thereof, brought by Indemnitee against the Company, any legal entity which it controls, any director or officer thereof or any third party, unless (i) the Board has consented to the initiation of such Proceeding or part thereof and (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; provided, however, that this Section 7(d) shall not apply to (A) counterclaims or affirmative defenses asserted by Indemnitee in an action brought against Indemnitee or (B) any action brought by Indemnitee for indemnification or advancement from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company in the suit for which indemnification or advancement is being sought as described in Section 12; or

(e) to provide any indemnification or advancement of expenses that is prohibited by applicable law (as such law exists at the time payment would otherwise be required pursuant to this Agreement).

Section 8. Advancement of Expenses. Subject to Section 9(b), the Company shall advance the Expenses incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances (including any invoices received by Indemnitee, which such invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's (i) ability to repay the expenses, (ii) ultimate entitlement to indemnification under the other provisions of this Agreement and (iii) entitlement to and availability of insurance coverage, including advancement, payment or reimbursement of defense costs, expenses or covered loss under the provisions of any applicable insurance policy (including, without limitation, whether such advancement, payment or reimbursement is withheld, conditioned or delayed by the insurer(s)). Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement which shall constitute an undertaking providing that Indemnitee undertakes to the fullest extent required by law to repay the advance if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company. No other form of undertaking shall be required. The right to advances under this paragraph shall in all events continue until final disposition of any Proceeding, including any appeal therein. Nothing in this Section 8 shall limit Indemnitee's right to advancement pursuant to Section 12(e) of this Agreement.

Section 9. Procedure for Notification and Defense of Claim.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request therefor specifying the basis for the claim, the amounts for which Indemnitee is seeking payment under this Agreement and all documentation related thereto as reasonably requested by the Company.

(b) In the event that the Company shall be obligated hereunder to provide indemnification for or make any advancement of Expenses with respect to any Proceeding, the Company shall be entitled to assume the defense of such Proceeding, or any claim, issue or matter therein, with counsel approved by Indemnitee (which approval shall not be unreasonably withheld or delayed) upon the delivery to Indemnitee of written notice of the Company's election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees or expenses of separate counsel subsequently employed by or on behalf of Indemnitee with respect to the same Proceeding; provided that (i) Indemnitee shall have the right to employ separate counsel in any such Proceeding at Indemnitee's expense and (ii) if (A) the employment of separate counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of such defense, (C) the Company shall not continue to retain such counsel to defend such Proceeding or (D) a Change in Control shall have occurred, then the fees and expenses actually and reasonably incurred by Indemnitee with respect to his or her separate counsel shall be Expenses hereunder.

(c) In the event that the Company does not assume the defense in a Proceeding pursuant to paragraph (b) above, then the Company will be entitled to participate in the Proceeding at its own expense.

(d) The Company shall not be liable to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without its prior written consent (which consent shall not be unreasonably withheld or delayed). Without limiting the generality of the foregoing, the fact that an insurer under an applicable insurance policy delays or is unwilling to consent to such settlement or is or may be in breach of its obligations under such policy, or the fact that directors' and officers' liability insurance is otherwise unavailable or not maintained by the Company, may not be taken into account by the Company in determining whether to provide its consent. The Company shall not, without the prior written consent of Indemnitee (which consent shall not be unreasonably withheld or delayed), enter into any settlement which (i) includes an admission of fault of Indemnitee, any non-monetary remedy imposed on Indemnitee or any monetary damages for which Indemnitee is not wholly and actually indemnified hereunder or (ii) with respect to any Proceeding with respect to which Indemnitee may be or is made a party or may be otherwise entitled to seek indemnification hereunder, does not include the full release of Indemnitee from all liability in respect of such Proceeding.

Section 10. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 9(a), a determination, if such determination is required by applicable law, with respect to Indemnitee's entitlement to indemnification hereunder shall be made in the specific case by one of the following methods: (x) if a Change in Control shall have occurred and indemnification is being requested by Indemnitee hereunder in his or her capacity as a director of the Company, by Independent Counsel in a written opinion to the Board; or (y) in any other case, (i) by a majority vote of the disinterested directors, even though less than a quorum; (ii) by a committee of disinterested directors designated by a majority vote of the disinterested directors, even though less than a quorum; or (iii) if there are no disinterested directors or if the disinterested directors so direct, by Independent Counsel in a written opinion to the Board. For purposes hereof, disinterested directors are those members of the Board who are not parties to the action, suit or proceeding in respect of which indemnification is sought. In the case that such determination is made by Independent Counsel, a copy of Independent Counsel's written opinion shall be delivered to Indemnitee and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within thirty (30) days after such determination. Indemnitee shall cooperate with the Independent Counsel or the Company, as applicable, in making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel or the Company, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. The Company shall likewise cooperate with Indemnitee and Independent Counsel, if applicable, in making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel and Indemnitee, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to the Company and reasonably necessary to such determination. Any out-of-pocket costs or expenses (including reasonable attorneys' fees and disbursements) actually and reasonably incurred by Indemnitee in so cooperating with the Independent Counsel or the Company shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(b) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(a), the Independent Counsel shall be selected by the Board; provided that, if a Change in Control shall have occurred and indemnification is being requested by Indemnitee hereunder in his or her capacity as a director of the Company, the Independent Counsel shall be selected by Indemnitee. Indemnitee or the Company, as the case may be, may, within ten (10) days after written notice of such selection, deliver to the Company or Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the Person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court has determined that such objection is without merit. If, within twenty (20) days after the later of (i) submission by Indemnitee of a written request for indemnification pursuant to Section 9(a) and (ii) the final disposition of the Proceeding, including any appeal therein, no Independent Counsel shall have been selected without objection, either Indemnitee or the Company may petition the Delaware Court for resolution of any objection which shall have been made by Indemnitee or the Company to the selection of Independent Counsel and/or for the appointment as Independent Counsel of a Person selected by the court or by such other Person as the court shall designate. The Person with respect to whom all objections are so resolved or the Person so appointed shall act as Independent Counsel under Section 10(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 12(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) Notwithstanding anything to the contrary contained in this Agreement, the determination of entitlement to indemnification under this Agreement shall be made without regard to the Indemnitee's entitlement to and availability of insurance coverage, including advancement, payment or reimbursement of defense costs, expenses or covered loss under the provisions of any applicable insurance policy (including, without limitation, whether such advancement, payment or reimbursement is withheld, conditioned or delayed by the insurer(s)).

Section 11. Presumptions and Effect of Certain Proceedings.

(a) To the extent permitted by applicable law, in making a determination with respect to entitlement to indemnification hereunder, it shall be presumed that Indemnatee is entitled to indemnification under this Agreement if Indemnatee has submitted a request for indemnification in accordance with Section 9(a) of this Agreement, and the Company shall have the burden of proof and the burden of persuasion by clear and convincing evidence to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of guilty, nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnatee to indemnification or create a presumption that Indemnatee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnatee had reasonable cause to believe that his or her conduct was unlawful.

(c) Indemnatee shall be deemed to have acted in good faith if Indemnatee's actions were based on the records or books of account of the Company or any other Enterprise, including financial statements, or on information supplied to Indemnatee by the directors, officers, agents or employees of the Company or any other Enterprise in the course of their duties, or on the advice of legal counsel for the Company or any other Enterprise or on information or records given or reports made to the Company or any other Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or any other Enterprise. The provisions of this Section 11(c) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnatee may be deemed to have met the applicable standard of conduct set forth in this Agreement. In addition, the knowledge and/or actions, or failure to act, of any director, manager, partner, officer, employee, agent or trustee of the Company, any subsidiary of the Company, or any Enterprise shall not be imputed to Indemnatee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 11(c) are satisfied, it shall in any event be presumed that Indemnatee has at all times acted in good faith and in a manner Indemnatee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

Section 12. Remedies of Indemnatee.

(a) Subject to Section 12(f), in the event that (i) a determination is made pursuant to Section 10 of this Agreement that Indemnatee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(a) of this Agreement within sixty (60) days after receipt by the Company of the request for indemnification for which a determination is to be made other than by Independent Counsel, (iv) payment of indemnification or reimbursement of expenses is not made pursuant to Section 5 or 6 or the last sentence of Section 10(a) of this Agreement within thirty (30) days after receipt by the Company of a written request therefor (including any invoices received by Indemnatee, which such invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) or (v) payment of indemnification pursuant to Section 3 or 4 of this Agreement is not made within thirty (30) days after a determination has been made that Indemnatee is entitled to indemnification, Indemnatee shall be entitled to an adjudication by the Delaware Court of his or her entitlement to such indemnification or advancement. Alternatively, Indemnatee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, with the seat of arbitration in Boston, MA. Indemnatee shall commence such proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnatee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing time limitation shall not apply in respect of a proceeding brought by Indemnatee to enforce his or her rights under Section 5 of this Agreement. The Company shall not oppose Indemnatee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 12 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 12, the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement, as the case may be.

(c) If a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) The Company shall indemnify Indemnitee to the fullest extent permitted by law against any and all Enforcement Expenses and, if requested by Indemnitee, shall (within thirty (30) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Enforcement Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company in the suit for which indemnification or advancement is being sought. Such written request for advancement shall include invoices received by Indemnitee in connection with such Enforcement Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law need not be included with the invoice.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding, including any appeal therein.

Section 13. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Charter, the Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement than would be afforded currently under the Charter, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, managers, partners, officers, employees, agents or trustees of the Company or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, manager, partner, officer, employee, agent or trustee under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies. Upon request of Indemnitee, the Company shall also promptly provide to Indemnitee: (i) copies of all of the Company's potentially applicable directors' and officers' liability insurance policies, (ii) copies of such notices delivered to the applicable insurers, and (iii) copies of all subsequent communications and correspondence between the Company and such insurers regarding the Proceeding.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(d) The Company's obligation to provide indemnification or advancement hereunder to Indemnitee who is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any other Enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement from such other Enterprise.

Section 14. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as [both a director and] an officer of the Company or (b) one (1) year after the final termination of any Proceeding, including any appeal, then pending in respect of which Indemnitee is granted rights of indemnification or advancement hereunder and of any proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement relating thereto. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his or her heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 15. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 16. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as [a director and] an officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as [a director and] an officer of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Charter, the Bylaws and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 17. Modification and Waiver. No supplement, modification or amendment, or waiver of any provision, of this Agreement shall be binding unless executed in writing by the parties thereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver. No supplement, modification or amendment of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee prior to such supplement, modification or amendment.

Section 18. Notice by Indemnatee. Indemnatee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification, reimbursement or advancement as provided hereunder. The failure of Indemnatee to so notify the Company or any delay in notification shall not relieve the Company of any obligation which it may have to Indemnatee under this Agreement or otherwise, unless, and then only to the extent that, the Company did not otherwise learn of the Proceeding and such delay is materially prejudicial to the Company's ability to defend such Proceeding or matter; and, provided, further, that notice will be deemed to have been given without any action on the part of Indemnatee in the event the Company is a party to the same Proceeding.

Section 19. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (iii) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (iv) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

- (a) If to Indemnatee, at such address as Indemnatee shall provide to the Company.
- (b) If to the Company to:

Factorial Energy Inc.
805 Middlesex Turnpike
Billerica, MA 01821
Attention: Chief Executive Officer

or to any other address as may have been furnished to Indemnatee by the Company.

Section 20. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnatee for any reason whatsoever, the Company, in lieu of indemnifying Indemnatee, shall contribute to the amount incurred by Indemnatee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any Proceeding in such proportion as is deemed fair and reasonable in light of all of the circumstances in order to reflect (i) the relative benefits received by the Company and Indemnatee in connection with the event(s) and/or transaction(s) giving rise to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnatee in connection with such event(s) and/or transactions.

Section 21. Internal Revenue Code Section 409A. The Company intends for this Agreement to comply with the Indemnification exception under Section 1.409A-1(b)(10) of the regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Code"), which provides that indemnification of, or the purchase of an insurance policy providing for payments of, all or part of the expenses incurred or damages paid or payable by Indemnatee with respect to a bona fide claim against Indemnatee or the Company do not provide for a deferral of compensation, subject to Section 409A of the Code, where such claim is based on actions or failures to act by Indemnatee in his or her capacity as a service provider of the Company. The parties intend that this Agreement be interpreted and construed with such intent.

Section 22. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnatee pursuant to Section 12(a) of this Agreement, the Company and Indemnatee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Delaware Court, and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) consent to service of process at the address set forth in Section 19 of this Agreement with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 23. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 24. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 25. Monetary Damages Insufficient/Specific Enforcement. The Company and Indemnatee agree that a monetary remedy for breach of this Agreement may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnatee irreparable harm. Accordingly, the parties hereto agree that Indemnatee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm (having agreed that actual and irreparable harm will result in not forcing the Company to specifically perform its obligations pursuant to this Agreement) and that by seeking injunctive relief and/or specific performance, Indemnatee shall not be precluded from seeking or obtaining any other relief to which he may be entitled. The Company and Indemnatee further agree that Indemnatee shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnatee by the Court, and the Company hereby waives any such requirement of a bond or undertaking.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

FACTORIAL ENERGY INC.

By: _____
Name:
Title:

[Name of Indemnitee]

2019 STOCK INCENTIVE PLAN

OF

LIONANO SE INC.

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2019 STOCK INCENTIVE PLAN

OF

LIONANO SE INC.

1. Purpose

The purpose of this 2019 Stock Incentive Plan (the “**Plan**”) of Lionano SE Inc., a Delaware corporation (the “**Company**”), is to advance the interests of the Company’s stockholders by enhancing the Company’s ability to attract, retain and motivate persons who are expected to make important contributions to the Company and by providing such persons with equity ownership opportunities and performance-based incentives that are intended to better align the interests of such persons with those of the Company’s stockholders. Except where the context otherwise requires, the term “**Company**” shall include any of the Company’s present and future parent or subsidiary corporations as defined in Sections 424(e) or (f) of the Internal Revenue Code of 1986, as amended, and any regulations thereunder (the “**Code**”) and any other business venture (including, without limitation, joint venture or limited liability company) in which the Company has a controlling interest, as determined by the Board of Directors of the Company (the “**Board**”); *provided, however*, that such other business ventures shall be limited to entities that, where required by Section 409A of the Code, are eligible issuers of service recipient stock (as defined in Treas. Reg. Section 1.409A-1(b)(5)(iii)(E), or applicable successor regulation).

2. Eligibility

All of the Company’s employees, officers and directors, as well as consultants and advisors to the Company (as such terms consultants and advisors are defined and interpreted for purposes of Rule 701 under the Securities Act of 1933, as amended (the “**Securities Act**”) (or any successor rule)) are eligible to be granted Awards under the Plan. Each person who is granted an Award under the Plan is deemed a “**Participant**.” “**Award**” means Options (as defined in Section 5), SARs (as defined in Section 6), Restricted Stock (as defined in Section 7), Restricted Stock Units (as defined in Section 7) and Other Stock-Based Awards (as defined in Section 8).

3. Administration and Delegation

(a) Administration by the Board. The Plan will be administered by the Board. The Board shall have authority to grant Awards and to adopt, amend and repeal such administrative rules, guidelines and practices relating to the Plan as it shall deem advisable. The Board may construe and interpret the terms of the Plan and any Award agreements entered into under the Plan. The Board may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem expedient to carry the Plan into effect and it shall be the sole and final judge of such expediency. All actions and decisions by the Board with respect to the Plan and any Awards shall be made in the Board’s discretion and shall be final and binding on all Participants and any other persons having or claiming any interest in the Plan or in any Award.

(b) Appointment of Committees. To the extent permitted by applicable law, the Board may delegate any or all of its powers under the Plan to one or more committees or subcommittees of the Board (each, a “**Committee**”). All references in the Plan to the “**Board**” shall mean the Board or a Committee to the extent that the Board’s powers or authority under the Plan have been delegated to such Committee.

4. Stock Available for Awards

(a) Number of Shares. Subject to adjustment under Section 9, Awards may be made under the Plan for up to 1,500,000 shares of common stock, \$0.0001 par value per share, of the Company (the “**Common Stock**”), any or all of which Awards may be in the form of Incentive Stock Options (as defined in Section 5(b)). If any Award expires or is terminated, surrendered or canceled without having been fully exercised, is forfeited in whole or in part (including as the result of shares of Common Stock subject to such Award being repurchased by the Company at the original issuance price pursuant to a contractual repurchase right), or results in any Common Stock not being issued, the unused Common Stock subject to such Award shall again be available for the grant of Awards under the Plan. Further, shares of Common Stock tendered to the Company by a Participant to exercise an Award or to satisfy tax withholding obligations arising with respect to an Award shall be added to the number of shares of Common Stock available for the grant of Awards under the Plan. However, in the case of Incentive Stock Options, the two immediately preceding sentences shall be subject to any limitations under the Code. Shares issued under the Plan may consist in whole or in part of authorized but unissued shares or treasury shares.

(b) Substitute Awards. In connection with a merger or consolidation of an entity with the Company or the acquisition by the Company of property or stock of an entity, the Board may grant Awards in substitution for any options or other stock or stock-based awards granted by such entity or an affiliate thereof. Substitute Awards may be granted on such terms as the Board deems appropriate in the circumstances, notwithstanding any limitations on Awards contained in the Plan. Substitute Awards shall not count against the overall share limit set forth in Section 4(a), except as may be required by reason of Section 422 and related provisions of the Code.

5. Stock Options

(a) General. The Board may grant options to purchase Common Stock (each, an “**Option**”) and determine the number of shares of Common Stock to be subject to each Option, the exercise price of each Option and the conditions and limitations applicable to the exercise of each Option, including conditions relating to applicable federal or state securities laws, as it considers necessary or advisable.

(b) Incentive Stock Options. An Option that the Board intends to be an “incentive stock option” as defined in Section 422 of the Code (an “**Incentive Stock Option**”) shall only be granted to employees of Lionano SE Inc., any of Lionano SE Inc.’s present and future parent or subsidiary corporations as defined in Sections 424(e) or (f) of the Code, and any other entities the employees of which are eligible to receive Incentive Stock Options under the Code, and shall be subject to and shall be construed consistently with the requirements of Section 422 of the Code. An Option that is not intended to be an Incentive Stock Option shall be designated non-statutory stock option (a “**Nonstatutory Stock Option**”). The Company shall have no liability to a Participant, or any other person, if an Option (or any part thereof) that is intended to be an Incentive Stock Option is not an Incentive Stock Option or if the Company converts an Incentive Stock Option to a Nonstatutory Stock Option.

(c) Exercise Price. The Board shall establish the exercise price of each Option and specify the exercise price in the applicable Option agreement. The exercise price shall be not less than 100% of the Grant Date Fair Market Value (as defined below) of the Common Stock on the date the Option is granted; provided that if the Board approves the grant of an Option with an exercise price to be determined on a future date, the exercise price shall not be less than 100% of the Grant Date Fair Market Value on such future date. The “**Grant Date Fair Market Value**” of a share of Common Stock for purposes of the Plan will be determined as follows:

(1) if the Common Stock is not publicly traded, the Board will determine the Fair Market Value for purposes of the Plan using any measure of value it determines to be appropriate (including, as it considers appropriate, relying on appraisals) in a manner consistent with the valuation principles under Code Section 409A, except as the Board may expressly determine otherwise;

(2) if the Common Stock is listed on a national securities exchange, the closing sale price (for the primary trading session) on the date of grant; or

(3) if the Common Stock is not listed on any such exchange, the average of the closing bid and asked prices as reported by an authorized OTCBB market data vendor as listed on the OTCBB website (otcbb.com) on the date of grant.

For any date that is not a trading day, the Grant Date Fair Market Value of a share of Common Stock for such date will be determined by using the closing sale price or average of the bid and asked prices, as appropriate, for the immediately preceding trading day and with the timing in the formulas above adjusted accordingly. The Board can substitute a particular time of day or other measure of “closing sale price” or “bid and asked prices” if appropriate because of exchange or market procedures or can, in its discretion, use weighted averages either on a daily basis or such longer period as complies with Code Section 409A.

The Board has discretion to determine the Grant Date Fair Market Value for purposes of the Plan, and all Awards are conditioned on the applicable Participant’s agreement that the Board’s determination is conclusive and binding even though others might make a different determination.

(d) Duration of Options. Each Option shall be exercisable at such times and subject to such terms and conditions as the Board may specify in the applicable option agreement; *provided, however*, that no Option will be granted with a term in excess of 10 years.

(e) Exercise of Options. Options may be exercised by delivery to the Company of a notice of exercise in a form of notice (which may be electronic) approved by the Company, together with payment in full (in the manner specified in Section 5(f)) of the exercise price for the number of shares for which the Option is exercised. Shares of Common Stock subject to the Option will be delivered by the Company as soon as practicable following exercise.

(f) Payment Upon Exercise. Common Stock purchased upon the exercise of an Option granted under the Plan shall be paid for as follows:

(1) in cash or by check, payable to the order of the Company;

(2) when the Common Stock is registered under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), except as may otherwise be provided in the applicable Option agreement or approved by the Board, in its discretion, by (i) delivery of an irrevocable and unconditional undertaking by a creditworthy broker to deliver promptly to the Company sufficient funds to pay the exercise price and any required tax withholding or (ii) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a creditworthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price and any required tax withholding;

(3) when the Common Stock is registered under the Exchange Act and to the extent provided for in the applicable Option agreement or approved by the Board, in its discretion, by delivery (either by actual delivery or attestation) of shares of Common Stock owned by the Participant valued at their fair market value (valued in the manner determined by (or in a manner approved by) the Board), *provided* (i) such method of payment is then permitted under applicable law, (ii) such Common Stock, if acquired directly from the Company, was owned by the Participant for such minimum period of time, if any, as may be established by the Board in its discretion and (iii) such Common Stock is not subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements;

(4) to the extent provided for in the applicable Nonstatutory Stock Option agreement or approved by the Board in its discretion, by delivery of a notice of “net exercise” to the Company, as a result of which the Participant would receive (i) the number of shares underlying the portion of the Option being exercised, less (ii) such number of shares as is equal to (A) the aggregate exercise price for the portion of the Option being exercised divided by (B) the fair market value of the Common Stock (valued in the manner determined by (or in a manner approved by) the Board) on the date of exercise;

(5) to the extent permitted by applicable law and provided for in the applicable Option agreement or approved by the Board, in its discretion, by (i) delivery of a promissory note of the Participant to the Company on terms determined by the Board, or (ii) payment of such other lawful consideration as the Board may determine; or

(6) by any combination of the above permitted forms of payment.

6. Stock Appreciation Rights

(a) General. The Board may grant Awards consisting of stock appreciation rights (“**SARs**”) entitling the Participant, upon exercise, to receive an amount of Common Stock or cash or a combination thereof (such form to be determined by the Board) determined by reference to appreciation, from and after the date of grant, in the fair market value of a share of Common Stock (valued in the manner determined by (or in a manner approved by) the Board) over the measurement price established pursuant to Section 6(b). The date as of which such appreciation is determined shall be the exercise date.

(b) Measurement Price. The Board shall establish the measurement price of each SAR and specify it in the applicable SAR agreement. The measurement price shall not be less than 100% of the Grant Date Fair Market Value of a share of Common Stock on the date the SAR is granted; *provided*, that if the Board approves the grant of an SAR effective as of a future date, the measurement price shall not be less than 100% of the Grant Date Fair Market Value on such future date.

(c) Duration of SARs. Each SAR shall be exercisable at such times and subject to such terms and conditions as the Board may specify in the applicable SAR agreement; *provided, however*, that no SAR will be granted with a term in excess of 10 years.

(d) Exercise of SARs. SARs may be exercised by delivery to the Company of a notice of exercise in a form (which may be electronic) approved by the Company, together with any other documents required by the Board.

7. Restricted Stock; Restricted Stock Units

(a) General. The Board may grant Awards entitling Participants to acquire shares of Common Stock (“**Restricted Stock**”), subject to the right of the Company to repurchase all or part of such shares at their issue price or other stated or formula price (or to require forfeiture of such shares if issued at no cost) from the Participant in the event that conditions specified by the Board in the applicable Award are not satisfied prior to the end of the applicable restriction period or periods established by the Board for such Award. The Board may also grant Awards entitling the Participant to receive shares of Common Stock or cash to be delivered at the time such Award vests (“**Restricted Stock Units**”) (Restricted Stock and Restricted Stock Units are each referred to herein as a “**Restricted Stock Award**”).

(b) Terms and Conditions for All Restricted Stock Awards. The Board shall determine the terms and conditions of a Restricted Stock Award, including the conditions for vesting and repurchase (or forfeiture) and the issue price, if any.

(c) Additional Provisions Relating to Restricted Stock.

(1) Dividends. Unless otherwise provided in the applicable Award agreement, any dividends (whether paid in cash, stock or property) declared and paid by the Company with respect to shares of Restricted Stock (“**Accrued Dividends**”) shall be paid to the Participant only if and when such shares become free from the restrictions on transferability and forfeitability that apply to such shares. Each payment of Accrued Dividends will be made no later than the end of the calendar year in which the dividends are paid to stockholders of that class of stock or, if later, the 15th day of the third month following the lapsing of the restrictions on transferability and the forfeitability provisions applicable to the underlying shares of Restricted Stock.

(2) Stock Certificates. The Company may require that any stock certificates issued in respect of shares of Restricted Stock, as well as dividends or distributions paid on such Restricted Stock, shall be deposited in escrow by the Participant, together with a stock power endorsed in blank, with the Company (or its designee). At the expiration of the applicable restriction periods, the Company (or such designee) shall deliver the certificates no longer subject to such restrictions to the Participant or if the Participant has died, to Participant's Designated Beneficiary. "**Designated Beneficiary**" means (i) the beneficiary designated, in a manner determined by the Board, by a Participant to receive amounts due or exercise rights of the Participant in the event of the Participant's death or (ii) in the absence of an effective designation by a Participant, "**Designated Beneficiary**" means the Participant's estate.

(d) Additional Provisions Relating to Restricted Stock Units.

(1) Settlement. Upon the vesting of and/or lapsing of any other restrictions (i.e., settlement) with respect to each Restricted Stock Unit, the Participant shall be entitled to receive from the Company the number of shares of Common Stock specified in the Award agreement or (if so provided in the applicable Award agreement or otherwise determined by the Board) an amount of cash equal to the fair market value (valued in the manner determined by (or in a manner approved by) the Board) of such number of shares of Common Stock or a combination thereof. The Board may, in its discretion, provide that settlement of Restricted Stock Units shall be deferred, on a mandatory basis or at the election of the Participant in a manner that complies with Section 409A of the Code.

(2) Voting Rights. A Participant shall have no voting rights with respect to any Restricted Stock Units.

(3) Dividend Equivalents. The Award agreement for Restricted Stock Units may provide Participants with the right to receive an amount equal to any dividends or other distributions declared and paid on an equal number of outstanding shares of Common Stock ("**Dividend Equivalents**"). Dividend Equivalents may be paid currently or credited to an account for the Participants, may be settled in cash and/or shares of Common Stock and may be subject to the same restrictions on transfer and forfeitability as the Restricted Stock Units with respect to which paid, in each case to the extent provided in the applicable Award agreement.

8. Other Stock-Based Awards

(a) General. The Board may grant other Awards of shares of Common Stock, and other Awards that are valued in whole or in part by reference to, or are otherwise based on, shares of Common Stock or other property ("**Other Stock-Based Awards**"). Such Other Stock-Based Awards shall also be available as a form of payment in the settlement of other Awards granted under the Plan or as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock-Based Awards may be paid in shares of Common Stock or cash, as the Board shall determine.

(b) Terms and Conditions. Subject to the provisions of the Plan, the Board shall determine the terms and conditions of each Other Stock-Based Award, including any purchase price applicable thereto.

9. Adjustments for Changes in Common Stock and Certain Other Events

(a) Changes in Capitalization. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any dividend or distribution to holders of Common Stock other than an ordinary cash dividend, (i) the number and class of securities available under the Plan, (ii) the number and class of securities and exercise price per share of each outstanding Option, (iii) the share and per-share provisions and the measurement price of each outstanding SAR, (iv) the number of shares subject to and the repurchase price per share subject to each outstanding Award of Restricted Stock and (v) the share and per-share-related provisions and the purchase price, if any, of each outstanding Award of Restricted Stock Unit and each outstanding Other Stock-Based Award, shall be equitably adjusted by the Company (or substituted Awards may be made, if applicable) in the manner determined by the Board. Without limiting the generality of the foregoing, in the event the Company effects a split of the Common Stock by means of a stock dividend and the exercise price of and the number of shares subject to an outstanding Option are adjusted as of the date of the distribution of the dividend (rather than as of the record date for such dividend), then an optionee who exercises an Option between the record date and the distribution date for such stock dividend shall be entitled to receive, on the distribution date, the stock dividend with respect to the shares of Common Stock acquired upon such Option exercise, notwithstanding the fact that such shares were not outstanding as of the close of business on the record date for such stock dividend.

(b) Reorganization Events.

(1) Definition. A “**Reorganization Event**” shall mean: (a) any merger or consolidation of the Company with or into another entity as a result of which all of the Common Stock of the Company is converted into or exchanged for the right to receive cash, securities or other property or is cancelled, (b) any transfer or disposition of all of the Common Stock of the Company for cash, securities or other property pursuant to a share exchange or other transaction or (c) any liquidation or dissolution of the Company.

(2) Consequences of a Reorganization Event on Awards Other than Restricted Stock.

(i) In connection with a Reorganization Event, the Board may take any one or more of the following actions as to all or any (or any portion of) outstanding Awards other than Restricted Stock on such terms as the Board determines (except to the extent specifically provided otherwise in an applicable Award agreement or another agreement between the Company and the Participant): (i) provide that such Awards shall be assumed, or substantially equivalent Awards shall be substituted, by the acquiring or succeeding corporation (or an affiliate thereof), (ii) upon written notice to a Participant, provide that all of the Participant’s unexercised and/or unvested Awards will terminate immediately prior to the consummation of such Reorganization Event unless exercised by the Participant (to the extent then exercisable) within a specified period following the date of such notice, (iii) provide that outstanding Awards shall become exercisable, realizable, or deliverable, or restrictions applicable to an Award shall lapse, in whole or in part prior to or upon such Reorganization Event, (iv) in the event of a Reorganization Event under the terms of which holders of Common Stock will receive upon consummation thereof a cash payment for each share surrendered in the Reorganization Event (the “**Acquisition Price**”), make or provide for a cash payment to Participants with respect to each Award held by a Participant equal to (A) the number of shares of Common Stock subject to the vested portion of the Award (after giving effect to any acceleration of vesting that occurs upon or immediately prior to such Reorganization Event) multiplied by (B) the excess, if any, of (I) the Acquisition Price over (II) the exercise, measurement or purchase price of such Award and any applicable tax withholdings, in exchange for the termination of such Award, (v) provide that, in connection with a liquidation or dissolution of the Company, Awards shall convert into the right to receive liquidation proceeds (if applicable, net of the exercise, measurement or purchase price thereof and any applicable tax withholdings) and (vi) any combination of the foregoing. In taking any of the actions permitted under this Section 9(b)(2), the Board shall not be obligated by the Plan to treat all Awards, all Awards held by a Participant, or all Awards of the same type, identically.

(ii) Notwithstanding the terms of Section 9(b)(2)(i), in the case of outstanding Restricted Stock Units that are subject to Section 409A of the Code: (i) if the applicable Restricted Stock Unit agreement provides that the Restricted Stock Units shall be settled upon a “change in control event” within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i), and the Reorganization Event constitutes such a “change in control event”, then no assumption or substitution shall be permitted pursuant to Section 9(b)(2)(i) and the Restricted Stock Units shall instead be settled in accordance with the terms of the applicable Restricted Stock Unit agreement; and (ii) the Board may only undertake the actions set forth in clauses (iii), (iv) or (v) of Section 9(b)(2)(i) if the Reorganization Event constitutes a “change in control event” as defined under Treasury Regulation Section 1.409A-3(i)(5)(i) and such action is permitted or required by Section 409A of the Code; if the Reorganization Event is not a “change in control event” as so defined or such action is not permitted or required by Section 409A of the Code, and the acquiring or succeeding corporation does not assume or substitute the Restricted Stock Units pursuant to clause (i) of Section 9(b)(2)(i), then the unvested Restricted Stock Units shall terminate immediately prior to the consummation of the Reorganization Event without any payment in exchange therefor.

(iii) For purposes of Section 9(b)(2)(i), an Award (other than Restricted Stock) shall be considered assumed if, following consummation of the Reorganization Event, such Award confers the right to purchase or receive pursuant to the terms of such Award, for each share of Common Stock subject to the Award immediately prior to the consummation of the Reorganization Event, the consideration (whether cash, securities or other property) received as a result of the Reorganization Event by holders of Common Stock for each share of Common Stock held immediately prior to the consummation of the Reorganization Event (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Common Stock); *provided, however*, that if the consideration received as a result of the Reorganization Event is not solely common stock of the acquiring or succeeding corporation (or an affiliate thereof), the Company may, with the consent of the acquiring or succeeding corporation, provide for the consideration to be received upon the exercise or settlement of the Award to consist solely of such number of shares of common stock of the acquiring or succeeding corporation (or an affiliate thereof) that the Board determined to be equivalent in value (as of the date of such determination or another date specified by the Board) to the per share consideration received by holders of outstanding shares of Common Stock as a result of the Reorganization Event.

(3) Consequences of a Reorganization Event on Restricted Stock. Upon the occurrence of a Reorganization Event other than a liquidation or dissolution of the Company, the repurchase and other rights of the Company with respect to outstanding Restricted Stock shall inure to the benefit of the Company's successor and shall, unless the Board determines otherwise, apply to the cash, securities or other property which the Common Stock was converted into or exchanged for pursuant to such Reorganization Event in the same manner and to the same extent as they applied to such Restricted Stock; *provided, however*, that the Board may provide for termination or deemed satisfaction of such repurchase or other rights under the instrument evidencing any Restricted Stock or any other agreement between a Participant and the Company, either initially or by amendment, or provide for forfeiture of such Restricted Stock if issued at no cost. Upon the occurrence of a Reorganization Event involving the liquidation or dissolution of the Company, except to the extent specifically provided to the contrary in the instrument evidencing any Restricted Stock or any other agreement between a Participant and the Company, all restrictions and conditions on all Restricted Stock then outstanding shall automatically be deemed terminated or satisfied.

10. General Provisions Applicable to Awards.

(a) Transferability of Awards. Awards (or any interest in an Award, including, prior to exercise, any interest in shares of Common Stock issuable upon exercise of an Option or SAR) shall not be sold, assigned, transferred (including by establishing any short position, put equivalent position (as defined in Rule 16a-1 issued under the Exchange Act) or call equivalent position (as defined in Rule 16a-1 issued under the Exchange Act)), pledged, hypothecated or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, and, during the life of the Participant, shall be exercisable only by the Participant; except that Awards, other than Awards subject to Section 409A of the Code, may be transferred to family members (as defined in Rule 701(c)(3) under the Securities Act) through gifts or (other than Incentive Stock Options) domestic relations orders or to an executor or guardian upon the death or disability of the Participant. The Company shall not be required to recognize any such permitted transfer until such time as such permitted transferee shall deliver to the Company a written instrument, as a condition to such transfer, in form and substance satisfactory to the Company confirming that such transferee shall be bound by all of the terms and conditions of the Award. References to a Participant, to the extent relevant in the context, shall include references to authorized transferees. For the avoidance of doubt, nothing contained in this Section 10(a) shall be deemed to restrict a transfer to the Company.

(b) Documentation. Each Award shall be evidenced in such form (written, electronic or otherwise) as the Board shall determine. Each Award may contain terms and conditions in addition to those set forth in the Plan.

(c) Board Discretion. Except as otherwise provided by the Plan, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award need not be identical, and the Board need not treat Participants uniformly.

(d) Termination of Status. The Board shall determine the effect on an Award of the disability, death, termination or other cessation of employment, authorized leave of absence or other change in the employment or other status of a Participant and the extent to which, and the period during which, the Participant, or the Participant's legal representative, conservator, guardian or Designated Beneficiary, may exercise rights under the Award.

(e) Withholding. The Participant must satisfy all applicable federal, state, and local or other income and employment tax withholding obligations before the Company will deliver stock certificates or otherwise recognize ownership of Common Stock under an Award. The Company may elect to satisfy the withholding obligations through additional withholding on salary or wages. If the Company elects not to or cannot withhold from other compensation, the Participant must pay the Company the full amount, if any, required for withholding or have a broker tender to the Company cash equal to the withholding obligations. Payment of withholding obligations is due before the Company will issue any shares on exercise, vesting or release from forfeiture of an Award or at the same time as payment of the exercise or purchase price unless the Company determines otherwise. If provided for in an Award or approved by the Board in its discretion, a Participant may satisfy such tax obligations in whole or in part by delivery (either by actual delivery or attestation) of shares of Common Stock, including shares retained from the Award creating the tax obligation, valued at their fair market value (valued in the manner determined by (or in a manner approved by) the Company); *provided, however*, except as otherwise provided by the Board, that the total tax withholding where stock is being used to satisfy such tax obligations cannot exceed the Company's minimum statutory withholding obligations (based on minimum statutory withholding rates for federal and state tax purposes, including payroll taxes, that are applicable to such supplemental taxable income), *except that*, to the extent that the Company is able to retain shares of Common Stock having a fair market value (valued in the manner determined by (or in a manner approved by) the Company) that exceeds the statutory minimum applicable withholding tax without financial accounting implications or the Company is withholding in a jurisdiction that does not have a statutory minimum withholding tax, the Company may retain such number of shares of Common Stock (up to the number of shares having a fair market value (valued in the manner determined by (or in a manner approved by) the Company) equal to the maximum individual statutory rate of tax) as the Company shall determine in its discretion to satisfy the tax liability associated with any Award. Shares used to satisfy tax withholding requirements cannot be subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements.

(f) Amendment of Award.

(1) The Board may amend, modify or terminate any outstanding Award, including but not limited to, substituting therefor another Award of the same or a different type, changing the date of exercise or realization, and converting an Incentive Stock Option to a Nonstatutory Stock Option. The Participant's consent to such action shall be required unless (i) the Board determines that the action, taking into account any related action, does not materially and adversely affect the Participant's rights under the Plan or (ii) the change is permitted under Section 9.

(2) The Board may, without stockholder approval, amend any outstanding Award granted under the Plan to provide an exercise price per share that is lower than the then-current exercise price per share of such outstanding Award. The Board may also, without stockholder approval, cancel any outstanding award (whether or not granted under the Plan) and grant in substitution therefor new Awards under the Plan covering the same or a different number of shares of Common Stock and having an exercise price per share lower than the then-current exercise price per share of the cancelled award.

(g) Conditions on Delivery of Stock. The Company will not be obligated to deliver any shares of Common Stock pursuant to the Plan or to remove restrictions from shares previously issued or delivered under the Plan until (i) all conditions of the Award have been met or removed to the satisfaction of the Company, (ii) in the opinion of the Company's counsel, all other legal matters in connection with the issuance and delivery of such shares have been satisfied, including any applicable securities laws and regulations and any applicable stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Company may consider appropriate to satisfy the requirements of any applicable laws, rules or regulations.

(h) Acceleration. The Board may at any time provide that any Award shall become immediately exercisable in whole or in part, free of some or all restrictions or conditions, or otherwise realizable in whole or in part, as the case may be.

11. Miscellaneous.

(a) No Right To Employment or Other Status. No person shall have any claim or right to be granted an Award by virtue of the adoption of the Plan, and the grant of an Award shall not be construed as giving a Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan, except as expressly provided in the applicable Award.

(b) No Rights As Stockholder. Subject to the provisions of the applicable Award, no Participant or Designated Beneficiary shall have any rights as a stockholder with respect to any shares of Common Stock to be distributed with respect to an Award until becoming the record holder of such shares.

(c) Effective Date and Term of Plan. The Plan shall become effective on the date on which it is adopted by the Board. No Awards shall be granted under the Plan after the expiration of 10 years from the earlier of (i) the date on which the Plan was adopted by the Board or (ii) the date the Plan was approved by the Company's stockholders, but Awards previously granted may extend beyond that date.

(d) Amendment of Plan. The Board may amend, suspend or terminate the Plan or any portion thereof at any time; *provided* that if at any time the approval of the Company's stockholders is required as to any modification or amendment under Section 422 of the Code or any successor provision with respect to Incentive Stock Options, the Board may not effect such modification or amendment without such approval. Unless otherwise specified in the amendment, any amendment to the Plan adopted in accordance with this Section 11(d) shall apply to, and be binding on the holders of, all Awards outstanding under the Plan at the time the amendment is adopted, provided the Board determines that such amendment, taking into account any related action, does not materially and adversely affect the rights of Participants under the Plan.

(e) Authorization of Sub-Plans (including Grants to non-U.S. Employees). The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable securities, tax or other laws of various jurisdictions. The Board shall establish such sub-plans by adopting supplements to the Plan containing (i) such limitations on the Board's discretion under the Plan as the Board deems necessary or desirable or (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All supplements adopted by the Board shall be deemed to be part of the Plan, but each supplement shall apply only to Participants within the affected jurisdiction and the Company shall not be required to provide copies of any supplement to Participants in any jurisdiction which is not the subject of such supplement.

(f) Compliance with Section 409A of the Code. If and to the extent (i) any portion of any payment, compensation or other benefit provided to a Participant pursuant to the Plan in connection with Participant's employment termination constitutes "nonqualified deferred compensation" within the meaning of Section 409A of the Code and (ii) the Participant is a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code, in each case as determined by the Company in accordance with its procedures, by which determinations the Participant (through accepting the Award) agrees that the Participant is bound, such portion of the payment, compensation or other benefit shall not be paid before the day that is six months plus one day after the date of "separation from service" (as determined under Section 409A of the Code) (the "**New Payment Date**"), except as Section 409A of the Code may then permit. The aggregate of any payments that otherwise would have been paid to the Participant during the period between the date of separation from service and the New Payment Date shall be paid to the Participant in a lump sum on such New Payment Date, and any remaining payments will be paid on their original schedule.

The Company makes no representations or warranty and shall have no liability to the Participant or any other person if any provisions of or payments, compensation or other benefits under the Plan are determined to constitute nonqualified deferred compensation subject to Section 409A of the Code but do not to satisfy the conditions of that section.

(g) Limitations on Liability. Notwithstanding any other provisions of the Plan, no individual acting as a director, officer, other employee, or agent of the Company will be liable to any Participant, former Participant, spouse, beneficiary, or any other person for any claim, loss, liability, or expense incurred in connection with the Plan, nor will such individual be personally liable with respect to the Plan because of any contract or other instrument such individual executes in such individual's capacity as a director, officer, other employee, or agent of the Company. The Company will indemnify and hold harmless each director, officer, other employee, or agent of the Company to whom any duty or power relating to the administration or interpretation of the Plan has been or will be delegated, against any cost or expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim with the Board's approval) arising out of any act or omission to act concerning the Plan unless arising out of such person's own fraud or bad faith.

(h) Governing Law. The provisions of the Plan and all Awards made hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware, excluding choice-of-law principles of the law of such state that would require the application of the laws of a jurisdiction other than the State of Delaware.

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LIONANO SE INC.
2019 STOCK INCENTIVE PLAN
CALIFORNIA SUPPLEMENT

Pursuant to Section 11(e) of the Plan, the Board has adopted this supplement for purposes of satisfying the requirements of Section 25102(o) of the California Law:

Any Awards granted under the Plan to a Participant who is a resident of the State of California on the date of grant (a “**California Participant**”) shall be subject to the following additional limitations, terms and conditions:

1. Additional Limitations on Options.

(a) Maximum Duration of Options. No Options granted to California Participants shall have a term in excess of 10 years measured from the Option grant date.

(b) Minimum Exercise Period Following Termination. Unless a California Participant’s employment is terminated for cause (as defined by applicable law, the terms of the Plan or option grant or a contract of employment), in the event of termination of employment of such Participant, such Participant shall have the right to exercise an Option, to the extent that such Participant is entitled to exercise such Option on the date employment terminated, until the earlier of: (i) at least six months from the date of termination, if termination was caused by such Participant’s death or disability, (ii) at least 30 days from the date of termination, if termination was caused other than by such Participant’s death or disability and (iii) the Option expiration date.

2. Additional Limitations for Other Stock-Based Awards. The terms of all Awards granted to a California Participant under Section 8 of the Plan shall comply, to the extent applicable, with Section 260.140.46 of the California Code of Regulations.

3. Additional Limitations on Timing of Awards. No Award granted to a California Participant shall become exercisable, vested or realizable, as applicable to such Award, unless the Plan has been approved by the holders of a majority of the Company’s outstanding voting securities by the later of (i) within 12 months before or after the date the Plan was adopted by the Board, or (ii) prior to or within 12 months of the granting of any Award to a California Participant.

4. Additional Restriction Regarding Recapitalizations, Stock Splits, Etc. For purposes of Section 9 of the Plan, in the event of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification or other distribution of the Company’s securities underlying the Award without the receipt of consideration by the Company, the number of securities purchasable, and in the case of Options, the exercise price of such Options, shall be proportionately adjusted.

5. Additional Limitations on Transferability of Awards. Notwithstanding the provisions of Section 10(a) of the Plan, an Award granted to a California Participant may not be transferred to an executor or guardian upon the disability of the Participant.

AMENDMENT TO 2019 STOCK INCENTIVE PLAN

Approved by the Board of Directors of the Company on June 17, 2021.

Approved by the Stockholders of the Company on June 1, 2021.

The first sentence of Section 4(a) of the 2019 Stock Incentive Plan of Factorial Inc. (formerly known as Lionano SE Inc.) (the “**Plan**”) is hereby deleted in its entirety and the following is inserted in lieu thereof:

“Subject to adjustment under Section 9, Awards may be made under the Plan for up to 2,300,000 shares of common stock, \$0.0001 par value per share, of the Company (the “**Common Stock**”), any or all of which Awards may be in the form of Incentive Stock Options (as defined in Section 5(b)).”

Except as expressly amended herein, the Plan and all of the provisions contained therein shall remain in full force and effect.

FACTORIAL INC.

STOCK OPTION AGREEMENT GRANTED UNDER 2019 STOCK INCENTIVE PLAN

This Stock Option Agreement (this “**Agreement**”) is made between Factorial Inc., a Delaware corporation (the “**Company**”), and the Participant pursuant to the 2019 Stock Incentive Plan (the “**Plan**”).

NOTICE OF GRANT

I. Participant Information

Participant:	
Participant Address:	

II. Grant Information

Grant Date:	
Number of Shares:	
Exercise Price Per Share:	
Vesting Commencement Date:	
Type of Option:	[Incentive Stock Option][Nonstatutory Stock Option]

III. Vesting Table¹

Vesting Date	Shares that Vest ⁽¹⁾
[] anniversary of the Vesting Commencement Date	[# of shares]
End of each successive [] month period following the [] anniversary of the Vesting Commencement Date until the [] anniversary of the Vesting Commencement Date	[# of shares]

(1) The number of shares is subject to adjustment for any changes in the Company’s capitalization as set forth in Section 9 of the Plan.

IV. Final Exercise Date

5:00 pm Eastern time on Date:	[Date is ten years minus one day from Grant Date]
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This Agreement includes this Notice of Grant and the following Exhibits, which are expressly incorporated by reference in their entirety herein:

Exhibit A – General Terms and Conditions
Exhibit B – Notice of Stock Option Exercise
Exhibit C – Factorial Inc. 2019 Stock Incentive Plan

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

FACTORIAL INC.	PARTICIPANT	SPOUSAL CONSENT ¹
_____	_____	_____
Name: Siyu Huang	Name:	Name:
Title: President		

¹ If the Participant resides in a community property state, it is desirable to have the Participant’s spouse also accept the option. The following are community property states: Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, and Washington. Although Wisconsin is not formally a community property state, it has laws governing the division of marital property similar to community property states and it may be desirable to have a Wisconsin Participant’s spouse accept the option.

EXHIBIT A

GENERAL TERMS AND CONDITIONS

For valuable consideration, receipt of which is acknowledged, the parties hereto agree as follows:

1. **Grant of Option.** This Agreement evidences the grant by the Company, on the grant date (the “**Grant Date**”) set forth in the Notice of Grant that forms part of this Agreement (the “**Notice of Grant**”), to the Participant of an option to purchase, in whole or in part, on the terms provided herein and in the Company’s 2019 Stock Incentive Plan (the “**Plan**”), the number of shares set forth in the Notice of Grant (the “**Shares**”) of common stock, \$0.0001 par value per share, of the Company (“**Common Stock**”) at the exercise price per Share set forth in the Notice of Grant (the “**Exercise Price**”). Unless earlier terminated, this option shall expire at the time and on the date set forth in the Notice of Grant (the “**Final Exercise Date**”).

It is intended that the option evidenced by this Agreement shall be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the “**Code**”) solely to the extent set forth in the Notice of Grant. To the extent not designated as an incentive stock option, or to the extent that the option does not qualify as an incentive stock option, the option shall be a nonstatutory stock option. Except as otherwise indicated by the context, the term “Participant”, as used in this option, shall be deemed to include any person who acquires the right to exercise this option validly under its terms.

2. **Vesting Schedule.** This option will become exercisable (“**vest**”) in accordance with the Vesting Table set forth in the Notice of Grant.

The right of exercise shall be cumulative so that to the extent the option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares for which it is vested until the earlier of the Final Exercise Date or the termination of this option under Section 3 hereof or the Plan.

3. **Exercise of Option.**

(a) **Form of Exercise.** Each election to exercise this option shall be accompanied by a completed Notice of Stock Option Exercise in the form attached hereto as **Exhibit B**, signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan. The Participant may purchase less than the number of Shares covered hereby, provided that no partial exercise of this option may be for any fractional share or for fewer than ten whole shares (unless the number of Shares that remain subject to this option at the time of exercise is less than ten whole shares, in which case the Participant may purchase the total number of whole shares that remain subject to this option).

(b) **Continuous Relationship with the Company Required.** Except as otherwise provided in this Section 3, this option may not be exercised unless the Participant, at the time he or she exercises this option, is, and has been at all times since the Grant Date, an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the Code or any other entity the employees, officers, directors, consultants, or advisors of which are eligible to receive option grants under the Plan (an “**Eligible Participant**”).

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the non-competition or confidentiality provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company, the right to exercise this option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes disabled (within the meaning of Section 22(e)(3) of the Code) prior to the Final Exercise Date while he or she is an Eligible Participant and the Company has not terminated such service relationship for “**cause**” as specified in paragraph (e) below, this option shall be exercisable, within the period of one year following the date of death or disability of the Participant, by the Participant (or in the case of death by an authorized transferee), provided that this option shall be exercisable only to the extent that this option was exercisable by the Participant on the date of his or her death or disability, and further provided that this option shall not be exercisable after the Final Exercise Date.

(e) Termination for Cause. If, prior to the Final Exercise Date, the Participant’s service relationship with the Company is terminated by the Company for Cause (as defined below), the right to exercise this option shall terminate immediately upon the effective date of such termination. If, prior to the Final Exercise Date, the Participant is given notice by the Company of the termination of his or her service relationship by the Company for Cause, and the effective date of such termination is subsequent to the date of the delivery of such notice, the right to exercise this option shall be suspended from the time of the delivery of such notice until the earlier of (i) such time as it is determined or otherwise agreed that the Participant’s service relationship shall not be terminated for Cause as provided in such notice or (ii) the effective date of such termination (in which case the right to exercise this option shall, pursuant to the preceding sentence, terminate immediately upon the effective date of such termination). If the Participant is party to an employment, consulting or severance agreement with the Company or subject to a severance plan maintained by the Company, in either case, that contains a definition of “cause” for termination of service, “Cause” shall have the meaning ascribed to such term in such agreement or plan. Otherwise, “Cause” shall mean willful misconduct by the Participant or willful failure by the Participant to perform his or her responsibilities to the Company (including, without limitation, breach by the Participant of any provision of any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Participant and the Company), as determined by the Company, which determination shall be conclusive. The Participant’s service relationship shall be considered to have been terminated for “Cause” if the Company determines, within 30 days after the Participant’s termination of service, that termination for Cause was warranted.

4. Company Right of First Refusal.

(a) Notice of Proposed Transfer. If the Participant proposes to sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively, “**transfer**”) any Shares acquired upon exercise of this option, then the Participant shall first give written notice of the proposed transfer (the “**Transfer Notice**”) to the Company. The Transfer Notice shall name the proposed transferee and state the number of such Shares the Participant proposes to transfer (the “**Offered Shares**”), the price per share and all other material terms and conditions of the transfer.

(b) Company Right to Purchase. For 30 days following its receipt of such Transfer Notice, the Company shall have the option to purchase all or part of the Offered Shares at the price and upon the terms set forth in the Transfer Notice. In the event the Company elects to purchase all or part of the Offered Shares, it shall give written notice of such election to the Participant within such 30-day period. Within 10 days after his or her receipt of such notice, the Participant shall tender to the Company at its principal offices the certificate or certificates representing the Offered Shares to be purchased by the Company, duly endorsed in blank by the Participant or with duly endorsed stock powers attached thereto, all in a form suitable for transfer of the Offered Shares to the Company. Promptly following receipt of such certificate or certificates, the Company shall deliver or mail to the Participant a check in payment of the purchase price for such Offered Shares; provided that if the terms of payment set forth in the Transfer Notice were other than cash against delivery, the Company may pay for the Offered Shares on the same terms and conditions as were set forth in the Transfer Notice; and provided further that any delay in making such payment shall not invalidate the Company’s exercise of its option to purchase the Offered Shares.

(c) Shares Not Purchased By Company. If the Company does not elect to acquire all of the Offered Shares, the Participant may, within the 30-day period following the expiration of the option granted to the Company under subsection (b) above, transfer the Offered Shares which the Company has not elected to acquire to the proposed transferee, provided that such transfer shall not be on terms and conditions more favorable to the transferee than those contained in the Transfer Notice. Notwithstanding any of the above, all Offered Shares transferred pursuant to this Section 4 shall remain subject to the right of first refusal set forth in this Section 4 and such transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Section 4.

(d) Consequences of Non-Delivery. After the time at which the Offered Shares are required to be delivered to the Company for transfer to the Company pursuant to subsection (b) above, the Company shall not pay any dividend to the Participant on account of such Offered Shares or permit the Participant to exercise any of the privileges or rights of a stockholder with respect to such Offered Shares, but shall, insofar as permitted by law, treat the Company as the owner of such Offered Shares.

(e) Exempt Transactions. The following transactions shall be exempt from the provisions of this Section 4:

(1) any transfer of Shares to or for the benefit of any spouse, child or grandchild of the Participant, or to a trust for their benefit;

(2) any transfer pursuant to an effective registration statement filed by the Company under the Securities Act of 1933, as amended (the “**Securities Act**”); and

(3) the sale of all or substantially all of the outstanding shares of capital stock of the Company (including pursuant to a merger or consolidation);

provided, however, that in the case of a transfer pursuant to clause (1) above, such Shares shall remain subject to the right of first refusal set forth in this Section 4.

(f) Assignment of Company Right. The Company may assign its rights to purchase Offered Shares in any particular transaction under this Section 4 to one or more persons or entities.

(g) Termination. The provisions of this Section 4 shall terminate upon the earlier of the following events:

(1) the closing of the sale of shares of Common Stock in an underwritten public offering pursuant to an effective registration statement filed by the Company under the Securities Act; or

(2) the sale of all or substantially all of the outstanding shares of capital stock, assets or business of the Company, by merger, consolidation, sale of assets or otherwise (other than a merger or consolidation in which all or substantially all of the individuals and entities who were beneficial owners of the Company's voting securities immediately prior to such transaction beneficially own, directly or indirectly, more than 50% (determined on an as-converted basis) of the outstanding securities entitled to vote generally in the election of directors of the resulting, surviving or acquiring corporation in such transaction).

(h) No Obligation to Recognize Invalid Transfer. The Company shall not be required (1) to transfer on its books any of the Shares which shall have been sold or transferred in violation of any of the provisions set forth in this Section 4, or (2) to treat as owner of such Shares or to pay dividends to any transferee to whom any such Shares shall have been so sold or transferred.

(i) Legends. The certificate representing Shares shall bear a legend substantially in the following form (in addition to, or in combination with, any legend required by applicable federal and state securities laws and agreements relating to the transfer of the Company securities):

"The shares represented by this certificate are subject to a right of first refusal in favor of the Company, as provided in a certain stock option agreement with the Company."

5. Agreement in Connection with Initial Public Offering.

The Participant agrees, in connection with the initial underwritten public offering of the Common Stock pursuant to a registration statement under the Securities Act, (i) not to (a) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any other securities of the Company or (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of shares of Common Stock or other securities of the Company, whether any transaction described in clause (a) or (b) is to be settled by delivery of securities, in cash or otherwise, during the period beginning on the date of the filing of such registration statement with the Securities and Exchange Commission and ending 180 days after the date of the final prospectus relating to the offering (plus up to an additional 34 days to the extent requested by the managing underwriters for such offering in order to address NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4) or any similar successor provision), and (ii) to execute any agreement reflecting clause (i) above as may be requested by the Company or the managing underwriters at the time of such offering. The Company may impose stop-transfer instructions with respect to the shares of Common Stock or other securities subject to the foregoing restriction until the end of the "lock-up" period.

6. Tax Matters.

(a) Withholding. No Shares will be issued pursuant to the exercise of this option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this option.

(b) Disqualifying Disposition. If this option satisfies the requirements to be treated as an incentive stock option under the Code and the Participant disposes of Shares acquired upon exercise of this option within two years from the Grant Date or one year after such Shares were acquired pursuant to exercise of this option, the Participant shall notify the Company in writing of such disposition.

7. Transfer Restrictions.

(a) This option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this option shall be exercisable only by the Participant.

(b) The Participant agrees that he or she will not transfer any Shares issued pursuant to the exercise of this option unless the transferee, as a condition to such transfer, delivers to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of Section 4 and Section 5; provided that such a written confirmation shall not be required with respect to (1) Section 4 after such provision has terminated in accordance with Section 4(g) or (2) Section 5 after the completion of the lock-up period in connection with the Company's initial underwritten public offering.

8. [Participant Representations (Regulation S). Participant represents and warrants that he or she is not a "U.S. Person" (as defined in Rule 902(k) of Regulation S of the Securities Act, as it may be amended from time to time ("**Regulation S**")), is not acquiring this option on behalf, or for the account or benefit, of a U.S. Person, and was not in the United States as of the Grant Date and is not currently in the United States. Participant acknowledges that the Company has not engaged in any directed selling efforts (as such term is defined in Regulation S) in connection with the option to purchase Shares granted by this Agreement. Participant further acknowledges that the grant of this option and the offer and sale of Shares acquired upon exercise of this option is being made in compliance with Regulation S which, among other things, restricts the transfer of the Shares underlying the option as set forth in this Agreement. Participant agrees that he or she will not engage in hedging transactions with regard to the Shares acquired upon exercise of this option, unless such transactions are in compliance with the Securities Act.]²

² Note to Form: To include bracketed language for grants made to employees or consultants outside of the United States and in reliance on Regulation S.

9. [Investment Representations]. The Participant represents, warrants and covenants as follows:

(a) That the Participant is an “accredited investor” as defined in Rule 501(a) under the Securities Act.

(b) If the Participant elects to exercise this option, the Participant will be purchasing the Shares for Participant’s own account for investment only, and not with a view to, or for sale in connection with, any distribution of the Shares in violation of the Securities Act, or any rule or regulation under the Securities Act.

(c) The Participant has had such opportunity as Participant has deemed adequate to obtain from representatives of the Company such information as is necessary to permit Participant to evaluate the merits and risks of Participant’s investment in the Company.

(d) The Participant has sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares upon exercise of the option and to make an informed investment decision with respect to such purchase.

(e) The Participant can afford a complete loss of the value of the Shares and is able to bear the economic risk of holding such Shares for an indefinite period.

(f) The Participant understands that (i) the Shares have not been registered under the Securities Act and are “restricted securities” within the meaning of Rule 144 under the Securities Act; (ii) the Shares cannot be sold, transferred or otherwise disposed of unless they are subsequently registered under the Securities Act or an exemption from registration is then available; (iii) in any event, the exemption from registration under Rule 144 will not be available for at least one year from the date of purchase and even then will not be available unless a public market then exists for the Common Stock, adequate information concerning the Company is then available to the public, and other terms and conditions of Rule 144 are complied with; and (iv) there is now no registration statement on file with the Securities and Exchange Commission with respect to any stock of the Company and the Company has no obligation or current intention to register the Shares under the Securities Act.]³

10. Provisions of the Plan.

This option is subject to the provisions of the Plan (including the provisions relating to amendments to the Plan), a copy of which is attached hereto as Exhibit C.

[Remainder of Page Intentionally Left Blank]

³ Note to Form: To include bracketed language for grants made to employees or consultants in reliance on Section 4(a)(2) of the Securities Act.

FACTORIAL INC.

RESTRICTED STOCK UNIT AGREEMENT
GRANTED UNDER 2019 STOCK INCENTIVE PLAN

This Restricted Stock Unit Agreement (this “**Agreement**”) is made between Factorial Inc., a Delaware corporation (the “**Company**”), and the Participant pursuant to the 2019 Stock Incentive Plan, as amended.

NOTICE OF GRANT

I. Participant Information

Participant:	[Name]
Participant Address:	[Address on File with Company]

II. Grant Information

Grant Date:	[Date]
Number of Restricted Stock Units (“ RSUs ”) granted:	[Number]
Expiration Date:	<<10 th Anniversary of Grant Date>>

III. Vesting Conditions

This award of RSUs shall vest upon the achievement of: 1) the Performance-Based Vesting Requirement, 2) the Liquidity Event Vesting Requirement, and, if applicable and subject to Section 5 of Exhibit B hereto, 3) the Additional Time-Based Vesting Requirement (each as described in the Vesting Conditions set forth in Exhibit B hereto). The number of RSUs that vest shall be further adjusted by the Value Milestone Baseline Adjustment (as set forth in Exhibit B). Delivery of shares of Common Stock (as defined in Section 1 of this Agreement) subject to vested RSUs shall be as set forth in Section 2(b) of this Agreement.

This Agreement includes this Notice of Grant and the following Exhibits, which are expressly incorporated by reference in their entirety herein:

Exhibit A – General Terms and Conditions

Exhibit B – Vesting Conditions

Exhibit C – Factorial Inc. 2019 Stock Incentive Plan, as amended

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

FACTORIAL INC.

PARTICIPANT

Name:
Title:

Name:

Restricted Stock Unit Agreement
2019 Stock Incentive Plan

EXHIBIT A

GENERAL TERMS AND CONDITIONS

For valuable consideration, receipt of which is acknowledged, the parties hereto agree as follows:

1. **Grant of Restricted Stock Units.** In consideration of services rendered and to be rendered to the Company by the Participant, the Company has granted to the Participant, subject to the terms and conditions set forth in this Agreement and in the Company's 2019 Stock Incentive Plan, as amended (the "**Plan**"), an award with respect to the number of restricted stock units (the "**RSUs**") set forth in the Notice of Grant that forms part of this Agreement (the "**Notice of Grant**"). Each RSU represents the right to receive one share of common stock, par value \$0.0001 per share, of the Company (the "**Common Stock**") upon vesting of the RSU, subject to the terms and conditions set forth herein.

2. **Vesting Schedule.**

(a) The RSUs shall vest in accordance with the Vesting Conditions set forth in Exhibit B. If each of the applicable Vesting Conditions set forth in Exhibit B is not achieved on or before the Expiration Date (as such term is defined in the Notice of Grant), all RSUs subject to this award shall immediately and automatically be forfeited to the Company on the Expiration Date.

(b) Upon the satisfaction of all of the applicable Vesting Conditions, shares of Common Stock underlying the vested portion of the award shall be delivered as soon as practicable following, but in no event later than 30 days after, occurrence of the last applicable Vesting Condition.

3. **Forfeiture of Unvested RSUs Upon Cessation of Service.**

(a) Subject to Section 5 of Exhibit B hereto, in the event that the Participant (i) ceases to provide service to the Company for any reason or no reason, with or without cause, or (ii) breaches any restrictive covenant contained in any employment contract, nondisclosure and/or nonsolicitation, noncompetition or similar agreement with the Company and/or any of its affiliates, all of the RSUs that are unvested as of the time of such cessation or breach, as applicable, shall immediately and automatically be forfeited to the Company without the payment of any consideration to the Participant, effective as of such termination or breach, as applicable.

(b) For purposes of this Agreement, a termination of service shall be deemed to have occurred on the date upon which the Participant ceases to perform services for the Company following the provision of any notification of termination or resignation to the Company, and without regard to any period of notice of termination of services (whether expressed or implied) or any period of severance or salary continuation. Notwithstanding any other provision of the Plan, this Agreement or any other agreement (written or oral) to the contrary, the Participant shall not be entitled (and by accepting this award of RSUs, irrevocably waives any such entitlement) to any payment or other benefit to compensate the Participant for the loss of any rights under the Plan as a result of the termination or expiration of an award in connection with any termination of services.

No amounts earned pursuant to the Plan or any award shall be deemed to be eligible compensation in respect of any other plan of the Company or any of its subsidiaries.

4. Restrictions on Transfer. The Participant shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively “**transfer**”) any RSUs, or any interest therein. The Company shall not be required to treat as the owner of any RSUs or issue any Common Stock to any transferee to whom such RSUs have been transferred in violation of any of the provisions of this Agreement.

5. Rights as a Shareholder. The Participant shall have no rights as a stockholder of the Company with respect to any shares of Common Stock that may be issuable with respect to the RSUs until the issuance of the shares of Common Stock to the Participant following the vesting of the RSUs.

6. Provisions of the Plan. This Agreement is subject to the provisions of the Plan, a copy of which is attached hereto as Exhibit C.

7. Market Standoff. The Participant agrees, in connection with the initial underwritten public offering of the Common Stock pursuant to a registration statement under the Securities Act of 1933 or in connection with the closing of any SPAC Business Combination, as the case may be, (i) not to (a) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any other securities of the Company, or (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of shares of Common Stock or other securities of the Company, whether any transaction described in clause (a) or (b) is to be settled by delivery of securities, in cash or otherwise, during the period beginning on the date of the filing of such registration statement with the Securities and Exchange Commission and ending 180 days after the date of the final prospectus relating to the offering (or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in applicable FINRA rules, or any successor provisions or amendments thereto) or during the period beginning on the date on which a definitive agreement is entered into by the Company with respect to a SPAC Business Combination and ending 180 days after the closing date with respect to such SPAC Business Combination, as the case may be, and (ii) to execute any agreement reflecting clause (i) above as may be requested by the Company, the special purpose acquisition company with which the Company engages in a SPAC Business Combination, or the managing underwriters at the time of such offering. The Company may impose stop-transfer instructions with respect to the shares of Common Stock or other securities subject to the foregoing restriction until the end of the “lock-up” period. For purposes of this Section 7, “shares of Common Stock or any other securities of the Company” shall include any shares for which shares of Common Stock or any other securities of the Company are exchanged pursuant to the terms of the SPAC Business Combination.

8. Tax Matters.

(a) Acknowledgments; No Section 83(b) Election. The Participant acknowledges that he or she is responsible for obtaining the advice of the Participant's own tax advisors with respect to the award of RSUs and the Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents with respect to the tax consequences relating to the RSUs. The Participant understands that the Participant (and not the Company) shall be responsible for the Participant's tax liability that may arise in connection with the acquisition, vesting and/or disposition of the RSUs. The Participant acknowledges that no election under Section 83(b) of the Internal Revenue Code, as amended, is available with respect to RSUs.

(b) Withholding. As a condition to the granting of the RSUs and the vesting thereof, the Participant acknowledges and agrees that the Participant is responsible for the payment of income and employment taxes (and any other taxes required to be withheld) payable in connection with the vesting of RSUs and/or the delivery of the shares hereunder. Accordingly, the Participant agrees to remit to the Company or any applicable subsidiary an amount sufficient to pay such taxes. Such payment shall be made to the Company or the applicable subsidiary of the Company in a form that is reasonably acceptable to the Company, as the Company may determine in its sole discretion. Notwithstanding the foregoing, the Company may retain and withhold from shares that would otherwise be delivered pursuant to this Agreement that number of shares of Common Stock having a fair market value equal to the taxes owed by the Participant, which retained shares shall fund the payment of such taxes by the Company on behalf of the Participant.

9. Miscellaneous.

(a) Authority of Board. In making any decisions or taking any actions with respect to the matters covered by this Agreement, the Board shall have all of the authority and discretion, and shall be subject to all of the protections, provided for in the Plan. All decisions and actions by the Board with respect to this Agreement shall be made in the Board's discretion and shall be final and binding on the Participant.

(b) No Right to Continued Service. The Participant acknowledges and agrees that, notwithstanding the fact that the vesting of the RSUs is contingent upon his or her service with the Company, this Agreement does not constitute an express or implied promise of employment or any other service relationship with the Participant or confer upon the Participant any rights with respect to a continued employment or service relationship with the Company.

(c) Section 409A. The RSUs awarded pursuant to this Agreement are intended to comply with or be exempt from the requirements of Section 409A. The Participant shall have no right to accelerate or defer any payment hereunder unless such acceleration or deferral is permitted by Section 409A. The Company makes no representations or warranty and shall have no liability to the Participant or any other person if any provisions or of payments, compensation or other benefits under the award are determined to constitute nonqualified deferred compensation subject to Section 409A but do not satisfy the conditions of that section.

(d) Participant's Acknowledgements. The Participant acknowledges that he or she: (i) has read this Agreement; (ii) has received and read the Plan; (iii) has been represented in the preparation, negotiation and execution of this Agreement by legal counsel of the Participant's own choice or has voluntarily declined to seek such counsel; (iv) understands and agrees to comply with the terms and consequences of this Agreement and the Plan; (v) is fully aware of the legal and binding effect of this Agreement, and (vi) agrees that in accepting this award, he or she will be bound by any clawback policy that the Company may adopt in the future.

(e) Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the State of Delaware without regard to any applicable conflicts of laws provisions.

EXHIBIT B

VESTING CONDITIONS

The RSUs shall vest upon the achievement of: 1) the Performance-Based Vesting Requirement, 2) the Liquidity Event Vesting Requirement, and, if applicable and subject to Section 5 hereof, 3) the Additional Time-Based Vesting Requirement (each, a “**Vesting Condition**”). Furthermore, the number of RSUs that vest shall be adjusted pursuant to the Value Milestone Baseline Adjustment (as defined below). For the avoidance of doubt, except as set forth in Section 5, none of the RSUs shall vest until all of the applicable Vesting Conditions have been satisfied.

In the case of the achievement of the Liquidity Event Vesting Requirement as a result of a Change in Control (as defined below), the number of RSUs that vest shall be determined based on the Board’s certification of the level of achievement of the Performance-Based Vesting Requirement as of immediately prior to the consummation of the Change in Control, as adjusted for the Value Milestone Baseline Adjustment; provided that any RSUs that do not vest upon the Change in Control shall be forfeited for no consideration and the Participant shall have no further rights with respect thereto, unless otherwise determined by the Board. In the case of the achievement of the Liquidity Event Vesting Requirement as a result of an IPO or SPAC Business Combination (each as defined below), RSUs shall vest, (i) with respect to the portion of the RSUs that would vest based on the Board’s certification of the level of achievement of the Performance-Based Vesting Requirement as of the expiration of the Additional Time-Based Vesting Requirement, as adjusted by the Value Milestone Baseline Adjustment, as of the last day of the Additional Time-Based Vesting Requirement service period, and (ii) with respect to any subsequent achievements of any Business Milestones (as defined below) or Value Milestone Baseline Adjustments, immediately following the Board’s certification of such milestones; provided that any RSUs that do not vest prior to the Expiration Date shall be forfeited for no consideration and the Participant shall have no further rights with respect thereto, unless otherwise determined by the Board. For the avoidance of doubt, the Participant must continue to perform services for the Company as of the applicable vesting date in order for the RSUs to vest.

1. Performance-Based Vesting Requirement

Achievement of the Performance-Based Vesting Requirement will be determined based upon the number of business milestones (each, a “**Business Milestone**”) achieved by the Company. The Business Milestones are set forth on Annex 1 hereto. In order for the Performance-Based Vesting Requirement to be achieved, the Company must achieve at least three of the Business Milestones. The number of RSUs that vest will be increased if the Company achieves at least five of the Business Milestones and will be further increased if the Company achieves at least seven of the Business Milestones, in each case as set forth in the Vesting Table below.

Whether the Performance-Based Vesting Requirement has been achieved, and the determination of the number of Business Milestones achieved, shall be made by the Board in its sole discretion. For the avoidance of doubt, there shall be no linear interpolation between the levels of achievement of the Business Milestones set forth above.

2. Liquidity Event Vesting Requirement

The Liquidity Event Vesting Requirement shall be achieved upon the occurrence of the first Liquidity Event following the Date of Grant; provided that the Participant continues to provide services to the Company as an employee, consultant or director on the effective date of such Liquidity Event.

“**Liquidity Event**” means (i) an underwritten initial public offering of the Company’s securities (an “**IPO**”), (ii) a Change in Control (as defined below), or (iii) the closing of a merger, share exchange, asset acquisition, share purchase, reorganization or similar business combination transaction between the Company, directly or indirectly, and a publicly traded special purpose acquisition company or similar blank-check company (a “**SPAC Business Combination**”), in each case solely to the extent such event occurs within ten years of the Grant Date.

“**Change in Control**” means the sale of all or substantially all of the capital stock (other than the sale of capital stock to one or more venture capitalists or other institutional investors pursuant to an equity financing (including a debt financing that is convertible into equity) of the Company approved by a majority of the Board), assets or business of the Company, by merger, consolidation, sale of assets or otherwise (other than a merger or consolidation in which all or substantially all of the individuals and entities who were beneficial owners of the Common Stock immediately prior to such transaction beneficially own, directly or indirectly, more than 50% of the outstanding securities entitled to vote generally in the election of directors of the resulting, surviving or acquiring corporation in such transaction), provided that, where necessary to comply with Section 409A of the Code, such event or occurrence also constitutes a “change in control event” as described in Treasury Regulation Section 1.409A-3(i)(5).

3. Additional Time-Based Vesting Requirement

In the event the Liquidity Event Vesting Requirement is achieved as a result of an IPO or SPAC Business Combination, subject to Section 5, the Participant must satisfy the Additional Time-Based Vesting Requirement before any of the RSUs will vest. If applicable, the Additional Time-Based Vesting Requirement shall be met on the second anniversary of the effective date of the IPO or SPAC Business Combination, as applicable, provided that the Participant continues to provide services to the Company or its affiliates as an employee, consultant or director on such date. For the avoidance of doubt, the Additional Time-Based Vesting Requirement shall not apply in the event the Liquidity Event Vesting Requirement is achieved as a result of a Change in Control.

4. Value Milestone Baseline Adjustment

Provided all of the applicable Vesting Conditions are achieved, the number of RSUs that vest shall be adjusted based upon (i) in the event of a Liquidity Event that is an IPO, the price at which the Common Stock is offered and sold to the public in the IPO, and (ii) in the case of a Liquidity Event that is a Change in Control or SPAC Business Combination, the value of the per-share consideration received in respect of a share of Common Stock in the Change in Control or SPAC Business Combination, as applicable, in each case as determined by the Board in its sole discretion (such price or value, as applicable, the “**VMBA Share Price**”) (the “**Value Milestone Baseline Adjustment**”).

The number of RSUs that vest shall be increased, as set forth in the Vesting Table below, when the VMBA Share Price equals or exceeds each of the following amounts: \$136.04, \$238.07, and \$340.10. For the avoidance of doubt, there shall be no linear interpolation of the Value Milestone Baseline Adjustment between the levels of achievement of the VMBA Share Price.

In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any dividend or distribution to holders of Common Stock other than an ordinary cash dividend, the VMBA Share Price thresholds set forth in the preceding paragraph and in the Vesting Table below shall be equitably adjusted in the manner determined by the Board in its sole discretion.

5. Termination of Service

In the event the Participant’s service is terminated by the Company other than for Cause (as defined in the Change in Control Severance Agreement between the Company and the Participant, if any (the “**CIC Agreement**”)), disability or death or by the Participant for Good Reason (as defined in the CIC Agreement), in either case within the twelve-month period following an IPO or a SPAC Business Combination, then, subject to Sections 3, 4, 5, 6 and 7 of the CIC Agreement, Section 2(d) of the CIC Agreement shall apply to any RSUs the vesting of which is subject only to the satisfaction of the Additional Time-Based Vesting Requirement at the time of such termination of service (the “**Time-Vesting RSUs**”). For the avoidance of doubt, any RSUs that are not Time-Vesting RSUs (including, for example, any RSUs that have not satisfied the Performance-Based Vesting Requirement as of the date of Participant’s termination of service) shall be immediately and automatically terminated in exchange for no consideration as of the date of Participant’s termination of service. For the avoidance of doubt, this Section 5 shall apply solely to a qualifying termination occurring within the twelve-month period following an IPO or SPAC Business Combination.

6. Illustrative Vesting Table

The following table sets forth the number of RSUs that would vest, provided all applicable Vesting Conditions are satisfied, based upon the number of Business Milestones achieved and taking into account the applicable Value Milestone Baseline Adjustment, of a hypothetical grant of 10,000 RSUs:

	0 - 2	3 - 4	5 - 6	7 - 10	Business Milestones Achieved
\$68.02 - \$136.04	0	4,667	5,833	7,000	
\$136.04 - \$238.06	0	5,333	6,667	8,000	
\$238.07 - \$340.09	0	6,000	7,500	9,000	
≥ \$340.10	0	6,667	8,333	10,000	
VMBA Share Price					

Annex 1

Business Milestones

Milestone Category	Milestone
Development	Achievement of TRL6 [or the validation by an auto maker of a completed C-sample battery cell]
Development	Achievement of TRL8 [or the validation by an auto maker of a completed D-sample battery cell]
Commercial	PO or binding offtake agreement for >1GWh of cells
Commercial	PO or binding offtake agreement for >10GWh of cells, exclusive of the commitment in milestone 3
Commercial	Achievement of cell start of production (SOP)
Financial	\$1bn of GAAP revenue
Financial	\$5bn of GAAP revenue
Financial	Adjusted EBITDA >20%
Production	Methuen production line fully operational
Production	First GWh-Scale production line fully operational [production/commercial]

EXHIBIT C

FACTORIAL INC. 2019 STOCK INCENTIVE PLAN

FACTORIAL INC.

RESTRICTED STOCK AGREEMENT
GRANTED UNDER 2019 STOCK INCENTIVE PLAN

This Restricted Stock Agreement (the “**Agreement**”) is made this [] day of [], 20[], between Factorial Inc., a Delaware corporation (the “**Company**”), and [] (the “**Participant**”).

For valuable consideration, receipt of which is acknowledged, the parties hereto agree as follows:

1. Purchase of Shares.

The Company shall issue and sell to the Participant, and the Participant shall purchase from the Company, subject to the terms and conditions set forth in this Agreement and in the Company’s 2019 Stock Incentive Plan (the “**Plan**”), [] shares (the “**Shares**”) of common stock, \$0.0001 par value, of the Company (“**Common Stock**”), at a purchase price of \$[] per share. The aggregate purchase price for the Shares shall be paid by the Participant by check payable to the order of the Company or such other method as may be acceptable to the Company. Upon receipt by the Company of payment for the Shares, the Company shall issue to the Participant one or more certificates in the name of the Participant for that number of Shares purchased by the Participant. The Participant agrees that the Shares shall be subject to the purchase options set forth in Sections 3 and 6 of this Agreement and the restrictions on transfer set forth in Section 5 of this Agreement.

2. Certain Definitions.

(a) [“**Cause**” shall exist upon (i) a good faith finding by the Board of Directors of the Company (A) of repeated and willful failure of the Participant after written notice to perform the Participant’s reasonably assigned duties for the Company, or (B) that the Participant has engaged in dishonesty, gross negligence or misconduct, which dishonesty, gross negligence or misconduct has had a material adverse effect on the business affairs of the Company; (ii) the conviction of the Participant of, or the entry of a pleading of guilty or nolo contendere by the Participant to, any crime involving moral turpitude or any felony; or (iii) a breach by the Participant of any material provision of any invention and non-disclosure agreement or non-competition and non-solicitation agreement with the Company, which breach is not cured within ten days written notice thereof.]

(b) “**Change in Control**” shall mean the sale of all or substantially all of the outstanding shares of capital stock, assets or business of the Company, by merger, consolidation, sale of assets or otherwise (other than a merger or consolidation in which all or substantially all of the individuals and entities who were beneficial owners of the Company’s voting securities immediately prior to such transaction beneficially own, directly or indirectly, more than 50% (determined on an as-converted basis) of the outstanding securities entitled to vote generally in the election of directors of the resulting, surviving or acquiring corporation in such transaction).

(c) [“**Good Reason**” shall exist upon (i) the relocation of the Company’s offices such that the Participant’s daily commute is increased by at least thirty (30) miles each way without the written consent of the Participant; (ii) material reduction of the Participant’s annual base salary without the prior consent of the Participant (other than in connection with, and substantially proportionate to, reductions by the Company of the annual base salary of more than fifty percent (50%) of its employees); or (iii) material diminution in the Participant’s duties, authority or responsibilities without the prior consent of the Participant, other than changes in duties, authority or responsibilities resulting from the Participant’s misconduct; provided, however, that any reduction in duties, authority or responsibilities or reduction in the level of management to which the Participant reports resulting solely from a Change in Control which results in the Company being acquired by and made a part of a larger entity shall not constitute Good Reason; provided, further, however, that no such events or conditions shall constitute Good Reason unless (x) the Participant gives the Company a written notice of termination for Good Reason not more than ninety (90) days after the initial existence of the event or condition, (y) the grounds for termination, if susceptible to correction, are not corrected by the Company within thirty (30) days of its receipt of such notice and (z) the Participant’s termination of Service occurs within six months following the Company’s receipt of such notice.]

(d) “**Service**” shall mean employment by or the provision of services to the Company or a parent or subsidiary thereof as an advisor, officer, consultant or member of the Board of Directors.

(e) “**Vesting Commencement Date**” shall mean [_____].

3. Purchase Option¹.

(f) In the event that the Participant ceases to provide Service for any reason or no reason, with or without Cause, prior to the fourth (4th) anniversary of the Vesting Commencement Date, the Company shall have the right and option (the “**Purchase Option**”) to purchase from the Participant, for a sum of \$0.0001 per share (the “**Option Price**”), some or all of the Shares as set forth herein.

(g) All of the Shares shall initially be subject to the Purchase Option. The Participant shall acquire a vested interest in, and the Company’s Purchase Option shall accordingly lapse with respect to, (i) twenty-five percent (25%) of the Shares upon Participant’s completion of one (1) year of Service measured from the Vesting Commencement Date and (ii) the balance of the Shares in a series of successive equal monthly installments of [1/48] of the Shares upon Participant’s completion of each additional month of Service over the [thirty-six (36)-month] period measured from the first anniversary of the Vesting Commencement Date.

¹ **Note to Form:** If the Shares are fully vested upon grant, replace paragraph 3(b) in its entirety with the following, and delete paragraph 3(c): “No Shares shall be subject to the Purchase Option hereunder (for the avoidance of doubt, all such Shares shall be fully vested upon grant).”

(h) [If, within twelve (12) months following a Change in Control, the Participant's Service is terminated (i) by the Company without Cause or (ii) by the Participant for Good Reason, then the vesting schedule of the Shares shall be accelerated such that 100% of the Shares then subject to the Purchase Option shall immediately become vested and free from the Purchase Option on the date of such termination.²]

4. Exercise of Purchase Option and Closing.

(a) The Company may exercise the Purchase Option by delivering or mailing to the Participant (or the Participant's estate), within 180 days after the termination of the Service of the Participant, a written notice of exercise of the Purchase Option. Such notice shall specify the number of Shares to be purchased. If and to the extent the Purchase Option is not so exercised by the giving of such a notice within such 180-day period, the Purchase Option shall automatically expire and terminate effective upon the expiration of such 180-day period.

(b) Within ten (10) days after delivery to the Participant of the Company's notice of the exercise of the Purchase Option pursuant to subsection (a) above, the Participant (or the Participant's estate) shall, pursuant to the provisions of the Joint Escrow Instructions referred to in Section 8 below, tender to the Company at its principal offices the certificate or certificates representing the Shares that the Company has elected to purchase in accordance with the terms of this Agreement, duly endorsed in blank or with duly endorsed stock powers attached thereto, all in form suitable for the transfer of such Shares to the Company. Promptly following its receipt of such certificate or certificates, the Company shall pay to the Participant the aggregate Option Price for such Shares (provided that any delay in making such payment shall not invalidate the Company's exercise of the Purchase Option with respect to such Shares).

(c) After the time at which any Shares are required to be delivered to the Company for transfer to the Company pursuant to subsection (b) above, the Company shall not pay any dividend to the Participant on account of such Shares or permit the Participant to exercise any of the privileges or rights of a stockholder with respect to such Shares, but shall, in so far as permitted by law, treat the Company as the owner of such Shares.

(d) The Option Price may be payable, at the option of the Company, in cancellation of all or a portion of any outstanding indebtedness of the Participant to the Company or in cash (by check) or both.

(e) The Company shall not purchase any fraction of a Share upon exercise of the Purchase Option, and any fraction of a Share resulting from a computation made pursuant to Section 3 of this Agreement shall be rounded to the nearest whole Share (with any one-half Share being rounded upward).

(f) The Company may assign its Purchase Option to one or more persons or entities.

² **Note to Form: NO ACCELERATION:** If the Shares are not subject to automatic acceleration, delete Section 3(c) in its entirety and the definition of Good Reason.

5. Restrictions on Transfer.

(a) The Participant shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively “**transfer**”) any Shares, or any interest therein, that are subject to the Purchase Option, except that the Participant may transfer such Shares (i) to or for the benefit of any spouse, children, parents, uncles, aunts, siblings, grandchildren and any other relatives approved by the Board of Directors (collectively, “**Approved Relatives**”) or to a trust established solely for the benefit of the Participant and/or Approved Relatives, provided that such Shares shall remain subject to this Agreement (including without limitation the restrictions on transfer set forth in this Section 5, the Purchase Option and the right of first refusal set forth in Section 6) and such permitted transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Agreement or (ii) as part of the sale of all or substantially all of the shares of capital stock of the Company (including pursuant to a merger or consolidation), provided that, in accordance with the Plan, the securities or other property received by the Participant in connection with such transaction shall remain subject to this Agreement.

(b) The Participant shall not transfer any Shares, or any interest therein, that are no longer subject to the Purchase Option, except in accordance with Section 6 below.

6. Right of First Refusal.

(a) If the Participant proposes to transfer any Shares that are no longer subject to the Purchase Option (either because they are free from the Purchase Option pursuant to Section 3 or because the Purchase Option expired unexercised pursuant to Section 4), then the Participant shall first give written notice of the proposed transfer (the “**Transfer Notice**”) to the Company. The Transfer Notice shall name the proposed transferee and state the number of such Shares the Participant proposes to transfer (the “**Offered Shares**”), the price per share and all other material terms and conditions of the transfer.

(b) For 30 days following its receipt of such Transfer Notice, the Company shall have the option to purchase all or part of the Offered Shares at the price and upon the terms set forth in the Transfer Notice. In the event the Company elects to purchase all or part of the Offered Shares, it shall give written notice of such election to the Participant within such 30-day period. Within 10 days after the Participant’s receipt of such notice, the Participant shall tender to the Company at its principal offices the certificate or certificates representing the Offered Shares to be purchased by the Company, duly endorsed in blank by the Participant or with duly endorsed stock powers attached thereto, all in a form suitable for transfer of the Offered Shares to the Company. Promptly following receipt of such certificate or certificates, the Company shall deliver or mail to the Participant a check in payment of the purchase price for such Offered Shares; provided that if the terms of payment set forth in the Transfer Notice were other than cash against delivery, the Company may pay for the Offered Shares on the same terms and conditions as were set forth in the Transfer Notice; and provided further that any delay in making such payment shall not invalidate the Company’s exercise of its option to purchase the Offered Shares.

(c) If the Company does not elect to acquire all of the Offered Shares, the Participant may, within the 30-day period following the expiration of the option granted to the Company under subsection (b) above, transfer the Offered Shares which the Company has not elected to acquire to the proposed transferee, provided that such transfer shall not be on terms and conditions more favorable to the transferee than those contained in the Transfer Notice. Notwithstanding any of the above, all Offered Shares transferred pursuant to this Section 6 shall remain subject to this Agreement (including without limitation the restrictions on transfer set forth in Section 5 and the right of first refusal set forth in this Section 6) and such transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Agreement.

(d) After the time at which the Offered Shares are required to be delivered to the Company for transfer to the Company pursuant to subsection (b) above, the Company shall not pay any dividend to the Participant on account of such Offered Shares or permit the Participant to exercise any of the privileges or rights of a stockholder with respect to such Offered Shares, but shall, insofar as permitted by law, treat the Company as the owner of such Offered Shares.

(e) The following transactions shall be exempt from the provisions of this Section 6:

(1) a transfer of Shares to or for the benefit of any Approved Relatives, or to a trust established solely for the benefit of the Participant and/or Approved Relatives;

(2) any transfer pursuant to an effective registration statement filed by the Company under the Securities Act of 1933, as amended (the “**Securities Act**”); and

(3) the sale of all or substantially all of the outstanding shares of capital stock of the Company (including pursuant to a merger or consolidation);

provided, however, that in the case of a transfer pursuant to clause (1) above, such Shares shall remain subject to this Agreement (including without limitation the restrictions on transfer set forth in Section 5 and the right of first refusal set forth in this Section 6) and such transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Agreement.

(f) The Company may assign its rights to purchase Offered Shares in any particular transaction under this Section 6 to one or more persons or entities.

(g) The provisions of this Section 6 shall terminate upon the earlier of the following events:

(1) the closing of the sale of shares of Common Stock in an underwritten public offering pursuant to an effective registration statement filed by the Company under the Securities Act; or

(2) a Change in Control.

(h) The Company shall not be required (1) to transfer on its books any of the Shares which shall have been sold or transferred in violation of any of the provisions set forth in this Agreement, or (2) to treat as owner of such Shares or to pay dividends to any transferee to whom any such Shares shall have been so sold or transferred.

7. Agreement in Connection with Initial Public Offering.

The Participant agrees, in connection with the initial underwritten public offering of the Common Stock pursuant to a registration statement under the Securities Act, (i) not to (a) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for shares of Common Stock or (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of shares of Common Stock, whether any transaction described in clause (a) or (b) is to be settled by delivery of shares of Common Stock or other securities, in cash or otherwise, during the period beginning on the date of the filing of such registration statement with the Securities and Exchange Commission and ending 180 days from the date of the final prospectus relating to the offering (plus up to an additional 34 days to the extent requested by the managing underwriters for such offering in order to address NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4) or any similar successor provision), and (ii) to execute any agreement reflecting clause (i) above as may be requested by the Company or the managing underwriters at the time of such offering. The Company may impose stop-transfer instructions with respect to the shares of Common Stock or other securities subject to the foregoing restriction until the end of the “lock-up” period.

8. Escrow.

The Participant shall, upon the execution of this Agreement, execute Joint Escrow Instructions in the form attached to this Agreement as Exhibit A. The Joint Escrow Instructions shall be delivered to the Secretary of the Company, as escrow agent thereunder. The Participant shall deliver to such escrow agent a stock assignment duly endorsed in blank, in the form attached to this Agreement as Exhibit B, and hereby instructs the Company to deliver to such escrow agent, on behalf of the Participant, the certificate(s) evidencing the Shares issued hereunder. Such materials shall be held by such escrow agent pursuant to the terms of such Joint Escrow Instructions.

9. Restrictive Legends.

All certificates representing Shares shall have affixed thereto legends in substantially the following form, in addition to any other legends that may be required under federal or state securities laws:

“The shares of stock represented by this certificate are subject to restrictions on transfer and an option to purchase set forth in a certain Restricted Stock Agreement between the corporation and the registered owner of these shares (or such owner’s predecessor in interest), and such Agreement is available for inspection without charge at the office of the Secretary of the corporation.”

“The shares represented by this certificate have not been registered under the Securities Act of 1933, as amended, and may not be sold, transferred or otherwise disposed of in the absence of an effective registration statement under such Act or an opinion of counsel satisfactory to the corporation to the effect that such registration is not required.”

10. Provisions of the Plan.

This Agreement is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this Agreement.

11. Investment Representations.

The Participant represents, warrants and covenants as follows:

(a) The Participant is purchasing the Shares for Participant’s own account for investment only, and not with a view to, or for sale in connection with, any distribution of the Shares in violation of the Securities Act, or any rule or regulation under the Securities Act.

(b) The Participant has had such opportunity as Participant has deemed adequate to obtain from representatives of the Company such information as is necessary to permit him to evaluate the merits and risks of Participant’s investment in the Company.

(c) The Participant has sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(d) The Participant can afford a complete loss of the value of the Shares and is able to bear the economic risk of holding such Shares for an indefinite period.

(e) The Participant understands that (i) the Shares have not been registered under the Securities Act and are “restricted securities” within the meaning of Rule 144 under the Securities Act; (ii) the Shares cannot be sold, transferred or otherwise disposed of unless they are subsequently registered under the Securities Act or an exemption from registration is then available; (iii) in any event, the exemption from registration under Rule 144 will not be available for at least one year and even then will not be available unless a public market then exists for the Common Stock, adequate information concerning the Company is then available to the public, and other terms and conditions of Rule 144 are complied with; and (iv) there is now no registration statement on file with the Securities and Exchange Commission with respect to any stock of the Company and the Company has no obligation or current intention to register the Shares under the Securities Act.

12. Withholding Taxes; Section 83(b) Election.

(a) The Participant acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state or local taxes of any kind required by law to be withheld with respect to the purchase of the Shares by the Participant or the lapse of the Purchase Option.

(b) The Participant has reviewed with the Participant's own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Agreement. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Participant understands that the Participant (and not the Company) shall be responsible for the Participant's own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement. The Participant understands that it may be beneficial in many circumstances to elect to be taxed at the time the Shares are granted by the Company rather than when and as the Company's Purchase Option expires by filing an election under Section 83(b) of the Internal Revenue Code of 1986 with the I.R.S. within 30 days from the date of grant by the Company.

THE PARTICIPANT ACKNOWLEDGES THAT IT IS SOLELY THE PARTICIPANT'S RESPONSIBILITY AND NOT THE COMPANY'S TO FILE TIMELY THE ELECTION UNDER SECTION 83(b), EVEN IF THE PARTICIPANT REQUESTS THE COMPANY OR ITS REPRESENTATIVES TO MAKE THIS FILING ON THE PARTICIPANT'S BEHALF.

13. Miscellaneous.

(a) No Rights to Employment. The Participant acknowledges and agrees that the vesting of the Shares pursuant to Section 3 hereof is earned only by the Participant's continuous Service (not through the act of being hired or purchasing the Shares hereunder). The Participant further acknowledges and agrees that the transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee or consultant for the vesting period, for any period, or at all.

(b) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors of the Company.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Sections 5 and 6 of this Agreement.

(e) Notice. All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed to the other party hereto at the address shown beneath his or her or its respective signature to this Agreement, or at such other address or addresses as either party shall designate to the other in accordance with this Section 13(e).

(f) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(g) Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties, and supersedes all prior agreements and understandings, relating to the subject matter of this Agreement.

(h) Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and the Participant.

(i) Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the State of Delaware without regard to any applicable conflict of law principles.

(j) Participant's Acknowledgments. The Participant acknowledges that he or she: (i) has read this Agreement; (ii) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of the Participant's own choice or has voluntarily declined to seek such counsel; (iii) understands the terms and consequences of this Agreement; (iv) is fully aware of the legal and binding effect of this Agreement; and (v) understands that the law firm of WilmerHale is acting as counsel to the Company in connection with the transactions contemplated by the Agreement, and is not acting as counsel for the Participant.

(k) Voting Agreement; Right of First Refusal and Co-Sale Agreement.³ By the execution and delivery of this Agreement, I hereby confirm that I agree to be bound by the (i) Third Amended and Restated Voting Agreement, dated as of November 30, 2021, by and among the Company and the other signatories thereto (as such agreement may be amended and/or restated in accordance with its terms, the "**Voting Agreement**"), as a "Stockholder" (as defined in the Voting Agreement) for all purposes under the Voting Agreement and (ii) Third Amended and Restated Right of First Refusal and Co-Sale Agreement, dated as of November 30, 2021, by and among the Company and the other signatories thereto (as such agreement may be amended and/or restated in accordance with its terms, the "**ROFR and Co-Sale Agreement**"), as a "Key Holder" (as defined in the ROFR and Co-Sale Agreement) for all purposes under the ROFR and Co-Sale Agreement. I acknowledge and agree that I have received a copy of the Voting Agreement and the ROFR and Co-Sale Agreement.

[Remainder of Page Intentionally Left Blank]

³ **Note to Form:** To update references to Voting Agreement and ROFR in form of RSA as needed.

IN WITNESS WHEREOF, the parties hereto have executed the Restricted Stock Agreement as of the date and year first above written. The Participant hereby agrees to the terms and conditions thereof. The Participant hereby acknowledges receipt of a copy of the Company’s 2019 Stock Incentive Plan.

COMPANY:

FACTORIAL INC.

By: _____
Name: _____
Title: _____
Address: [] _____
[] _____

PARTICIPANT:

By: _____
Name: _____
Address: [] _____

SPOUSAL CONSENT:

By: _____
Name: _____
Address: [] _____
[] _____

**SIGNATURE PAGE TO RESTRICTED STOCK AGREEMENT
GRANTED UNDER STOCK INCENTIVE PLAN**

EXHIBIT A

JOINT ESCROW INSTRUCTIONS

EXHIBIT B

STOCK ASSIGNMENT SEPARATE FROM CERTIFICATE

NOTICE OF STOCK OPTION EXERCISE

[DATE]¹

Lionano SE Inc.
19 Presidential Way
Woburn, Massachusetts 01801]

Attention: Treasurer

Dear Sir or Madam:

I am the holder of []² Stock Option granted to me under the Lionano SE Inc. (the “**Company**”) 2019 Stock Incentive Plan on []³ for the purchase of []⁴ shares of Common Stock of the Company at a purchase price of \$[]⁵ per share.

I hereby exercise my option to purchase []⁶ shares of Common Stock (the “**Shares**”), for which I have enclosed []⁷ in the amount of []⁸. Please register my stock certificate as follows:

Name(s): _____⁹

Address: _____

I represent, warrant and covenant as follows:

¹ Enter date of exercise.

² Enter either “an Incentive” or “a Nonstatutory” or both.

³ Enter the date of grant.

⁴ Enter the total number of shares of Common Stock for which the option was granted.

⁵ Enter the option exercise price per share of Common Stock.

⁶ Enter the number of shares of Common Stock to be purchased upon exercise of all or part of the option.

⁷ Enter “cash”, “personal check” or if permitted by the option or Plan, “stock certificates No. XXXX and XXXX”.

⁸ Enter the dollar amount (price per share of Common Stock times the number of shares of Common Stock to be purchased), or the number of shares tendered. Fair market value of shares tendered, together with cash or check, must cover the purchase price of the shares issued upon exercise.

⁹ Enter name(s) to appear on stock certificate in one of the following formats: (a) your name only (i.e., John Doe); (b) your name and other name (i.e., John Doe and Jane Doe, Joint Tenants with Right to Survivorship); or for Nonstatutory Stock Options only, (c) a child’s name, with you as custodian (i.e. Jane Doe, Custodian for Tommy Doe). Note: There may be income and/or gift tax consequences for registering shares in a child’s name.

1. I am purchasing the Shares for my own account for investment only, and not with a view to, or for sale in connection with, any distribution of the Shares in violation of the Securities Act of 1933 (the “**Securities Act**”), or any rule or regulation under the Securities Act.
2. I have had such opportunity as I have deemed adequate to obtain from representatives of the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company.
3. I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.
4. I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period.
5. I understand that (i) the Shares have not been registered under the Securities Act and are “restricted securities” within the meaning of Rule 144 under the Securities Act, (ii) the Shares cannot be sold, transferred or otherwise disposed of unless they are subsequently registered under the Securities Act or an exemption from registration is then available; (iii) in any event, the exemption from registration under Rule 144 will not be available for at least six months and even then will not be available unless a public market then exists for the Common Stock, adequate information concerning the Company is then available to the public, and other terms and conditions of Rule 144 are complied with; and (iv) there is now no registration statement on file with the Securities and Exchange Commission with respect to any stock of the Company and the Company has no obligation or current intention to register the Shares under the Securities Act.

Very truly yours,

[Name]

**FACTORIAL ENERGY INC.
2026 EQUITY INCENTIVE PLAN**

SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of the plan is the Factorial Energy Inc. 2026 Equity Incentive Plan (as amended from time to time, the “*Plan*”). The purpose of the Plan is to encourage and enable the officers, employees, Non-Employee Directors and Consultants of Factorial Energy Inc. (the “*Company*”) and its Affiliates upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business to acquire a proprietary interest in the Company. It is anticipated that providing such persons with a direct stake in the Company’s welfare will assure a closer alignment of their interests with those of the Company and its stockholders, thereby stimulating their efforts on the Company’s behalf and strengthening their desire to remain with the Company or one of its Affiliates.

The following terms shall be defined as set forth below:

“*Act*” means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

“*Administrator*” means either the Board or the compensation committee of the Board or a similar committee performing the functions of the compensation committee and that is comprised of not less than two Non-Employee Directors who are independent.

“*Affiliate*” means, at the time of determination, any “parent” or “subsidiary” of the Company as such terms are defined in Rule 405 of the Act. The Board will have the authority to determine the time or times at which “parent” or “subsidiary” status is determined within the foregoing definition.

“*Award*” or “*Awards*,” except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Unrestricted Stock Awards, Cash-Based Awards and Dividend Equivalent Rights.

“*Award Certificate*” means a written or electronic document setting forth the terms and provisions applicable to an Award granted under the Plan. Each Award Certificate is subject to the terms and conditions of the Plan.

“*Board*” means the Board of Directors of the Company.

“*Cash-Based Award*” means an Award entitling the recipient to receive a cash-denominated payment granted pursuant to Section 10.

“*Closing*” means the closing of the transactions contemplated by that certain Business Combination Agreement, dated as of December 17, 2025 by and among Cartesian Growth Corporation III, Fenway MS, Inc. and the Company.

“Code” means the Internal Revenue Code of 1986, as amended, and the rules, regulations and interpretations thereunder.

“Consultant” means a consultant or adviser who provides *bona fide* services to the Company or an Affiliate as an independent contractor and who qualifies as a consultant or advisor under Instruction A.1.(a)(1) of Form S-8 under the Act.

“Dividend Equivalent Right” means an Award entitling the grantee to receive credits based on ordinary cash dividends that would have been paid on the shares of Stock specified in the Dividend Equivalent Right (or other Award to which it relates) granted pursuant to Section 11.

“Effective Date” means the date on which the Plan becomes effective as set forth in Section 19.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

“Fair Market Value” of the Stock on any given date means the fair market value of the Stock determined in good faith by the Administrator; provided, however, that if the Stock is listed on the National Association of Securities Dealers Automated Quotation System (“NASDAQ”), NASDAQ Global Market, The New York Stock Exchange or another national securities exchange or traded on any established market, the determination shall be made by reference to the closing price on such date. If there is no closing price for such date, the determination shall be made by reference to the last date preceding date for which there is a closing price.

“Incentive Stock Option” means any Stock Option designated and qualified as an “incentive stock option” as defined in Section 422 of the Code.

“Non-Employee Director” means a member of the Board who is not also an employee of the Company or any Subsidiary.

“Non-Qualified Stock Option” means any Stock Option that is not an Incentive Stock Option.

“Option” or “Stock Option” means any option to purchase shares of Stock granted pursuant to Section 5.

“Outstanding Shares” means, as of a specified date, the sum of (a) number of shares of Stock and Series B common stock, par value \$0.00001 per share, issued and outstanding and (b) the number of shares of Stock issuable pursuant to the exercise of any outstanding, pre-funded warrants to acquire shares of Stock for a nominal exercise price.

“Restricted Shares” means the shares of Stock underlying a Restricted Stock Award that remain subject to a risk of forfeiture or the Company’s right of repurchase.

“Restricted Stock Award” means an Award of Restricted Shares granted pursuant to Section 7.

“Restricted Stock Units” means an Award of stock units granted pursuant to Section 8.

“Sale Event” means (i) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, (ii) a merger, reorganization or consolidation pursuant to which the holders of the Company’s outstanding voting power and outstanding stock immediately prior to such transaction do not own a majority of the outstanding voting power and outstanding stock or other equity interests of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction, (iii) the sale of all of the Stock of the Company to an unrelated person, entity or group acting in concert or (iv) any other transaction in which the owners of the Company’s outstanding voting power immediately prior to such transaction do not own at least a majority of the outstanding voting power of the Company or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Company.

“Sale Price” means the value, as determined by the Administrator, of the consideration payable, or otherwise to be received by stockholders, per share of Stock, pursuant to a Sale Event.

“Section 409A” means Section 409A of the Code and the regulations and other guidance promulgated thereunder.

“Service Relationship” means any relationship as an employee, director or Consultant of the Company or any Affiliate. Unless otherwise set forth in the applicable Award Certificate, a Service Relationship shall be deemed to continue without interruption in the event the grantee’s status changes from full-time employee to part-time employee, director or Consultant or vice versa, provided that there is no interruption or other termination of Service Relationship in connection with the grantee’s change in capacity.

“Stock” means the Series A Common Stock, par value \$0.00001 per share, of the Company, subject to adjustments pursuant to Section 3.

“Stock Appreciation Right” means an Award entitling the recipient to receive shares of Stock (or cash, to the extent explicitly provided for in the applicable Award Certificate) granted pursuant to Section 6.

“Subsidiary” means any corporation or other entity (other than the Company) in which the Company has at least a 50% interest, either directly or indirectly.

“Ten Percent Owner” means an employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10% of the combined voting power of all classes of stock of the Company or any parent or subsidiary corporation.

“Unrestricted Stock Award” means an Award of shares of Stock free of any restrictions granted pursuant to Section 9.

SECTION 2. ADMINISTRATION OF PLAN; ADMINISTRATOR AUTHORITY TO SELECT GRANTEES AND DETERMINE AWARDS

(a) Administration of Plan. The Plan shall be administered by the Administrator.

(b) Powers of Administrator. The Administrator shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) to select the individuals to whom Awards may from time to time be granted;

(ii) to determine the time or times of grant, and the extent, if any, of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Unrestricted Stock Awards, Cash-Based Awards and Dividend Equivalent Rights, or any combination of the foregoing, granted to any one or more grantees;

(iii) to determine the number of shares of Stock to be covered by any Award;

(iv) to determine and modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and grantees, and to approve the forms of Award Certificates;

(v) to accelerate at any time the exercisability or vesting of all or any portion of any Award;

(vi) subject to the provisions of Section 5(c) or Section 6(d), as applicable, to extend at any time the period in which Stock Options and Stock Appreciation Rights may be exercised;

(vii) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it deems advisable;

(viii) to interpret the terms and provisions of the Plan and any Award (including related written and electronic instruments);

(ix) to make all determinations it deems advisable for the administration of the Plan;

(x) to decide all disputes arising in connection with the Plan; and

(xi) to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Administrator shall be binding on all persons, including the Company, Affiliates and Plan grantees.

(c) Delegation of Authority to Grant Awards. Subject to applicable law, the Administrator, in its discretion, may delegate to a subcommittee comprised of one or more members of the Board or committee comprised of one or more officers of the Company, including the Chief Executive Officer of the Company, all or part of the Administrator's authority and duties with respect to the granting of Awards to individuals who are not (i) subject to the reporting and other provisions of Section 16 of the Exchange Act and (ii) members of the delegated subcommittee or committee. Any such delegation by the Administrator shall include a time period for the delegation and a limitation as to the amount of Stock underlying Awards that may be granted during the period of the delegation and shall contain guidelines as to the determination of the exercise price and the vesting criteria. The Administrator may revoke or amend the terms of a delegation at any time but such action shall not invalidate any prior actions of the Administrator's delegate or delegates that were consistent with the terms of the Plan and limits and guidelines in effect at the time of the prior action.

(d) Award Certificate. Other than with respect to Cash-Based Awards, Awards under the Plan shall be evidenced by Award Certificates that set forth the terms, conditions and limitations for each Award, which may include, without limitation, the term of an Award and the provisions applicable in the event employment or service terminates.

(e) Indemnification. Neither the Board nor the Administrator, nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board and the Administrator (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under the Company's articles or bylaws or any directors' and officers' liability insurance coverage that may be in effect from time to time and/or any indemnification agreement between such individual and the Company.

(f) Non-U.S. Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply, or facilitate compliance, with the laws in other countries in which the Company and its Affiliates operate or have employees or other individuals eligible for Awards, the Administrator, in its sole discretion, shall have the power and authority to: (i) determine which Affiliates are covered by the Plan; (ii) determine which individuals outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to individuals outside the United States to comply, or facilitate compliance, with applicable non-U.S. laws; (iv) establish subplans and modify exercise procedures and other terms and procedures, to the extent the Administrator determines such actions to be necessary or advisable (and such subplans and/or modifications shall be incorporated into and made part of this Plan); provided, however, that no such subplans and/or modifications shall increase the share limitations contained in Section 3(a) hereof; and (v) take any action, before or after an Award is made, that the Administrator determines to be necessary or advisable to obtain approval or comply, or facilitate compliance, with any local governmental regulatory exemptions or approvals. Notwithstanding the foregoing, the Administrator may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act or any other applicable United States securities law, the Code or any other applicable United States governing statute or law.

SECTION 3. STOCK ISSUABLE UNDER THE PLAN; MERGERS; SUBSTITUTION

(a) Stock Issuable. The maximum number of shares of Stock reserved and available for issuance under the Plan shall be 21,000,000 shares (the “*Initial Limit*”), subject to adjustment as provided in this Section 3 plus, on January 1, 2027 and each January 1 thereafter, the number of shares of Stock reserved and available for issuance under the Plan shall be automatically cumulatively increased by (i) 5% of the number of Outstanding Shares on the immediately preceding December 31 or (ii) such lesser number of shares of Stock as determined by the Administrator (the “*Annual Increase*”). Subject to such overall limitation, the maximum aggregate number of shares of Stock that may be issued in the form of Incentive Stock Options shall not exceed the Initial Limit, as cumulatively increased on January 1, 2027 and each January 1 thereafter by the lesser of the Annual Increase for such year or 1,050,000 shares of Stock, subject in all cases to adjustment as provided in Section 3(b). For purposes of these limitations, the shares of Stock underlying any awards under the Plan that are forfeited, canceled, held back upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding, reacquired by the Company prior to vesting, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) will be added back to the shares of Stock available for issuance under the Plan and, to the extent permitted under Section 422 of the Code and the regulations promulgated thereunder, the shares of Stock that may be issued as Incentive Stock Options. In the event the Company repurchases shares of Stock on the open market, such shares shall not be added to the shares of Stock available for issuance under the Plan. Subject to such overall limitations, shares of Stock may be issued up to such maximum number pursuant to any type or types of Award. The shares available for issuance under the Plan may be authorized but unissued shares of Stock or shares of Stock reacquired by the Company. Awards that may be settled solely in cash shall not be counted against the share reserve.

(b) Changes in Stock. Subject to Section 3(c) hereof, if, as a result of any reorganization, recapitalization, reclassification, stock dividend, extraordinary cash dividend, stock split, reverse stock split or other similar change in the Company’s capital stock, Outstanding Shares are increased or decreased or are exchanged for a different number or kind of shares or other securities of the Company, or additional shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such shares of Stock or other securities, or, if, as a result of any merger, consolidation or sale of all or substantially all of the assets of the Company, Outstanding Shares are converted into or exchanged for securities of the Company or any successor entity (or a parent or subsidiary thereof), the Administrator shall make an appropriate or proportionate adjustment in (i) the maximum number of shares reserved for issuance under the Plan, including the maximum number of shares that may be issued in the form of Incentive Stock Options, (ii) the number and kind of shares or other securities subject to any then outstanding Awards under the Plan, (iii) the repurchase price, if any, per share subject to each outstanding Restricted Stock Award and (iv) the exercise price for each share subject to any then outstanding Stock Options and Stock Appreciation Rights under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of shares subject to Stock Options and Stock Appreciation Rights) as to which such Stock Options and Stock Appreciation Rights remain exercisable. The Administrator shall also make equitable or proportionate adjustments in the number of shares subject to outstanding Awards and the exercise price and the terms of outstanding Awards to take into consideration cash dividends paid other than in the ordinary course or any other extraordinary corporate event. The adjustment by the Administrator shall be final, binding and conclusive. No fractional shares of Stock shall be issued under the Plan resulting from any such adjustment, but the Administrator in its discretion may make a cash payment in lieu of fractional shares.

(c) Mergers and Other Transactions. In the case of and subject to the consummation of a Sale Event, the parties thereto may cause the assumption or continuation of Awards theretofore granted by the successor entity or the substitution of such Awards with new Awards of the successor entity or parent thereof, with appropriate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree. To the extent the parties to such Sale Event do not provide for the assumption, continuation or substitution of Awards, upon the effective time of the Sale Event, the Plan and all outstanding Awards granted hereunder shall terminate. In such case, except as may be otherwise provided in the relevant Award Certificate, all Awards with time-based vesting, conditions or restrictions shall become fully vested and exercisable or nonforfeitable as of the effective time of the Sale Event, and all Awards with conditions and restrictions relating to the attainment of performance goals may become vested and exercisable or nonforfeitable in connection with a Sale Event in the Administrator's discretion or to the extent specified in the relevant Award Certificate. In the event of such termination, (i) the Company shall have the option (in its sole discretion) to make or provide for a payment, in cash or in kind, to the grantees holding Options and Stock Appreciation Rights, in exchange for the cancellation thereof, in an amount equal to the difference between (A) the Sale Price multiplied by the number of shares of Stock subject to outstanding Options and Stock Appreciation Rights (to the extent then exercisable (after taking into account any acceleration hereunder) at prices not in excess of the Sale Price) and (B) the aggregate exercise price of all such outstanding Options and Stock Appreciation Rights (provided that, in the case of an Option or Stock Appreciation Right with an exercise price equal to or greater than the Sale Price, such Option or Stock Appreciation Right shall be cancelled for no consideration) or (ii) each grantee shall be permitted, within a specified period of time prior to the consummation of the Sale Event as determined by the Administrator, to exercise all outstanding Options and Stock Appreciation Rights (to the extent then exercisable after taking into account any acceleration hereunder) held by such grantee. The Company shall also have the option, in its sole discretion, to make or provide for a payment, in cash or in kind, to the grantees holding other Awards, in exchange for the cancellation thereof, in an amount equal to the Sale Price multiplied by the number of vested shares of Stock under such Awards (after taking into account any acceleration hereunder).

(d) Maximum Awards to Non-Employee Directors. Notwithstanding anything to the contrary in this Plan, the value of all Awards awarded under this Plan and all other cash compensation paid by the Company to any Non-Employee Director in any calendar year for services as a Non-Employee Director shall not exceed \$750,000; provided, however, that such amount shall be \$1,000,000 for the calendar year in which the applicable Non-Employee Director is initially elected or appointed to the Board. For the purpose of these limitations, the value of any Award shall be its grant date fair value, as determined in accordance with FASB ASC Topic 718 or successor provision but excluding the impact of estimated forfeitures related to service-based vesting provisions.

(e) Substitute Awards. The Administrator may grant Awards under the Plan in substitution for shares and share-based awards held by employees, directors or consultants of another corporation in connection with the merger or consolidation of the employing corporation with the Company or a Subsidiary or the acquisition by the Company or a Subsidiary of property or shares of the employing corporation. The Administrator may direct that the substitute Awards be granted on such terms and conditions as the Administrator considers appropriate in the circumstances. To the extent permitted by applicable law, any substitute Awards granted under the Plan shall not count against the share limitations set forth in Section 3(a).

SECTION 4. ELIGIBILITY

Grantees under the Plan will be such employees, Non-Employee Directors or Consultants of the Company and its Affiliates as are selected from time to time by the Administrator in its sole discretion; provided that Awards may not be granted to employees, Non-Employee Directors or Consultants who are providing services only to any “parent” of the Company, as such term is defined in Rule 405 of the Act, unless (i) the stock underlying the Awards is treated as “service recipient stock” under Section 409A or (ii) the Company, in consultation with its legal counsel, has determined that such Awards are exempt from or otherwise comply with Section 409A.

SECTION 5. STOCK OPTIONS

(a) Award of Stock Options. The Administrator may grant Stock Options under the Plan. Any Stock Option granted under the Plan shall be in such form as the Administrator may from time to time approve.

Stock Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. Incentive Stock Options may be granted only to employees of the Company, any “parent corporation” within the meaning of Section 424(e) of the Code or any Subsidiary that is a “subsidiary corporation” within the meaning of Section 424(f) of the Code. To the extent that any Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

Stock Options shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Administrator deems desirable. If the Administrator so determines, Stock Options may be granted in lieu of cash compensation at the optionee’s election, subject to such terms and conditions as the Administrator may establish.

(b) Exercise Price. The exercise price per share for the Stock covered by a Stock Option shall be determined by the Administrator at the time of grant but shall not be less than 100% of the Fair Market Value on the date of grant. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the exercise price of such Incentive Stock Option shall be not less than 110% of the Fair Market Value on the grant date. Notwithstanding the foregoing, Stock Options may be granted with an exercise price per share that is less than 100% of the Fair Market Value on the date of grant (i) pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code, (ii) to individuals who are not subject to U.S. income tax on the date of grant or (iii) if the Stock Option is otherwise exempt from or compliant with Section 409A.

(c) Option Term. The term of each Stock Option shall be fixed by the Administrator, but no Stock Option shall be exercisable more than ten years after the date the Stock Option is granted. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the term of such Stock Option shall be no more than five years from the date of grant.

(d) Exercisability; Rights of a Stockholder. Stock Options shall become exercisable at such time or times, whether or not in installments, as determined by the Administrator at or after the grant date. An optionee shall have the rights of a stockholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options.

(e) Method of Exercise. Stock Options may be exercised in whole or in part, by giving written or electronic notice of exercise to the Company, specifying the number of shares to be purchased. Payment of the exercise price may be made by one or more of the following methods except to the extent otherwise provided in the Award Certificate:

(i) In cash, by certified or bank check or other instrument acceptable to the Administrator;

(ii) Through the delivery (or attestation to the ownership following such procedures as the Company may prescribe) of shares of Stock that are not then subject to restrictions under any Company plan. Such surrendered shares shall be valued at Fair Market Value on the exercise date;

(iii) By the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company for the exercise price; provided that in the event the optionee chooses to pay the exercise price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Company may prescribe as a condition of such payment procedure; or

(iv) With respect to Stock Options that are not Incentive Stock Options, by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price.

Payment instruments will be received subject to collection. The transfer to the optionee on the records of the Company or of the transfer agent of the shares of Stock to be purchased pursuant to the exercise of a Stock Option will be contingent upon receipt from the optionee (or a purchaser acting in the optionee’s stead in accordance with the provisions of the Stock Option) by the Company of the full exercise price for such shares and the fulfillment of any other requirements contained in the Award Certificate or applicable provisions of laws (including the satisfaction of any withholding taxes that the Company or an Affiliate is obligated to withhold with respect to the optionee). In the event an optionee chooses to pay the exercise price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the optionee upon the exercise of the Stock Option shall be net of the number of attested shares. In the event that the Company establishes, for itself or using the services of a third party, an automated system for the exercise of Stock Options, such as a system using an internet website or interactive voice response, then the paperless exercise of Stock Options may be permitted through the use of such an automated system.

(f) Annual Limit on Incentive Stock Options. To the extent required for “incentive stock option” treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the time of grant) of the shares of Stock with respect to which Incentive Stock Options granted under this Plan and any other plan of the Company or its parent and subsidiary corporations become exercisable for the first time by an optionee during any calendar year shall not exceed \$100,000. To the extent that any Stock Option exceeds this limit, it shall be a Non-Qualified Stock Option.

SECTION 6. STOCK APPRECIATION RIGHTS

(a) Award of Stock Appreciation Rights. The Administrator may grant Stock Appreciation Rights under the Plan. A Stock Appreciation Right is an Award entitling the recipient to receive shares of Stock (or cash, to the extent explicitly provided for in the applicable Award Certificate) having a value equal to the excess of the Fair Market Value of a share of Stock on the date of exercise over the exercise price of the Stock Appreciation Right multiplied by the number of shares of Stock with respect to which the Stock Appreciation Right is exercised.

(b) Exercise Price of Stock Appreciation Rights. The exercise price of a Stock Appreciation Right shall not be less than 100% of the Fair Market Value of the Stock on the date of grant. Notwithstanding the foregoing, Stock Appreciation Rights may be granted with an exercise price per share that is less than 100% of the Fair Market Value on the date of grant (i) pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code, (ii) to individuals who are not subject to U.S. income tax on the date of grant or (iii) if the Stock Appreciation Right is otherwise exempt from or compliant with Section 409A.

(c) Grant and Exercise of Stock Appreciation Rights. Stock Appreciation Rights may be granted by the Administrator independently of any Stock Option granted pursuant to the Plan.

(d) Terms and Conditions of Stock Appreciation Rights. Stock Appreciation Rights shall be subject to such terms and conditions as determined by the Administrator on or after the date of grant. The term of a Stock Appreciation Right may not exceed ten years.

SECTION 7. RESTRICTED STOCK AWARDS

(a) Nature of Restricted Stock Awards. The Administrator may grant Restricted Stock Awards under the Plan. A Restricted Stock Award is any Award of Restricted Shares subject to such restrictions and conditions as the Administrator determines at or after the time of grant.

(b) Rights as a Stockholder. Upon the grant of a Restricted Stock Award and payment of any applicable purchase price, if any, a grantee shall have the rights of a stockholder with respect to the voting of the Restricted Shares and receipt of dividends; provided that any dividends paid by the Company during the vesting period shall accrue and shall not be paid to the grantee until and to the extent the Restricted Stock Award vests. Unless the Administrator determines otherwise, (i) uncertificated Restricted Shares shall be accompanied by a notation on the records of the Company or the transfer agent to the effect that they are subject to forfeiture until such Restricted Shares are vested as provided in Section 7(d) below, and (ii) certificated Restricted Shares shall remain in the possession of the Company until such Restricted Shares are vested as provided in Section 7(d) below, and the grantee shall be required, as a condition of the grant, to deliver to the Company such instruments of transfer as the Administrator may prescribe.

(c) Restrictions. Restricted Shares may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein or in the Award Certificate. Except as otherwise provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, if a grantee's Service Relationship terminates for any reason, any Restricted Shares that have not vested at the time of termination shall automatically and without any requirement of notice to such grantee from, or other action by or on behalf of, the Company be deemed to have been reacquired by the Company at their original purchase price (if any) from such grantee or such grantee's legal representative simultaneously with such termination of the Service Relationship, and thereafter shall cease to represent any ownership of the Company by the grantee or rights of the grantee as a stockholder. Following such deemed reacquisition of Restricted Shares that are represented by physical certificates, a grantee shall surrender such certificates to the Company upon request without consideration.

(d) Vesting of Restricted Shares. The Administrator at or after the time of grant shall specify the date or dates and/or the attainment of pre-established performance goals, objectives or other conditions on which the non-transferability of the Restricted Shares and the Company's right of repurchase or forfeiture shall lapse. Subsequent to such date or dates and/or the attainment of such pre-established performance goals, objectives or other conditions, the shares on which all restrictions have lapsed shall no longer be Restricted Shares and shall be deemed "vested."

SECTION 8. RESTRICTED STOCK UNITS

(a) Nature of Restricted Stock Units. The Administrator may grant Restricted Stock Units under the Plan. A Restricted Stock Unit is an Award of stock units that may be settled in shares of Stock (or cash, to the extent explicitly provided for in the Award Certificate) upon the satisfaction of such restrictions and conditions at the time of grant. Except in the case of Restricted Stock Units with a deferred settlement date that complies with Section 409A, at the end of the vesting period, Restricted Stock Units, to the extent vested, shall be settled in the form of shares of Stock (or cash, to the extent explicitly provided for in the Award Certificate). Restricted Stock Units with deferred settlement dates granted to U.S. taxpayers are subject to Section 409A and shall contain such additional terms and conditions as the Administrator may determine in its sole discretion in order to comply with the requirements of Section 409A.

(b) Election to Receive Restricted Stock Units in Lieu of Compensation. The Administrator may, in its sole discretion, permit a grantee to elect to receive a portion of future cash compensation otherwise due to such grantee in the form of an Award of Restricted Stock Units. Any such election shall be made in writing and shall be delivered to the Company no later than the date specified by the Administrator and, if applicable, in accordance with Section 409A and such other rules and procedures established by the Administrator. Any such future cash compensation that the grantee elects to defer will be converted to a fixed number of Restricted Stock Units based on the Fair Market Value of Stock on the date the compensation would otherwise have been paid to the grantee if such payment had not been deferred as provided herein. The Administrator shall have the sole right to determine whether and under what circumstances to permit such elections and to impose such limitations and other terms and conditions thereon as the Administrator deems appropriate. Any Restricted Stock Units that are elected to be received in lieu of cash compensation shall be fully vested, unless otherwise provided in the Award Certificate.

(c) Rights as a Stockholder. A grantee shall have the rights as a stockholder only as to shares of Stock acquired by the grantee upon settlement of Restricted Stock Units; provided, however, that the grantee may be credited with Dividend Equivalent Rights with respect to the stock units underlying the grantee's Restricted Stock Units, subject to the provisions of Section 11 and such terms and conditions as the Administrator may determine.

(d) Termination. Except as otherwise provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, a grantee's right in all Restricted Stock Units that have not vested shall automatically terminate upon the termination of the grantee's Service Relationship for any reason.

SECTION 9. UNRESTRICTED STOCK AWARDS

Grant or Sale of Unrestricted Stock. The Administrator may grant (or sell at par value or such higher purchase price determined by the Administrator) an Unrestricted Stock Award under the Plan. An Unrestricted Stock Award is an Award pursuant to which the grantee receives shares of Stock free of any restrictions under the Plan. Unrestricted Stock Awards may be granted in respect of past services or other valid consideration, or in lieu of cash compensation due to such grantee.

SECTION 10. CASH-BASED AWARDS

Grant of Cash-Based Awards. The Administrator may grant Cash-Based Awards under the Plan. A Cash-Based Award is an Award that entitles the grantee to a payment in cash upon the attainment of specified performance goals. The Administrator shall determine the maximum duration of the Cash-Based Award, the amount of cash to which the Cash-Based Award pertains, the conditions upon which the Cash-Based Award becomes vested or payable and such other provisions as the Administrator determines. Each Cash-Based Award shall specify a cash-denominated payment amount, formula or payment ranges as determined by the Administrator. Payment, if any, with respect to a Cash-Based Award shall be made in accordance with the terms of the Award and may be made in cash.

SECTION 11. DIVIDEND EQUIVALENT RIGHTS

(a) Dividend Equivalent Rights. The Administrator may grant Dividend Equivalent Rights under the Plan. A Dividend Equivalent Right is an Award entitling the grantee to receive credits based on cash dividends that would have been paid on the shares of Stock specified in the Dividend Equivalent Right (or other Award to which it relates) if such shares had been issued to the grantee. A Dividend Equivalent Right may be granted hereunder to any grantee as a component of an Award of Restricted Stock Units or as a freestanding Award. The terms and conditions of Dividend Equivalent Rights shall be specified in the Award Certificate. Dividend equivalents credited to the holder of a Dividend Equivalent Right may be paid currently or may be deemed to be reinvested in additional shares of Stock, which may thereafter accrue additional equivalents. Any such reinvestment shall be at Fair Market Value on the date of reinvestment or such other price as may then apply under a dividend reinvestment plan sponsored by the Company, if any. Dividend Equivalent Rights may be settled in cash or shares of Stock or a combination thereof, in a single installment or installments. A Dividend Equivalent Right granted as a component of an Award of Restricted Stock Units shall be settled only upon settlement or payment of, or lapse of restrictions on, such other Award, and such Dividend Equivalent Right shall expire or be forfeited or annulled under the same conditions as such other Award.

(b) Termination. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, a grantee's rights in all Dividend Equivalent Rights shall automatically terminate upon the termination of the grantee's Service Relationship for any reason.

SECTION 12. TRANSFERABILITY OF AWARDS

(a) Transferability. Except as provided in Section 12(b) below, during a grantee's lifetime, such grantee's Awards shall be exercisable only by the grantee, or by the grantee's legal representative or guardian in the event of the grantee's incapacity. No Awards shall be sold, assigned, transferred or otherwise encumbered or disposed of by a grantee other than by will or by the laws of descent and distribution or pursuant to a domestic relations order. No Awards shall be subject, in whole or in part, to attachment, execution or levy of any kind, and any purported transfer in violation hereof shall be null and void.

(b) Administrator Action. Notwithstanding Section 12(a), the Administrator, in its discretion, may provide either in the Award Certificate regarding a given Award or by subsequent written approval that the grantee (who is an employee or director) may transfer such grantee's Non-Qualified Stock Options to such grantee's immediate family members, to trusts for the benefit of such family members or to partnerships in which such family members are the only partners, provided that the transferee agrees in writing with the Company to be bound by all of the terms and conditions of this Plan and the applicable Award. In no event may an Award be transferred by a grantee for value.

(c) Family Member. For purposes of Section 12(b), "family member" means a grantee's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, including adoptive relationships, any person sharing the grantee's household (other than a tenant of the grantee), a trust in which these persons (or the grantee) have more than 50% of the beneficial interest, a foundation in which these persons (or the grantee) control the management of assets and any other entity in which these persons (or the grantee) own more than 50% of the voting interests.

SECTION 13. TAX WITHHOLDING

(a) Payment by Grantee. Each grantee shall, no later than the date as of which the value of an Award or of any Stock or other amount received thereunder first becomes includable in the gross income of the grantee for income tax purposes, pay to the Company, or make arrangements satisfactory to the Administrator regarding payment of, any federal, state or local taxes, and non-U.S. or other taxes, of any kind required by law to be withheld by the Company or its Affiliates with respect to such income. The Company and its Affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the grantee or to satisfy any applicable withholding obligations by any other method of withholding that the Company or its Affiliates deem appropriate. The Company's obligation to deliver evidence of book entry (or stock certificates) to any grantee is subject to and conditioned on tax withholding obligations being satisfied by the grantee.

(b) Payment in Stock. The Administrator may require the Company's or Affiliate's tax withholding obligation to be satisfied, in whole or in part, by the Company withholding from shares of Stock to be issued pursuant to any Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due; provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment. For purposes of share withholding, the Fair Market Value of withheld shares shall be determined in the same manner as the value of Stock includible in income of the grantees. The Administrator may also require the Company's or Affiliate's tax withholding obligation to be satisfied, in whole or in part, by an arrangement whereby a certain number of shares of Stock issued pursuant to any Award are immediately sold and proceeds from such sale are remitted to the Company or Affiliate in an amount that would satisfy the withholding amount due.

SECTION 14. SECTION 409A AWARDS

Awards are intended to be exempt from Section 409A to the greatest extent possible and to otherwise comply with Section 409A. The Plan and all Awards shall be interpreted in accordance with such intent. To the extent that any Award is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A (a "*409A Award*"), the Award shall be subject to such additional rules and requirements as specified by the Administrator from time to time in order to comply with Section 409A. In this regard, if any amount under a 409A Award is payable upon a "separation from service" (within the meaning of Section 409A) to a grantee who is then considered a "specified employee" (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the grantee's separation from service or (ii) the grantee's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A. Further, the settlement of any 409A Award may not be accelerated except to the extent permitted by Section 409A. The Company makes no representation that any or all of the payments or benefits described in the Plan will be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to any such payment. The grantee shall be solely responsible for the payment of any taxes and penalties incurred under Section 409A.

SECTION 15. TERMINATION OF SERVICE RELATIONSHIP, TRANSFER, LEAVE OF ABSENCE, ETC.

(a) Termination of Service Relationship. If the grantee's Service Relationship is with an Affiliate and such Affiliate ceases to be an Affiliate, the grantee shall be deemed to have terminated such grantee's Service Relationship for purposes of the Plan.

(b) For purposes of the Plan, the following events shall not be deemed a termination of a Service Relationship:

(i) a transfer to the service of the Company from an Affiliate or from the Company to an Affiliate, or from one Affiliate to another; or

(ii) an approved leave of absence for military service or sickness, or for any other purpose approved by the Company or its Affiliate, as the case may be, if the employee's right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Administrator otherwise so provides in writing; or

(iii) the transfer in status from one eligibility category under Section 4 hereof to another category.

(c) In the event a grantee's regular level of time commitment in the performance of such grantee's services for the Company and its Affiliates is reduced (including, without limitation, if the grantee has a change in status from a full-time employee to a part-time employee or transitions from an employee to a director or Consultant) or if the grantee takes an extended leave of absence, in either case, after the date of grant of any Award to the grantee, the Administrator may, in its sole discretion and to the extent permitted by applicable law, (x) reduce the number of shares subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment or status or during or after any such leave of absence and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the grantee will not have any rights with respect to any portion of the Award that is so reduced.

SECTION 16. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan and the Administrator may, at any time, amend or cancel any outstanding Award for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall materially and adversely affect rights under any outstanding Award without the holder's consent. The Administrator is specifically authorized to exercise its discretion to reduce the exercise price of outstanding Stock Options or Stock Appreciation Rights or effect the repricing of such Awards through cancellation and re-grants or cancellation in exchange for cash or other Awards without stockholder approval. To the extent determined by the Administrator to be required under the rules of any securities exchange or market system on which the Stock is listed or by the Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code, Plan amendments shall be subject to approval by Company stockholders. Nothing in this Section 16 shall limit the Administrator's authority to take any action permitted pursuant to Section 3(b) or 3(c).

SECTION 17. STATUS OF PLAN

With respect to the portion of any Award that has not been exercised or settled and any payments in cash, Stock or other consideration not received by a grantee, a grantee shall have no rights greater than those of a general creditor of the Company unless the Administrator otherwise expressly determines in connection with any Award or Awards. In its sole discretion, the Administrator may authorize the creation of trusts or other arrangements to meet the Company's obligations to deliver Stock or make payments with respect to Awards hereunder, provided that the existence of such trusts or other arrangements is consistent with the foregoing sentence.

SECTION 18. GENERAL PROVISIONS

(a) No Distribution. The Administrator may require each person acquiring Stock pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares without a view to distribution thereof.

(b) Issuance of Stock. To the extent certificated, stock certificates to grantees under this Plan shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company has mailed such certificates in the United States mail, addressed to the grantee, at the grantee's last known address on file with the Company or any Affiliate. Uncertificated Stock shall be deemed delivered for all purposes when the Company or a Stock transfer agent of the Company has given to the grantee by electronic mail (with proof of receipt) or by United States mail, addressed to the grantee, at the grantee's last known address on file with the Company or any Affiliate, notice of issuance and recorded the issuance in its records (which may include electronic "book entry" records). Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any evidence of book entry or certificates evidencing shares of Stock pursuant to the exercise or settlement of any Award, unless and until the Administrator has determined, with advice of counsel (to the extent the Administrator deems such advice necessary or advisable), that the issuance and delivery is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any exchange on which the shares of Stock are listed, quoted or traded. Any Stock issued pursuant to the Plan shall be subject to any stop-transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with federal, state or foreign jurisdiction securities or other laws, rules and quotation systems on which the Stock is listed, quoted or traded. The Administrator may place legends on any Stock certificate or notations on any book entry to reference restrictions applicable to the Stock. In addition to the terms and conditions provided herein, the Administrator may require that an individual make such reasonable covenants, agreements and representations as the Administrator, in its discretion, deems necessary or advisable in order to comply with any such laws, regulations or requirements. The Administrator shall have the right to require any individual to comply with any timing or other restrictions with respect to the settlement or exercise of any Award, including a window-period limitation, as may be imposed in the discretion of the Administrator.

(c) No Fractional Shares. No fractional shares of Stock shall be issued or delivered pursuant to the Plan or any Award, and the Administrator shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional shares, or whether such fractional shares or any rights thereto shall be cancelled, terminated or otherwise eliminated.

(d) Stockholder Rights. Until Stock is deemed delivered in accordance with Section 18(b), no right to vote or receive dividends or any other rights of a stockholder will exist with respect to shares of Stock to be issued in connection with an Award, notwithstanding the exercise of a Stock Option or Stock Appreciation Right or any other action by the grantee with respect to an Award.

(e) Other Compensation Arrangements; No Rights to Continued Service Relationship. Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, including trusts, and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of this Plan and the grant of Awards do not confer upon any grantee any right to continued employment or other Service Relationship with the Company or any Affiliate.

(f) Trading Policy Restrictions. Awards under the Plan are subject to the Company's insider trading policies and procedures, as in effect from time to time.

(g) Clawback Policy. A grantee's rights with respect to any Award hereunder shall in all events be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any right that the Company may have under any Company clawback, forfeiture or recoupment policy as in effect from time to time or other agreement or arrangement with a grantee or (ii) applicable law.

SECTION 19. EFFECTIVE DATE OF PLAN

This Plan shall become effective upon the date immediately preceding the Closing, subject to prior stockholder approval in accordance with applicable state law, the Company's bylaws and articles of incorporation and applicable stock exchange rules. No grants of Awards may be made hereunder after the tenth anniversary of the Effective Date and no grants of Incentive Stock Options may be made hereunder after the tenth anniversary of the date the Plan is approved by the Board.

SECTION 20. GOVERNING LAW

This Plan and all Awards and actions taken thereunder shall be governed by, and construed in accordance with, the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts applied without regard to conflict of law principles.

DATE APPROVED BY BOARD OF DIRECTORS: June 5, 2026

DATE APPROVED BY STOCKHOLDERS: June 5, 2026

**INCENTIVE STOCK OPTION AGREEMENT
UNDER THE FACTORIAL ENERGY INC.
2026 EQUITY INCENTIVE PLAN**

Name of Optionee: _____

No. of Option Shares: _____

Option Exercise Price per Share: \$ _____
[FMV on Grant Date (110% of FMV if a 10% owner)]

Grant Date: _____

Expiration Date: _____
[No more than 10 years (5 if a 10% owner)]

Pursuant to the Factorial Energy Inc. 2026 Equity Incentive Plan as amended through the date hereof (the “**Plan**”), Factorial Energy Inc. (the “**Company**”) hereby grants to the Optionee named above an option (the “**Stock Option**”) to purchase on or prior to the Expiration Date specified above all or part of the number of shares of Series A Common Stock, par value \$0.00001 per share (the “**Stock**”), of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan.

1. Exercisability Schedule. No portion of this Stock Option may be exercised until such portion has become exercisable. Except as set forth below, and subject to the discretion of the Administrator to accelerate the exercisability schedule hereunder, this Stock Option shall be exercisable as follows: _____, so long as the Optionee continues to have a Service Relationship through the applicable date.

Once exercisable, this Stock Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise.

(a) The Optionee may exercise this Stock Option only in the following manner: from time to time on or prior to the Expiration Date of this Stock Option, the Optionee may give written notice to the Administrator of the Optionee’s election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the exercise price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option exercise price, provided that in the event the Optionee chooses to pay the option exercise price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator may prescribe as a condition of such payment procedure; or (iii) a combination of (i) and (ii) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company's receipt from the Optionee of the full exercise price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of laws and (iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Option Shares and any subsequent resale of the Option Shares will be in compliance with applicable laws and regulations.

(b) The shares of Stock purchased upon exercise of this Stock Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Option Shares unless and until this Stock Option has been exercised pursuant to the terms hereof, the Company or the transfer agent has transferred the Option Shares to the Optionee, and the Optionee's name has been entered as the stockholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such Option Shares.

(c) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date hereof.

3. Termination of Service Relationship. If the Optionee's Service Relationship terminates, the period within which to exercise the Stock Option may be subject to earlier termination as set forth below.

(a) Termination Due to Death. If the Optionee's Service Relationship terminates due to the Optionee's death, any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of death, may thereafter be exercised by the Optionee's legal representative or legatee for a period of 12 months from the date of death or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(b) Termination Due to Disability. If the Optionee's Service Relationship terminates due to the Optionee's disability (as determined by the Administrator), any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of such termination, may thereafter be exercised by the Optionee for a period of 12 months from the date of termination or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

(c) Termination for Cause. If the Optionee's Service Relationship is terminated by the Company or an Affiliate for Cause or the Company determines after the termination of the Optionee's Service Relationship that Cause exists or existed, any portion of this Stock Option outstanding on such date shall terminate immediately and be of no further force and effect. For purposes hereof, "**Cause**" means, unless otherwise provided in an employment or other service agreement between the Company or an Affiliate and the Optionee, a determination by the Administrator that the Optionee's Service Relationship will be terminated as a result of (i) any material breach by the Optionee of any agreement between the Optionee and the Company or any Affiliate; (ii) the conviction of, indictment for or plea of nolo contendere by the Optionee to a felony or a crime involving moral turpitude; or (iii) any material misconduct or willful and deliberate non-performance (other than by reason of disability) by the Optionee of the Optionee's duties to the Company or an Affiliate.

(d) Other Termination. If the Optionee's Service Relationship terminates for any reason other than the Optionee's death, the Optionee's disability or Cause, and unless otherwise determined by the Administrator, any portion of this Stock Option outstanding on such date may be exercised, to the extent exercisable on the date of termination, for a period of three months from the date of termination or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

The Administrator's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and the Optionee's representatives or legatees.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meanings specified in the Plan, unless a different meaning is specified herein.

5. Transferability. This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Stock Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. Status of the Stock Option. This Stock Option is intended to qualify as an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended (the "**Code**"), but the Company does not represent or warrant that this Stock Option qualifies as such. The Optionee should consult with the Optionee's own tax advisors regarding the tax effects of this Stock Option and the requirements necessary to obtain favorable income tax treatment under Section 422 of the Code, including, but not limited to, holding period requirements and that ***this Stock Option must be exercised within three months after termination of employment as an employee (or 12 months in the case of death or disability) to qualify as an "incentive stock option"***. To the extent any portion of this Stock Option does not so qualify as an "incentive stock option," such portion shall be deemed to be a non-qualified stock option. If the Optionee intends to dispose or does dispose (whether by sale, gift, transfer or otherwise) of any Option Shares within the one-year period beginning on the date after the transfer of such shares to the Optionee, or within the two-year period beginning on the day after the grant of this Stock Option, the Optionee will so notify the Company within 30 days after such disposition.

7. **Tax Withholding.** The Optionee shall, not later than the date as of which amounts with respect to this Stock Option become includable in the gross income of the Optionee for income tax purposes, pay to the Company or an Affiliate, or make arrangements satisfactory to the Administrator for payment of, any U.S. federal, state or local taxes and non-U.S. or other taxes of any kind required by law to be withheld by the Company or its Affiliates with respect to the Stock Option. The Administrator may require that the Company's or an Affiliate's tax withholding obligation be satisfied, in whole or in part, by (i) the Company withholding from the Option Shares a number of shares of Stock with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due; provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment or (ii) an arrangement whereby a certain number of Option Shares are immediately sold and proceeds from such sale are remitted to the Company or any applicable Affiliate in an amount that would satisfy the withholding amount due.

8. **No Obligation to Continue Service Relationship.** Neither the Company nor any Affiliate is obligated by or as a result of the Plan or this Agreement to continue the Optionee's employment or other Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Affiliate to terminate the Optionee's employment or other Service Relationship at any time.

9. **Integration.** This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

10. **Data Privacy Consent.** In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its Affiliates and certain agents thereof (together, the "**Relevant Companies**") may process any and all personal or professional data, including but not limited to, Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "**Relevant Information**"). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction that the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

11. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

12. Clawback Acknowledgement. The Optionee acknowledges that the Optionee is or may become subject to the Factorial Energy Inc. Compensation Recovery Policy adopted pursuant to Rule 10D-1 promulgated under the Exchange Act and Nasdaq Rule 5608, or any successor rule (as may be amended from time to time, the “**Clawback Policy**”). The Optionee understands that if the Optionee is or becomes subject to the Clawback Policy, the Company and/or the Board shall be entitled to recover all Erroneously Awarded Compensation (as defined in the Clawback Policy) from the Optionee pursuant to such means as the Company and/or the Board may elect. The Optionee agrees that the Optionee shall take all required action to enable such recovery. The Optionee understands that such recovery may be sought and occur after the Optionee’s Service Relationship terminates. The Optionee further agrees that the Optionee is not entitled to indemnification for any Erroneously Awarded Compensation or for any claim or losses arising out of or in any way related to Erroneously Awarded Compensation recovered pursuant to the Clawback Policy and, to the extent any agreement or organizational document purports to provide otherwise, the Optionee hereby irrevocably agrees to forego such indemnification. The Optionee acknowledges and agrees that the Optionee has received and has had an opportunity to review the Clawback Policy. Any action by the Company to recover Erroneously Awarded Compensation under the Clawback Policy from the Optionee shall not, whether alone or in combination with any other action, event or condition, be deemed (i) an event giving rise to a right to resign for “good reason,” if applicable, or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Optionee or (ii) to constitute a breach of a contract or other arrangement to which the Optionee is a party. Further, to the extent that any Optionee receives any amount in excess of the amount that the Optionee should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Administrator may require the Optionee to repay any such excess amount to the Company. This Section 12 is a material term of this Agreement.

Factorial Energy Inc.

By: _____
Title: _____

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Dated: _____

Optionee's Signature

Optionee's name and address:

**NON-QUALIFIED STOCK OPTION AGREEMENT
FOR COMPANY EMPLOYEES AND CONSULTANTS
UNDER THE FACTORIAL ENERGY INC.
2026 EQUITY INCENTIVE PLAN**

Name of Optionee: _____

No. of Option Shares: _____

Option Exercise Price per Share: \$ _____
[FMV on Grant Date]

Grant Date: _____

Expiration Date: _____
[No more than 10 years]

Pursuant to the Factorial Energy Inc. 2026 Equity Incentive Plan as amended through the date hereof (the “**Plan**”), Factorial Energy Inc. (the “**Company**”) hereby grants to the Optionee named above an option (the “**Stock Option**”) to purchase on or prior to the Expiration Date specified above all or part of the number of shares of Series A Common Stock, par value \$0.00001 per share (the “**Stock**”), of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan. This Stock Option is not intended to be an “incentive stock option” under Section 422 of the Internal Revenue Code of 1986, as amended.

1. Exercisability Schedule. No portion of this Stock Option may be exercised until such portion has become exercisable. Except as set forth below, and subject to the discretion of the Administrator to accelerate the exercisability schedule hereunder, this Stock Option shall be exercisable as follows: _____, so long as the Optionee continues to have a Service Relationship through the applicable date.

Once exercisable, this Stock Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise.

(a) The Optionee may exercise this Stock Option only in the following manner: from time to time on or prior to the Expiration Date of this Stock Option, the Optionee may give written notice to the Administrator of the Optionee’s election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the exercise price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option exercise price, provided that in the event the Optionee chooses to pay the option exercise price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator may prescribe as a condition of such payment procedure; (iii) by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; or (iv) a combination of (i), (ii) and (iii) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company's receipt from the Optionee of the full exercise price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of laws, and (iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Option Shares and any subsequent resale of the Option Shares will be in compliance with applicable laws and regulations.

(b) The shares of Stock purchased upon exercise of this Stock Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Option Shares unless and until this Stock Option has been exercised pursuant to the terms hereof, the Company or the transfer agent has transferred the Option Shares to the Optionee, and the Optionee's name has been entered as the stockholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such Option Shares.

(c) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date hereof.

3. Termination of Service Relationship. If the Optionee's Service Relationship terminates, the period within which to exercise the Stock Option may be subject to earlier termination as set forth below.

(a) Termination Due to Death. If the Optionee's Service Relationship terminates due to the Optionee's death, any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of death, may thereafter be exercised by the Optionee's legal representative or legatee for a period of _____ from the date of death or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(b) Termination Due to Disability. If the Optionee's Service Relationship terminates due to the Optionee's disability (as determined by the Administrator), any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of such termination, may thereafter be exercised by the Optionee for a period of _____ from the date of termination or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

(c) Termination for Cause. If the Optionee's Service Relationship is terminated by the Company or an Affiliate for Cause or the Company determines after the termination of the Optionee's Service Relationship that Cause exists or existed, any portion of this Stock Option outstanding on such date shall terminate immediately and be of no further force and effect. For purposes hereof, "**Cause**" means, unless otherwise provided in an employment or other service agreement between the Company or an Affiliate and the Optionee, a determination by the Administrator that the Optionee's Service Relationship will be terminated as a result of (i) any material breach by the Optionee of any agreement between the Optionee and the Company or any Affiliate; (ii) the conviction of, indictment for or plea of nolo contendere by the Optionee to a felony or a crime involving moral turpitude; or (iii) any material misconduct or willful and deliberate non-performance (other than by reason of disability) by the Optionee of the Optionee's duties to the Company or an Affiliate.

(d) Other Termination. If the Optionee's Service Relationship terminates for any reason other than the Optionee's death, the Optionee's disability or Cause, and unless otherwise determined by the Administrator, any portion of this Stock Option outstanding on such date may be exercised, to the extent exercisable on the date of termination, for a period of _____ from the date of termination or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

The Administrator's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and the Optionee's representatives or legatees.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meanings specified in the Plan, unless a different meaning is specified herein.

5. Transferability. This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Stock Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. Tax Withholding. The Optionee shall, not later than the date as of which amounts with respect to this Stock Option become includable in the gross income of the Optionee for income tax purposes, pay to the Company or an Affiliate, or make arrangements satisfactory to the Administrator for payment of, any U.S. federal, state or local taxes and non-U.S. or other taxes of any kind required by law to be withheld by the Company or its Affiliates with respect to the Stock Option. The Administrator may require that the Company's or an Affiliate's tax withholding obligation be satisfied, in whole or in part, by (i) the Company withholding from the Option Shares a number of shares of Stock with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due; provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment or (ii) an arrangement whereby a certain number of Option Shares are immediately sold and proceeds from such sale are remitted to the Company or any applicable Affiliate in an amount that would satisfy the withholding amount due.

7. Responsibility for Tax-Related Items. Regardless of any action the Company or any Affiliate takes with respect to any or all applicable income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Optionee's participation in the Plan and legally applicable to the Optionee ("***Tax-Related Items***"), the Optionee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Optionee's responsibility and may exceed the amount, if any, actually withheld by the Company or any Affiliate. The Optionee further acknowledges that the Company and its Affiliates (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Stock Option, including the grant, vesting or exercise of the Stock Option, the issuance of Option Shares upon exercise, the subsequent sale of any shares of Stock acquired pursuant to such exercise and the receipt of any dividends; and (b) do not commit to and are under no obligation to structure the terms of the Stock Option or any aspect of the Stock Option to reduce or eliminate the Optionee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Optionee has become subject to Tax-Related Items in more than one jurisdiction, the Optionee acknowledges that the Company or any Affiliate may be required to withhold or account for Tax-Related Items in more than one jurisdiction. The Optionee further acknowledges that the Optionee is solely responsible for filing all relevant documentation that may be required in relation to this Stock Option or any Tax-Related Items (other than filings or documentation that is the specific obligation of the Company or any Affiliate pursuant to applicable law), such as but not limited to personal income tax returns or any reporting statements in relation to the grant, vesting or exercise of the Stock Option, the holding of any shares of Stock or any bank or brokerage account, the subsequent sale of any such shares, and the receipt of any dividends.

8. No Obligation to Continue Service Relationship. Neither the Company nor any Affiliate is obligated by or as a result of the Plan or this Agreement to continue the Optionee's employment or other Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Affiliate to terminate the Optionee's employment or other Service Relationship at any time.

9. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

10. Country-Specific Addendum. Notwithstanding any provision in this Agreement, if the Optionee resides in or is otherwise subject to the laws of a country listed in the Country-Specific Addendum attached hereto (the "***Addendum***"), the Stock Option shall be subject to any additional terms, conditions and disclosures set forth in the Addendum for the Optionee's country. The Addendum forms part of this Agreement. Further, the Optionee acknowledges that the laws of the country in which the Optionee is residing or working at the time of grant, vesting or exercise of the Stock Option (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may subject the Optionee to additional procedural or regulatory requirements that the Optionee is and will be solely responsible for and must fulfill, and may be outlined in the Addendum. If the Optionee transfers residence to, or otherwise becomes subject to the laws of, another country at any time, the country-specific terms, conditions and disclosures applicable to that country shall apply to the Stock Option as from the date of grant, unless otherwise determined by the Company in its sole discretion.

11. Electronic Delivery and Translation. The Company may, in its sole discretion, decide to deliver any documents related to the Optionee's current or future participation in the Plan, this Stock Option, the shares of Stock subject to this Stock Option, or any other Company securities or Company-related documents, by electronic means. By accepting this Stock Option, whether electronically or otherwise, the Optionee (i) consents to receive such documents by electronic means, (ii) consents to the use of electronic signatures, and (iii) agrees to participate in the Plan and/or receive any such documents through an online or electronic system established and maintained by the Company or a third party designated by the Company, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions. To the extent the Optionee has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Stock Option in a language other than English, the English language version will prevail in case of any ambiguities or divergences as a result of translation.

12. No Acquired Rights or Employment Rights. In accepting this Stock Option, the Optionee acknowledges that the Plan is established voluntarily by the Company, is discretionary in nature, and may be modified, amended, suspended or terminated by the Company at any time. The grant of this Stock Option is voluntary and occasional and does not create any contractual or other right to receive future grants of stock options, other Awards or benefits in lieu of stock options, even if such Awards have been granted repeatedly in the past, and all decisions with respect to future grants of stock options or other Awards, if any, will be at the sole discretion of the Company. In addition, the Optionee's participation in the Plan is voluntary, and this Stock Option and any shares of Stock acquired pursuant to this Stock Option are extraordinary items that do not constitute regular compensation for services rendered to the Company or any Affiliate and are outside the scope of the Optionee's employment or service contract, if any. This Stock Option and any shares of Stock acquired pursuant to this Stock Option are not intended to replace any pension rights or compensation and are not part of normal or expected salary or compensation for any purpose, including but not limited to calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement benefits, or similar payments.

13. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its Affiliates and certain agents thereof (together, the "**Relevant Companies**") may process any and all personal or professional data, including but not limited to, Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "**Relevant Information**"). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction that the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

14. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

15. Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable under any applicable law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, and the remaining provisions shall continue in full force and effect.

16. Clawback Acknowledgement. The Optionee acknowledges that the Optionee is or may become subject to the Factorial Energy Inc. Compensation Recovery Policy adopted pursuant to Rule 10D-1 promulgated under the Exchange Act and Nasdaq Rule 5608, or any successor rule (as may be amended from time to time, the “**Clawback Policy**”). The Optionee understands that if the Optionee is or becomes subject to the Clawback Policy, the Company and/or the Board shall be entitled to recover all Erroneously Awarded Compensation (as defined in the Clawback Policy) from the Optionee pursuant to such means as the Company and/or the Board may elect. The Optionee agrees that the Optionee shall take all required action to enable such recovery. The Optionee understands that such recovery may be sought and occur after the Optionee’s Service Relationship terminates. The Optionee further agrees that the Optionee is not entitled to indemnification for any Erroneously Awarded Compensation or for any claim or losses arising out of or in any way related to Erroneously Awarded Compensation recovered pursuant to the Clawback Policy and, to the extent any agreement or organizational document purports to provide otherwise, the Optionee hereby irrevocably agrees to forego such indemnification. The Optionee acknowledges and agrees that the Optionee has received and has had an opportunity to review the Clawback Policy. Any action by the Company to recover Erroneously Awarded Compensation under the Clawback Policy from the Optionee shall not, whether alone or in combination with any other action, event or condition, be deemed (i) an event giving rise to a right to resign for “good reason,” if applicable, or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Optionee or (ii) to constitute a breach of a contract or other arrangement to which the Optionee is a party. Further, to the extent that any Optionee receives any amount in excess of the amount that the Optionee should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Administrator may require the Optionee to repay any such excess amount to the Company. This Section 11 is a material term of this Agreement.

Factorial Energy Inc.

By: _____
Title: _____

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Dated: _____

Optionee's Signature

Optionee's name and address:

COUNTRY-SPECIFIC ADDENDUM

to the Factorial Energy Inc. Non-Qualified Stock Option Agreement

This Country-Specific Addendum (the “*Addendum*”) includes additional notices, disclaimers, terms and conditions that apply to Optionees who are working or residing in the countries listed below and that may be material to the Optionee’s participation in the Plan. Such notices, disclaimers, terms and conditions may also apply, as from the date of grant, if the Optionee moves to or otherwise becomes subject to the applicable laws or Company policies of a country listed. Because foreign exchange regulations and other local laws are subject to frequent change, the Optionee is advised to seek advice from his or her own personal legal and tax advisor prior to accepting this Stock Option or holding or selling shares of Stock acquired under the Plan. The Company is not providing any tax, legal or financial advice, nor making any recommendations regarding the Optionee’s acceptance of this Stock Option or participation in the Plan. Unless otherwise noted below, capitalized terms shall have the same meaning assigned to them under the Plan and the Agreement. This Addendum forms part of the Agreement and should be read in conjunction with the Agreement and the Plan.

Securities Law Notice

Unless otherwise noted, neither the Company nor the shares of Stock are registered with any local stock exchange or under the control of any local securities regulator outside the United States. This Agreement (of which this Addendum is a part), the Plan, and any other communications or materials that the Optionee may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the United States, and the issuance of securities described in any Plan-related documents is not intended for public offering or circulation in the Optionee’s jurisdiction.

European Union / European Economic Area (France, Germany)

Notifications

Data Privacy.

For residents of the EU/EEA and elsewhere as may be applicable, the following provision applies and supplements the Data Privacy Consent section of the Agreement. The Optionee understands and acknowledges that: (a) the data controller is the Company, and queries or requests regarding the Optionee’s personal data should be made in writing to the Company’s representative relating to the Plan or the Stock Option; (b) the legal basis for the processing of personal data is that the processing is necessary for the performance of a contract to which the Optionee is a party (namely, this Agreement); (c) personal data will be held only as long as is necessary to implement, administer and manage the Optionee’s participation in the Plan; and (d) the Optionee may, at any time, access his or her personal data, request additional information about the storage and processing of personal data, require any necessary amendments to personal data without cost or exercise any other rights they may have in relation to their personal data under applicable law, including the right to make a complaint to an EU data protection regulator.

EU Prospectus Regulation Exemption.

This offer is being made to selected Optionees as part of an employee incentive programme in order to provide an additional incentive and to encourage employee share ownership and to increase the Optionee's interest in the success of the Company. The company offering these rights is the Company. The shares which are the subject of these rights are common stock in the Company. More information in relation to the Company can be found at the Company's public investor relations website. The obligation to publish a prospectus does not apply because of Article 1(4)(i) of the EU Prospectus Regulation.

France

Terms and Conditions

Language Consent.

By accepting the Stock Option, the Optionee confirms having read and understood the Plan and the Agreement, which were provided in the English language. The Optionee accepts the terms of those documents accordingly.

Consentement Relatif à la Langue Utilisée.

En acceptant l'option d'achat d'actions, le Participant confirme avoir lu et compris le Plan et le Contrat d'Option, qui ont été communiqués en langue anglaise. Le Participant accepte les termes de ces documents en connaissance de cause.

Tax Information.

The Stock Option is not intended to qualify for special tax or social security treatment under the French qualified stock option regime set forth in Sections L. 225-177 to L. 225-186-1 and Sections L. 22-10-56 to L. 22-10-58 of the French Commercial Code, as amended.

Notifications

Foreign Asset/Account Reporting Information.

If the Optionee holds cash or securities (including shares of Stock acquired upon exercise of the Stock Option) outside of France or maintains a foreign bank or brokerage account (including accounts opened, held, used and/or closed during the tax year), the Optionee must declare such assets and accounts to the French tax authorities when filing his or her annual tax return. Failure to comply could trigger significant penalties.

Germany

Notifications

Exchange Control Information.

Cross-border payments in excess of EUR 12,500 in connection with the sale of securities (including shares of Stock acquired upon exercise of the Stock Option) or the receipt of any dividends must be reported monthly to the German Federal Bank (Bundesbank). If the Optionee makes or receives a payment in excess of this amount, the Optionee is responsible for complying with applicable reporting requirements.

Japan

Notifications

Exchange Control Information.

If the Optionee acquires shares of Stock whose value exceeds JPY 100,000,000 in a single transaction upon exercise of the Stock Option, the Optionee must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days of acquiring the shares. The forms to make this report can be obtained from the Bank of Japan.

Foreign Asset/Account Reporting Information.

The Optionee is required to report details of any assets held outside Japan as of December 31 (including shares of Stock acquired upon exercise of the Stock Option) to the extent such assets have a total net fair market value exceeding JPY 50,000,000. The report is due by March 15 of the year following the relevant year. The Optionee should consult with his or her personal tax advisor to determine if the reporting obligation applies to the Optionee's personal situation.

Republic of Korea

Terms and Conditions

Grantor.

If the Optionee has a Service Relationship in the Republic of Korea, notwithstanding anything set forth in the Plan documents, the Stock Option is granted by the Company and not by the entity providing services to the Optionee.

Notifications

Foreign Asset/Account Reporting Information.

Korean residents must declare all foreign financial accounts (including any foreign brokerage accounts in which shares of Stock acquired upon exercise of the Stock Option are held) to the Korean tax authority and file a report with respect to such accounts if the aggregate monthly balance of such accounts exceeds KRW 500,000,000 (or an equivalent amount in foreign currency) on any month-end date during the relevant year. The Optionee should consult with his or her personal tax advisor to determine the applicable reporting obligations.

China

Terms and Conditions

The following Terms and Conditions apply to the Optionee if the Company, in its discretion, determines that the Optionee's participation in the Plan will be subject to exchange control restrictions in the People's Republic of China ("PRC"), as implemented by the PRC State Administration of Foreign Exchange ("SAFE").

SAFE Registration; Vesting and Exercisability Conditions.

Notwithstanding anything to the contrary in the Agreement or the Plan, the Company is under no obligation to permit the exercise of the Stock Option or to issue shares of Stock unless and until the Company's SAFE registration application has been approved by SAFE. Further, the Optionee may not be permitted to exercise the vested Stock Option, and shares of Stock will not be issued, if at the time the Stock Option is otherwise exercisable, the SAFE registration has become invalid or ceased to be effective for any reason. If SAFE approval is not obtained or ceases to be effective, the Company reserves the right to cancel the Stock Option or to settle the Stock Option in cash in lieu of issuing shares of Stock, in each case to the extent permitted by applicable law.

Forfeiture Upon Termination of Service Relationship / Mandatory Exercise Period.

Notwithstanding anything to the contrary in the Agreement or the Plan, and to the extent not earlier exercised, forfeited, cancelled, or otherwise extinguished, in no event will any post-termination exercise period for the Stock Option extend past any limit imposed by SAFE for individuals whose Service Relationship has terminated. If the Optionee has not exercised the Stock Option within such SAFE-imposed period, the Stock Option will automatically be forfeited and cancelled without consideration.

Manner of Exercise; Method of Payment.

To facilitate compliance with applicable laws and regulations in the PRC, payment of the aggregate exercise price must be made by consideration received by the Company pursuant to a broker-assisted exercise or "same-day sale" of all exercised Option Shares, or such other form of cashless exercise program as the Company may implement in connection with the Plan. Cash payment of the exercise price is not permitted unless and until the Company, in its sole discretion, determines that cash exercise is feasible under applicable law. The Company reserves the right to allow additional methods of payment depending on the development of applicable law.

Mandatory Sale of Shares.

If the Optionee is permitted to exercise via a cash method of exercise and acquires shares of Stock upon exercise, notwithstanding anything to the contrary in the Plan or the Agreement, to facilitate compliance with exchange control laws and regulations in the PRC, the Optionee agrees that all shares of Stock issued to the Optionee upon exercise of the Stock Option may be immediately sold upon exercise or, at the Company's discretion, at a later time (including upon the termination of the Optionee's Service Relationship for any reason). If the sale of shares is not permissible under the Company's insider trading policy, the Company retains discretion to postpone the issuance of the shares until such time as the sale is again permissible, and to then immediately sell the shares. The Optionee further agrees that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on the Optionee's behalf pursuant to this authorization), and the Optionee expressly authorizes such broker to complete the sale. The Optionee acknowledges that the designated broker is under no obligation to arrange for the sale of shares at any particular price. Upon the sale of the shares, the Company agrees to pay the cash proceeds, less any brokerage fees or commissions and subject to satisfaction of any Tax-Related Items, to the Optionee in accordance with applicable exchange control laws and regulations.

Designated Brokerage Account.

Any shares of Stock acquired upon exercise of the Stock Option shall be held in an account at a broker designated by the Company. Such shares may not be transferred out of the designated account (either electronically or in certificate form) unless and until they are sold. This limitation applies both to transfers to different accounts with the same broker and to transfers to other brokerage firms.

Exchange Control Requirements / Repatriation.

Pursuant to exchange control requirements in the PRC, the Optionee will be required to immediately repatriate to China the cash proceeds from the sale of shares of Stock acquired upon exercise of the Stock Option and the receipt of any dividends paid on such shares. The Optionee understands that such repatriation may need to be effected through a special exchange control account established by the Company or an Affiliate in China, and the Optionee hereby consents and agrees that such proceeds may be transferred to such special account prior to being delivered to the Optionee.

The Company will deliver the proceeds to the Optionee as soon as reasonably practicable, but the Optionee acknowledges there may be delays in distribution due to exchange control requirements. The proceeds may be paid to the Optionee in U.S. dollars or local currency, at the Company's discretion. If proceeds are paid in U.S. dollars, the Optionee will be required to set up a U.S. dollar bank account in China and provide the account details to the entity providing services to the Optionee (if any) and/or the Company so that the proceeds may be deposited into this account. If proceeds are paid in local currency, the Company is under no obligation to secure any particular exchange conversion rate, and the Optionee agrees to bear any currency fluctuation risk between the time the shares are sold (or dividends are paid) and the time the proceeds are distributed.

The Optionee further agrees to comply with any other requirements the Company may impose in the future to facilitate compliance with exchange control requirements in China.

Notifications**Foreign Asset/Account Reporting Information.**

PRC residents are required to report to SAFE all details of their foreign financial assets and liabilities, as well as details of any economic transactions conducted with non-PRC residents. Under these rules, the Optionee may be subject to reporting obligations for the Stock Option, shares of Stock acquired upon exercise, the receipt of any dividends, and the sale of shares. The Optionee is solely responsible for complying with any such reporting obligations and should consult with a personal advisor regarding the applicable requirements.

**NON-QUALIFIED STOCK OPTION AGREEMENT
FOR NON-EMPLOYEE DIRECTORS
UNDER THE FACTORIAL ENERGY INC.
2026 EQUITY INCENTIVE PLAN**

Name of Optionee: _____

No. of Option Shares: _____

Option Exercise Price per Share: \$ _____
[FMV on Grant Date]

Grant Date: _____

Expiration Date: _____
[No more than 10 years]

Pursuant to the Factorial Energy Inc. 2026 Equity Incentive Plan as amended through the date hereof (the “**Plan**”), Factorial Energy Inc. (the “**Company**”) hereby grants to the Optionee named above an option (the “**Stock Option**”) to purchase on or prior to the Expiration Date specified above all or part of the number of shares of Series A Common Stock, par value \$0.00001 per share (the “**Stock**”), of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan. This Stock Option is not intended to be an “incentive stock option” under Section 422 of the Internal Revenue Code of 1986, as amended.

1. Exercisability Schedule. No portion of this Stock Option may be exercised until such portion has become exercisable. Except as set forth below, and subject to the discretion of the Administrator to accelerate the exercisability schedule hereunder, this Stock Option shall be exercisable as follows: _____, so long as the Optionee continues to have a Service Relationship through the applicable date.

Notwithstanding the foregoing, in the event of a Sale Event, 100% of the then-outstanding and unvested Option Shares shall immediately be deemed vested and exercisable on the date of such Sale Event; provided, that the Optionee remains in a Service Relationship through the date of such Sale Event. Once exercisable, this Stock Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise.

(a) The Optionee may exercise this Stock Option only in the following manner: from time to time on or prior to the Expiration Date of this Stock Option, the Optionee may give written notice to the Administrator of the Optionee's election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the exercise price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option exercise price, provided that in the event the Optionee chooses to pay the option exercise price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator may prescribe as a condition of such payment procedure; (iii) by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; or (iv) a combination of (i), (ii) and (iii) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company's receipt from the Optionee of the full exercise price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of laws, and (iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Option Shares and any subsequent resale of the Option Shares will be in compliance with applicable laws and regulations.

(b) The shares of Stock purchased upon exercise of this Stock Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Option Shares unless and until this Stock Option has been exercised pursuant to the terms hereof, the Company or the transfer agent has transferred the Option Shares to the Optionee, and the Optionee's name has been entered as the stockholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such Option Shares.

(c) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date hereof.

3. Termination of Service Relationship. If the Optionee's Service Relationship terminates, the period within which to exercise the Stock Option may be subject to earlier termination as set forth below.

(a) Termination Due to Death. If the Optionee's Service Relationship terminates due to the Optionee's death, any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of death, may thereafter be exercised by the Optionee's legal representative or legatee for a period of _____ from the date of death or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(b) Termination Due to Disability. If the Optionee's Service Relationship terminates due to the Optionee's disability (as determined by the Administrator), any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of such termination, may thereafter be exercised by the Optionee for a period of _____ from the date of termination or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

(c) Termination for Cause. If the Optionee's Service Relationship is terminated by the Company or an Affiliate for Cause or the Company determines after the termination of the Optionee's Service Relationship that Cause exists or existed, any portion of this Stock Option outstanding on such date shall terminate immediately and be of no further force and effect. For purposes hereof, "**Cause**" means, unless otherwise provided in an employment or other service agreement between the Company or an Affiliate and the Optionee, a determination by the Administrator that the Optionee's Service Relationship will be terminated as a result of (i) any material breach by the Optionee of any agreement between the Optionee and the Company or any Affiliate; (ii) the conviction of, indictment for or plea of nolo contendere by the Optionee to a felony or a crime involving moral turpitude; or (iii) any material misconduct or willful and deliberate non-performance (other than by reason of disability) by the Optionee of the Optionee's duties to the Company or an Affiliate.

(d) Other Termination. If the Optionee's Service Relationship terminates for any reason other than the Optionee's death, the Optionee's disability or Cause, and unless otherwise determined by the Administrator, any portion of this Stock Option outstanding on such date may be exercised, to the extent exercisable on the date of termination, for a period of _____ from the date of termination or until the Expiration Date, if earlier. Unless otherwise determined by the Administrator, any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

The Administrator's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and the Optionee's representatives or legatees.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meanings specified in the Plan, unless a different meaning is specified herein.

5. Transferability. This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Stock Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. Tax Withholding. The Optionee shall, not later than the date as of which amounts with respect to this Stock Option become includable in the gross income of the Optionee for income tax purposes, pay to the Company or an Affiliate, or make arrangements satisfactory to the Administrator for payment of, any U.S. federal, state or local taxes and non-U.S. or other taxes of any kind required by law to be withheld by the Company or its Affiliates with respect to the Stock Option. The Administrator may require that the Company's or an Affiliate's tax withholding obligation be satisfied, in whole or in part, by (i) the Company withholding from the Option Shares a number of shares of Stock with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due; provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment or (ii) an arrangement whereby a certain number of Option Shares are immediately sold and proceeds from such sale are remitted to the Company or any applicable Affiliate in an amount that would satisfy the withholding amount due.

7. No Obligation to Continue Service Relationship. Neither the Company nor any Affiliate is obligated by or as a result of the Plan or this Agreement to continue the Optionee's employment or other Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Affiliate to terminate the Optionee's employment or other Service Relationship at any time.

8. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

9. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its Affiliates and certain agents thereof (together, the “**Relevant Companies**”) may process any and all personal or professional data, including but not limited to, Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the “**Relevant Information**”). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction that the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

10. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

11. Clawback Acknowledgement. The Optionee acknowledges that the Optionee is or may become subject to the Factorial Energy Inc. Compensation Recovery Policy adopted pursuant to Rule 10D-1 promulgated under the Exchange Act and Nasdaq Rule 5608, or any successor rule (as may be amended from time to time, the “**Clawback Policy**”). The Optionee understands that if the Optionee is or becomes subject to the Clawback Policy, the Company and/or the Board shall be entitled to recover all Erroneously Awarded Compensation (as defined in the Clawback Policy) from the Optionee pursuant to such means as the Company and/or the Board may elect. The Optionee agrees that the Optionee shall take all required action to enable such recovery. The Optionee understands that such recovery may be sought and occur after the Optionee’s Service Relationship terminates. The Optionee further agrees that the Optionee is not entitled to indemnification for any Erroneously Awarded Compensation or for any claim or losses arising out of or in any way related to Erroneously Awarded Compensation recovered pursuant to the Clawback Policy and, to the extent any agreement or organizational document purports to provide otherwise, the Optionee hereby irrevocably agrees to forego such indemnification. The Optionee acknowledges and agrees that the Optionee has received and has had an opportunity to review the Clawback Policy. Any action by the Company to recover Erroneously Awarded Compensation under the Clawback Policy from the Optionee shall not, whether alone or in combination with any other action, event or condition, be deemed (i) an event giving rise to a right to resign for “good reason,” if applicable, or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Optionee or (ii) to constitute a breach of a contract or other arrangement to which the Optionee is a party. Further, to the extent that any Optionee receives any amount in excess of the amount that the Optionee should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Administrator may require the Optionee to repay any such excess amount to the Company. This Section 11 is a material term of this Agreement.

Factorial Energy Inc.

By: _____
Title: _____

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Dated: _____

Optionee's Signature

Optionee's name and address:

RESTRICTED STOCK AWARD AGREEMENT

UNDER THE FACTORIAL ENERGY INC.

2026 EQUITY INCENTIVE PLAN

Name of Grantee: _____

No. of Shares: _____

Grant Date: _____

Pursuant to the Factorial Energy Inc. 2026 Equity Incentive Plan as amended through the date hereof (the “**Plan**”), Factorial Energy Inc. (the “**Company**”) hereby grants a Restricted Stock Award (an “**Award**”) to the Grantee named above. Upon acceptance of this Award, the Grantee shall receive the number of shares of Series A Common Stock, par value \$0.00001 per share (the “**Stock**”), of the Company specified above, subject to the restrictions and conditions set forth herein and in the Plan. The Company acknowledges the receipt from the Grantee of consideration with respect to the par value of the Stock in the form of cash, past or future services rendered to the Company by the Grantee or such other form of consideration as is acceptable to the Administrator.

1. **Award.** The shares of Restricted Stock awarded hereunder shall be issued and held by the Company’s transfer agent in book entry form, and the Grantee’s name shall be entered as the stockholder of record on the books of the Company. Thereupon, the Grantee shall have all the rights of a stockholder with respect to such shares, including voting and dividend rights, subject, however, to the restrictions and conditions specified in Paragraph 2 below. The Grantee shall (i) sign and deliver to the Company a copy of this Award Agreement and (ii) deliver to the Company a stock power endorsed in blank.

2. **Restrictions and Conditions.**

(a) Any book entries for the shares of Restricted Stock granted herein shall bear an appropriate legend, as determined by the Administrator in its sole discretion, to the effect that such shares are subject to restrictions as set forth herein and in the Plan.

(b) Shares of Restricted Stock granted herein may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of by the Grantee prior to vesting.

(c) Unless otherwise determined by the Administrator, if the Grantee’s Service Relationship terminates for any reason (including due to death or disability) prior to vesting of shares of Restricted Stock granted herein, all shares of Restricted Stock shall immediately and automatically be forfeited and returned to the Company.

3. Vesting of Restricted Stock. The restrictions and conditions in Paragraph 2 of this Agreement shall lapse as follows: _____ (each such date, a “***Vesting Date***”), so long as the Grantee continues to have a Service Relationship through the applicable Vesting Date. If a series of Vesting Dates is specified, then the restrictions and conditions in Paragraph 2 shall lapse only with respect to the number of shares of Restricted Stock specified as vested on such Vesting Date.

Subsequent to such Vesting Date or Vesting Dates, the shares of Stock on which all restrictions and conditions have lapsed shall no longer be deemed Restricted Stock. The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 3.

4. Dividends. Any dividends on shares of Restricted Stock paid by the Company during the vesting period shall accrue and shall not be paid to the Grantee until and to the extent the underlying shares of Restricted Stock vest.

5. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Award shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meanings specified in the Plan, unless a different meaning is specified herein.

6. Transferability. This Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

7. Tax Withholding. The Grantee shall, not later than the date as of which of this Award becomes includable in the gross income of the Grantee for income tax purposes, pay to the Company or an Affiliate, or make arrangements satisfactory to the Administrator for payment of, any U.S. federal, state or local and non-U.S. or other taxes of any kind required by law to be withheld by the Company or its Affiliates with respect to the Award. Except in the case where an election is made pursuant to Paragraph 8 below, the Administrator may require that the Company’s or Affiliate’s tax withholding obligation be satisfied, in whole or in part, by (i) the Company withholding from shares of Stock subject to this Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due, provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment or (ii) an arrangement whereby a certain number of shares of Stock subject to the Award are immediately sold and proceeds from such sale are remitted to the Company or any applicable Affiliate in an amount that would satisfy the withholding amount due.

8. Election Under Section 83(b). The Grantee and the Company hereby agree that the Grantee may, within 30 days following the Grant Date of this Award, file with the Internal Revenue Service and the Company an election under Section 83(b) of the Internal Revenue Code. In the event the Grantee makes such an election, he or she agrees to provide a copy of the election to the Company. The Grantee acknowledges that the Grantee is responsible for obtaining the advice of the Grantee's tax advisors with regard to the Section 83(b) election and that the Grantee is relying solely on such advisors and not on any statements or representations of the Company or any of its agents with regard to such election.

9. No Obligation to Continue Service Relationship. Neither the Company nor any Affiliate is obligated by or as a result of the Plan or this Agreement to continue the Grantee's employment or other Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's employment or other Service Relationship at any time.

10. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

11. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its Affiliates and certain agents thereof (together, the "**Relevant Companies**") may process any and all personal or professional data, including but not limited to, Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "**Relevant Information**"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction that the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

12. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

13. Clawback Acknowledgement. The Grantee acknowledges that the Grantee is or may become subject to the Factorial Energy Inc. Compensation Recovery Policy adopted pursuant to Rule 10D-1 promulgated under the Exchange Act and Nasdaq Rule 5608, or any successor rule (as may be amended from time to time, the “**Clawback Policy**”). The Grantee understands that if the Grantee is or becomes subject to the Clawback Policy, the Company and/or the Board shall be entitled to recover all Erroneously Awarded Compensation (as defined in the Clawback Policy) from the Grantee pursuant to such means as the Company and/or the Board may elect. The Grantee agrees that the Grantee shall take all required action to enable such recovery. The Grantee understands that such recovery may be sought and occur after the Grantee’s Service Relationship terminates. The Grantee further agrees that the Grantee is not entitled to indemnification for any Erroneously Awarded Compensation or for any claim or losses arising out of or in any way related to Erroneously Awarded Compensation recovered pursuant to the Clawback Policy and, to the extent any agreement or organizational document purports to provide otherwise, the Grantee hereby irrevocably agrees to forego such indemnification. The Grantee acknowledges and agrees that the Grantee has received and has had an opportunity to review the Clawback Policy. Any action by the Company to recover Erroneously Awarded Compensation under the Clawback Policy from the Grantee shall not, whether alone or in combination with any other action, event or condition, be deemed (i) an event giving rise to a right to resign for “good reason,” if applicable, or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Grantee or (ii) to constitute a breach of a contract or other arrangement to which the Grantee is a party. Further, to the extent that any Grantee receives any amount in excess of the amount that the Grantee should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Administrator may require the Grantee to repay any such excess amount to the Company. This Section 13 is a material term of this Agreement.

Factorial Energy Inc.

By: _____
Title: _____

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: _____ Grantee's Signature _____

Grantee's name and address:

**RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR COMPANY EMPLOYEES AND CONSULTANTS
UNDER THE FACTORIAL ENERGY INC.
2026 EQUITY INCENTIVE PLAN**

Name of Grantee: _____

No. of Restricted Stock Units: _____

Grant Date: _____

Pursuant to the Factorial Energy Inc. 2026 Equity Incentive Plan as amended through the date hereof (the “**Plan**”), Factorial Energy Inc. (the “**Company**”) hereby grants an award of the number of Restricted Stock Units listed above (an “**Award**”) to the Grantee named above. Each Restricted Stock Unit relates to one share of Series A Common Stock, par value \$0.00001 per share (the “**Stock**”), of the Company.

1. Restrictions on Transfer of Award. This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any shares of Stock issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Stock Units have vested as provided in Paragraph 2 of this Agreement and (ii) shares of Stock have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.
2. Vesting of Restricted Stock Units. The restrictions and conditions of Paragraph 1 of this Agreement shall lapse as follows:
_____ (each such date, a “**Vesting Date**”), so long as the Grantee continues to have a Service Relationship through the applicable Vesting Date. If a series of Vesting Dates is specified, then the restrictions and conditions in Paragraph 1 shall lapse only with respect to the number of Restricted Stock Units specified as vested on such Vesting Date.

The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Service Relationship. Unless otherwise determined by the Administrator, if the Grantee’s Service Relationship terminates for any reason (including death or disability) prior to the satisfaction of the vesting conditions set forth in Paragraph 2 above, any Restricted Stock Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of the Grantee’s successors, heirs, assigns or personal representatives will thereafter have any further rights or interests in such unvested Restricted Stock Units.
4. Issuance of Shares of Stock. As soon as practicable following each Vesting Date (but in no event later than two and one-half months after the end of the year in which the Vesting Date occurs), the Company shall issue to the Grantee the number of shares of Stock equal to the aggregate number of Restricted Stock Units that have vested pursuant to Paragraph 2 of this Agreement on such Vesting Date and the Grantee shall thereafter have all the rights of a stockholder of the Company with respect to such shares.
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5. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meanings specified in the Plan, unless a different meaning is specified herein.
6. Tax Withholding. The Grantee shall, not later than the date as of which of this Award becomes includable in the gross income of the Grantee for income tax purposes, pay to the Company or an Affiliate, or make arrangements satisfactory to the Administrator for payment of, any U.S. federal, state or local and non-U.S. or other taxes of any kind required by law to be withheld by the Company or its Affiliates with respect to the Award. The Administrator may require that the Company's or Affiliate's tax withholding obligation be satisfied, in whole or in part, by (i) the Company withholding from shares of Stock to be issued pursuant to this Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due, provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment or (ii) an arrangement whereby a certain number of shares of Stock subject to the Award are immediately sold and proceeds from such sale are remitted to the Company or any applicable Affiliate in an amount that would satisfy the withholding amount due.
7. Responsibility for Tax-Related Items. Regardless of any action the Company or any Affiliate takes with respect to any or all applicable income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("***Tax-Related Items***"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Grantee's responsibility and may exceed the amount, if any, actually withheld by the Company or any Affiliate. The Grantee further acknowledges that the Company and its Affiliates (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant, vesting or settlement of the Award, the subsequent sale of any shares of Stock acquired pursuant to such settlement and the receipt of any dividends; and (b) do not commit to and are under no obligation to structure the terms of the Award or any aspect of the Award to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Grantee has become subject to Tax-Related Items in more than one jurisdiction, the Grantee acknowledges that the Company or any Affiliate may be required to withhold or account for Tax-Related Items in more than one jurisdiction. The Grantee further acknowledges that the Grantee is solely responsible for filing all relevant documentation that may be required in relation to this Award or any Tax-Related Items (other than filings or documentation that is the specific obligation of the Company or any Affiliate pursuant to applicable law), such as but not limited to personal income tax returns or any reporting statements in relation to the grant, vesting or settlement of the Award, the holding of any shares of Stock or any bank or brokerage account, the subsequent sale of any such shares, and the receipt of any dividends.
8. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A as "short-term deferrals" as described in Section 409A.

9. No Obligation to Continue Service Relationship. Neither the Company nor any Affiliate is obligated by or as a result of the Plan or this Agreement to continue the Grantee's employment or other Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's employment or other Service Relationship at any time.
10. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.
11. Country-Specific Addendum. Notwithstanding any provision in this Agreement, if the Grantee resides in or is otherwise subject to the laws of a country listed in the Country-Specific Addendum attached hereto (the "**Addendum**"), the Award shall be subject to any additional terms, conditions and disclosures set forth in the Addendum for the Grantee's country. The Addendum forms part of this Agreement. Further, the Grantee acknowledges that the laws of the country in which the Grantee is residing or working at the time of grant, vesting or settlement of the Award (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may subject the Grantee to additional procedural or regulatory requirements that the Grantee is and will be solely responsible for and must fulfill, and may be outlined in the Addendum. If the Grantee transfers residence to, or otherwise becomes subject to the laws of, another country at any time, the country-specific terms, conditions and disclosures applicable to that country shall apply to the Award as from the date of grant, unless otherwise determined by the Company in its sole discretion.
12. Electronic Delivery and Translation. The Company may, in its sole discretion, decide to deliver any documents related to the Grantee's current or future participation in the Plan, this Award, the shares of Stock subject to this Award, or any other Company securities or Company-related documents, by electronic means. By accepting this Award, whether electronically or otherwise, the Grantee (i) consents to receive such documents by electronic means, (ii) consents to the use of electronic signatures, and (iii) agrees to participate in the Plan and/or receive any such documents through an online or electronic system established and maintained by the Company or a third party designated by the Company, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions. To the extent the Grantee has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Award in a language other than English, the English language version will prevail in case of any ambiguities or divergences as a result of translation.
13. No Acquired Rights or Employment Rights. In accepting this Award, the Grantee acknowledges that the Plan is established voluntarily by the Company, is discretionary in nature, and may be modified, amended, suspended or terminated by the Company at any time. The grant of this Award is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, other Awards or benefits in lieu of Restricted Stock Units, even if such Awards have been granted repeatedly in the past, and all decisions with respect to future grants of Restricted Stock Units or other Awards, if any, will be at the sole discretion of the Company. In addition, the Grantee's participation in the Plan is voluntary, and this Award and any shares of Stock acquired pursuant to this Award are extraordinary items that do not constitute regular compensation for services rendered to the Company or any Affiliate and are outside the scope of the Grantee's employment or service contract, if any. This Award and any shares of Stock acquired pursuant to this Award are not intended to replace any pension rights or compensation and are not part of normal or expected salary or compensation for any purpose, including but not limited to calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement benefits, or similar payments.

14. **Data Privacy Consent.** In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its Affiliates and certain agents thereof (together, the “**Relevant Companies**”) may process any and all personal or professional data, including but not limited to, Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the “**Relevant Information**”). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction that the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

15. **Notices.** Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

16. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable under any applicable law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, and the remaining provisions shall continue in full force and effect.

17. **Clawback Acknowledgement.** The Grantee acknowledges that the Grantee is or may become subject to the Factorial Energy Inc. Compensation Recovery Policy adopted pursuant to Rule 10D-1 promulgated under the Exchange Act and Nasdaq Rule 5608, or any successor rule (as may be amended from time to time, the “**Clawback Policy**”). The Grantee understands that if the Grantee is or becomes subject to the Clawback Policy, the Company and/or the Board shall be entitled to recover all Erroneously Awarded Compensation (as defined in the Clawback Policy) from the Grantee pursuant to such means as the Company and/or the Board may elect. The Grantee agrees that the Grantee shall take all required action to enable such recovery. The Grantee understands that such recovery may be sought and occur after the Grantee’s Service Relationship terminates. The Grantee further agrees that the Grantee is not entitled to indemnification for any Erroneously Awarded Compensation or for any claim or losses arising out of or in any way related to Erroneously Awarded Compensation recovered pursuant to the Clawback Policy and, to the extent any agreement or organizational document purports to provide otherwise, the Grantee hereby irrevocably agrees to forego such indemnification. The Grantee acknowledges and agrees that the Grantee has received and has had an opportunity to review the Clawback Policy. Any action by the Company to recover Erroneously Awarded Compensation under the Clawback Policy from the Grantee shall not, whether alone or in combination with any other action, event or condition, be deemed (i) an event giving rise to a right to resign for “good reason,” if applicable, or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Grantee or (ii) to constitute a breach of a contract or other arrangement to which the Grantee is a party. Further, to the extent that any Grantee receives any amount in excess of the amount that the Grantee should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Administrator may require the Grantee to repay any such excess amount to the Company. This Section 12 is a material term of this Agreement.

Factorial Energy Inc.

By: _____
Title: _____

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: _____

Grantee's Signature

Grantee's name and address:

COUNTRY-SPECIFIC ADDENDUM

to the Factorial Energy Inc. Restricted Stock Unit Award Agreement

This Country-Specific Addendum (the “*Addendum*”) includes additional notices, disclaimers, terms and conditions that apply to Grantees who are working or residing in the countries listed below and that may be material to the Grantee’s participation in the Plan. Such notices, disclaimers, terms and conditions may also apply, as from the date of grant, if the Grantee moves to or otherwise becomes subject to the applicable laws or Company policies of a country listed. Because foreign exchange regulations and other local laws are subject to frequent change, the Grantee is advised to seek advice from his or her own personal legal and tax advisor prior to accepting this Award or holding or selling shares of Stock acquired under the Plan. The Company is not providing any tax, legal or financial advice, nor making any recommendations regarding the Grantee’s acceptance of this Award or participation in the Plan. Unless otherwise noted below, capitalized terms shall have the same meaning assigned to them under the Plan and the Agreement. This Addendum forms part of the Agreement and should be read in conjunction with the Agreement and the Plan.

Securities Law Notice

Unless otherwise noted, neither the Company nor the shares of Stock are registered with any local stock exchange or under the control of any local securities regulator outside the United States. This Agreement (of which this Addendum is a part), the Plan, and any other communications or materials that the Grantee may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the United States, and the issuance of securities described in any Plan-related documents is not intended for public offering or circulation in the Grantee’s jurisdiction.

European Union / European Economic Area (France, Germany)

Notifications

Data Privacy.

For residents of the EU/EEA and elsewhere as may be applicable, the following provision applies and supplements the Data Privacy Consent section of the Agreement. The Grantee understands and acknowledges that: (a) the data controller is the Company, and queries or requests regarding the Grantee’s personal data should be made in writing to the Company’s representative relating to the Plan or the Restricted Stock Units; (b) the legal basis for the processing of personal data is that the processing is necessary for the performance of a contract to which the Grantee is a party (namely, this Agreement); (c) personal data will be held only as long as is necessary to implement, administer and manage the Grantee’s participation in the Plan; and (d) the Grantee may, at any time, access his or her personal data, request additional information about the storage and processing of personal data, require any necessary amendments to personal data without cost or exercise any other rights they may have in relation to their personal data under applicable law, including the right to make a complaint to an EU data protection regulator.

EU Prospectus Regulation Exemption.

This offer is being made to selected Grantees as part of an employee incentive programme in order to provide an additional incentive and to encourage employee share ownership and to increase the Grantee’s interest in the success of the Company. The company offering these rights is the Company. The shares which are the subject of these rights are common stock in the Company. More information in relation to the Company can be found at the Company’s public investor relations website. The obligation to publish a prospectus does not apply because of Article 1(4)(i) of the EU Prospectus Regulation.

France

Terms and Conditions

Language Consent.

By accepting the Restricted Stock Units, the Grantee confirms having read and understood the Plan and the Agreement, which were provided in the English language. The Grantee accepts the terms of those documents accordingly.

Consentement Relatif à la Langue Utilisée.

En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat d'Attribution de RSU, qui ont été communiqués en langue anglaise. Le Participant accepte les termes de ces documents en connaissance de cause.

Tax Information.

The Restricted Stock Units are not intended to qualify for special tax or social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

Notifications

Foreign Asset/Account Reporting Information.

If the Grantee holds cash or securities (including shares of Stock acquired under the Plan) outside of France or maintains a foreign bank or brokerage account (including accounts opened, held, used and/or closed during the tax year), the Grantee must declare such assets and accounts to the French tax authorities when filing his or her annual tax return. Failure to comply could trigger significant penalties.

Germany

Notifications

Exchange Control Information.

Cross-border payments in excess of EUR 12,500 in connection with the sale of securities (including shares of Stock acquired under the Plan) or the receipt of any dividends must be reported monthly to the German Federal Bank (Bundesbank). If the Grantee makes or receives a payment in excess of this amount, the Grantee is responsible for complying with applicable reporting requirements.

Japan

Notifications

Exchange Control Information.

If the Grantee acquires shares of Stock whose value exceeds JPY 100,000,000 in a single transaction, the Grantee must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days of acquiring the shares. The forms to make this report can be obtained from the Bank of Japan.

Foreign Asset/Account Reporting Information.

The Grantee is required to report details of any assets held outside Japan as of December 31 (including shares of Stock acquired under the Plan) to the extent such assets have a total net fair market value exceeding JPY 50,000,000. The report is due by March 15 of the year following the relevant year. The Grantee should consult with his or her personal tax advisor to determine if the reporting obligation applies to the Grantee's personal situation.

Republic of Korea

Terms and Conditions

Grantor.

If the Grantee has a Service Relationship in the Republic of Korea, notwithstanding anything set forth in the Plan documents, the Award is granted by the Company and not by the entity providing services to the Grantee.

Notifications

Foreign Asset/Account Reporting Information.

Korean residents must declare all foreign financial accounts (including any foreign brokerage accounts in which shares of Stock acquired under the Plan are held) to the Korean tax authority and file a report with respect to such accounts if the aggregate monthly balance of such accounts exceeds KRW 500,000,000 (or an equivalent amount in foreign currency) on any month-end date during the relevant year. The Grantee should consult with his or her personal tax advisor to determine the applicable reporting obligations.

China

Terms and Conditions

The following Terms and Conditions apply to the Grantee if the Grantee is subject to the exchange control restrictions and regulations of the People's Republic of China ("PRC"), including the requirements imposed by the PRC State Administration of Foreign Exchange ("SAFE"), as determined by the Company in its sole discretion.

SAFE Approval / Conditions for Settlement of Award.

Notwithstanding anything to the contrary in the Agreement or the Plan, no shares of Stock will be issued to the Grantee in settlement of the Restricted Stock Units unless and until all necessary exchange control or other approvals with respect to the Restricted Stock Units granted under the Plan have been obtained from SAFE or its local counterpart ("**SAFE Approval**"). In the event that SAFE Approval has not been obtained prior to any date on which the Restricted Stock Units are scheduled to vest, any shares of Stock contemplated to be issued in settlement of such vested Restricted Stock Units shall be held by the Company on behalf of the Grantee until SAFE Approval is obtained. If the Grantee's Service Relationship with the Company or any Affiliate terminates prior to receipt of SAFE Approval, any unsettled Restricted Stock Units shall be forfeited. If SAFE Approval is not obtained within a reasonable period or ceases to be effective, the Company reserves the right, in its sole discretion, to settle the vested Restricted Stock Units in cash in lieu of issuing shares of Stock, in each case to the extent permitted by applicable law.

Mandatory Sale of Shares.

Due to local regulatory requirements, the Grantee agrees to the immediate sale of any shares of Stock issued upon vesting and settlement of the Restricted Stock Units. The sale may occur (i) immediately upon settlement, (ii) following the termination of the Grantee's Service Relationship with the Company or any Affiliate, or (iii) within any other time frame as the Company determines to be necessary or advisable to comply with local regulatory requirements. The Grantee further agrees that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on the Grantee's behalf pursuant to this authorization), and the Grantee expressly authorizes the Company's designated broker to complete the sale of such shares. The Grantee acknowledges that the Company's designated broker is under no obligation to arrange for the sale of the shares at any particular price. Upon the sale of the shares, the Company agrees to pay the cash proceeds, less any brokerage fees or commissions and subject to satisfaction of any Tax-Related Items, to the Grantee in accordance with applicable exchange control laws and regulations.

Designated Brokerage Account.

Any shares of Stock to be issued to the Grantee shall be deposited directly into an account with the Company's designated broker. Such shares shall not be transferable (either electronically or in certificate form) from the brokerage account. This limitation applies both to transfers to different accounts with the same broker and to transfers to other brokerage firms, and applies whether or not the Grantee continues to have a Service Relationship with the Company or any Affiliate.

Compulsory Post-Termination Sale.

If the Grantee's Service Relationship with the Company or any Affiliate terminates for any reason, any shares of Stock issued in settlement of vested Restricted Stock Units shall be sold within three (3) months of the termination date (or such shorter period required by SAFE or other applicable law). Upon the expiration of such period, any remaining shares will automatically be sold on behalf of the Grantee on the first trading day following such expiration. The Company reserves the right to shorten or eliminate this post-termination sale period if required by local law or otherwise as it deems appropriate in its sole discretion.

Exchange Control Requirements / Repatriation.

The Grantee understands and agrees that, pursuant to local exchange control requirements, the Grantee will be required to immediately repatriate to China the cash proceeds from the sale of shares of Stock acquired under the Plan and any dividends or dividend equivalents. The Grantee further understands that such repatriation may need to be effected through a special exchange control account established by the Company or an Affiliate in China, and the Grantee hereby consents and agrees that such proceeds may be transferred to such special account prior to being delivered to the Grantee.

The Company will deliver the proceeds to the Grantee as soon as reasonably practicable, but the Grantee acknowledges there may be delays in distribution due to exchange control requirements. The proceeds may be paid to the Grantee in U.S. dollars or in local currency, at the Company's discretion. If proceeds are paid in U.S. dollars, the Grantee will be required to set up a U.S. dollar bank account in China and provide the account details to the entity providing services to the Grantee (if any) and/or the Company so that the proceeds may be deposited into this account. If proceeds are paid in local currency, the Company is under no obligation to secure any particular exchange conversion rate, and the Grantee agrees to bear any currency fluctuation risk between the time the shares are sold (or dividends are paid) and the time the proceeds are distributed.

The Grantee further agrees to comply with any other requirements the Company may impose in the future to facilitate compliance with exchange control requirements in China.

Notifications

Foreign Asset/Account Reporting Information.

PRC residents are required to report to SAFE all details of their foreign financial assets and liabilities, as well as details of any economic transactions conducted with non-PRC residents. Under these rules, the Grantee may be subject to reporting obligations for the Restricted Stock Units, shares of Stock acquired under the Plan, the receipt of any dividends, and the sale of shares. The Grantee is solely responsible for complying with any such reporting obligations and should consult with a personal advisor regarding the applicable requirements.

**RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR NON-EMPLOYEE DIRECTORS
UNDER THE FACTORIAL ENERGY INC.
2026 EQUITY INCENTIVE PLAN**

Name of Grantee: _____

No. of Restricted Stock Units: _____

Grant Date: _____

Pursuant to the Factorial Energy Inc. 2026 Equity Incentive Plan as amended through the date hereof (the “**Plan**”), Factorial Energy Inc. (the “**Company**”) hereby grants an award of the number of Restricted Stock Units listed above (an “**Award**”) to the Grantee named above. Each Restricted Stock Unit relates to one share of Series A Common Stock, par value \$0.00001 per share (the “**Stock**”), of the Company.

1. Restrictions on Transfer of Award. This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any shares of Stock issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Stock Units have vested as provided in Paragraph 2 of this Agreement and (ii) shares of Stock have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.

2. Vesting of Restricted Stock Units. The restrictions and conditions of Paragraph 1 of this Agreement shall lapse as follows:
_____ (each such date, a “**Vesting Date**”), so long as the Grantee continues to have a Service Relationship through the applicable Vesting Date. If a series of Vesting Dates is specified, then the restrictions and conditions in Paragraph 1 shall lapse only with respect to the number of Restricted Stock Units specified as vested on such Vesting Date.

Notwithstanding the foregoing, in the event of a Sale Event, 100% of the then-outstanding and unvested Restricted Stock Units shall immediately be deemed vested on the date of such Sale Event; provided, that the Grantee remains in a Service Relationship through the date of such Sale Event. The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Service Relationship. Unless otherwise determined by the Administrator, if the Grantee’s Service Relationship terminates for any reason (including death or disability) prior to the satisfaction of the vesting conditions set forth in Paragraph 2 above, any Restricted Stock Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of the Grantee’s successors, heirs, assigns or personal representatives will thereafter have any further rights or interests in such unvested Restricted Stock Units.

4. Issuance of Shares of Stock. As soon as practicable following each Vesting Date (but in no event later than two and one-half months after the end of the year in which the Vesting Date occurs), the Company shall issue to the Grantee the number of shares of Stock equal to the aggregate number of Restricted Stock Units that have vested pursuant to Paragraph 2 of this Agreement on such Vesting Date and the Grantee shall thereafter have all the rights of a stockholder of the Company with respect to such shares.

5. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meanings specified in the Plan, unless a different meaning is specified herein.

6. Tax Withholding. The Grantee shall, not later than the date as of which of this Award becomes includable in the gross income of the Grantee for income tax purposes, pay to the Company or an Affiliate, or make arrangements satisfactory to the Administrator for payment of, any U.S. federal, state or local and non-U.S. or other taxes of any kind required by law to be withheld by the Company or its Affiliates with respect to the Award. The Administrator may require that the Company's or Affiliate's tax withholding obligation be satisfied, in whole or in part, by (i) the Company withholding from shares of Stock to be issued pursuant to this Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due, provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment or (ii) an arrangement whereby a certain number of shares of Stock subject to the Award are immediately sold and proceeds from such sale are remitted to the Company or any applicable Affiliate in an amount that would satisfy the withholding amount due.

7. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A as "short-term deferrals" as described in Section 409A.

8. No Obligation to Continue Service Relationship. Neither the Company nor any Affiliate is obligated by or as a result of the Plan or this Agreement to continue the Grantee's employment or other Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's employment or other Service Relationship at any time.

9. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

10. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its Affiliates and certain agents thereof (together, the "**Relevant Companies**") may process any and all personal or professional data, including but not limited to, Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "**Relevant Information**"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction that the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

11. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

12. Clawback Acknowledgement. The Grantee acknowledges that the Grantee is or may become subject to the Factorial Energy Inc. Compensation Recovery Policy adopted pursuant to Rule 10D-1 promulgated under the Exchange Act and Nasdaq Rule 5608, or any successor rule (as may be amended from time to time, the “**Clawback Policy**”). The Grantee understands that if the Grantee is or becomes subject to the Clawback Policy, the Company and/or the Board shall be entitled to recover all Erroneously Awarded Compensation (as defined in the Clawback Policy) from the Grantee pursuant to such means as the Company and/or the Board may elect. The Grantee agrees that the Grantee shall take all required action to enable such recovery. The Grantee understands that such recovery may be sought and occur after the Grantee’s Service Relationship terminates. The Grantee further agrees that the Grantee is not entitled to indemnification for any Erroneously Awarded Compensation or for any claim or losses arising out of or in any way related to Erroneously Awarded Compensation recovered pursuant to the Clawback Policy and, to the extent any agreement or organizational document purports to provide otherwise, the Grantee hereby irrevocably agrees to forego such indemnification. The Grantee acknowledges and agrees that the Grantee has received and has had an opportunity to review the Clawback Policy. Any action by the Company to recover Erroneously Awarded Compensation under the Clawback Policy from the Grantee shall not, whether alone or in combination with any other action, event or condition, be deemed (i) an event giving rise to a right to resign for “good reason,” if applicable, or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Grantee or (ii) to constitute a breach of a contract or other arrangement to which the Grantee is a party. Further, to the extent that any Grantee receives any amount in excess of the amount that the Grantee should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Administrator may require the Grantee to repay any such excess amount to the Company. This Section 12 is a material term of this Agreement.

Factorial Energy Inc.

By: _____
Title: _____

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: _____

Grantee's Signature

Grantee's name and address:

**FACTORIAL ENERGY INC.
2026 EMPLOYEE STOCK PURCHASE PLAN**

The purpose of the Factorial Energy Inc. 2026 Employee Stock Purchase Plan (the “*Plan*”) is to provide eligible employees of Factorial Energy Inc. (the “*Company*”) and each Designated Company (as defined in Section 11) with opportunities to purchase shares of Stock (as defined in Section 11). An aggregate of 1,830,211 shares of Stock have been approved and reserved for this purpose plus, on January 1, 2027 and each January 1 thereafter through January 1, 2036, the number of shares of Stock reserved and available for issuance under the Plan shall be cumulatively increased by the least of (i) 2% of the number of Outstanding Shares on the immediately preceding December 31st, (ii) 3,000,000 shares of Stock, or (iii) such number of shares of Stock as determined by the Administrator.

The Plan includes two components: a Code Section 423 Component (the “*423 Component*”) and a non-Code Section 423 Component (the “*Non-423 Component*”). It is intended for the 423 Component to constitute an “employee stock purchase plan” within the meaning of Section 423(b) of the U.S. Internal Revenue Code of 1986, as amended (the “*Code*”), and the 423 Component shall be interpreted in accordance with that intent (although the Company makes no undertaking or representation to maintain such qualification). In addition, this Plan authorizes the grant of Options (as defined in Section 8) under the Non-423 Component, which does not qualify as an “employee stock purchase plan” under Section 423 of the Code, and such Options granted under the Non-423 Component shall be granted pursuant to separate Offerings (as defined in Section 2) containing such sub-plans, appendices, rules or procedures as may be adopted by the Administrator (as defined in Section 1) and designed to achieve tax, securities laws or other objectives for eligible employees and the Designated Companies in locations outside of the United States. Except as otherwise provided herein or by the Administrator, the Non-423 Component will operate and be administered in the same manner as the 423 Component.

For purposes of this Plan, the Administrator may designate separate Offerings under the Plan, the terms of which need not be identical, in which eligible employees will participate, even if the dates of the applicable Offerings are identical, provided that the terms of participation are the same within each separate Offering under the 423 Component as determined under Section 423 of the Code. Solely by way of example and without limiting the foregoing, the Company could, but is not required to, provide for simultaneous Offerings under the Section 423 Component and the Non-423 Component of the Plan.

1. Administration. The Plan will be administered by the person or persons (the “*Administrator*”) appointed by the Company’s Board of Directors (the “*Board*”) for such purpose. The Administrator has authority at any time to: (i) adopt, alter and repeal such rules, guidelines and practices for the administration of the Plan and for its own acts and proceedings as it deems advisable; (ii) interpret the terms and provisions of the Plan; (iii) determine when and how Options will be granted and the provisions and terms of each Offering and/or Purchase Period (which need not be identical); (iv) select Designated Companies; (v) impose a mandatory holding period pursuant to which Participants (as defined in Section 11) may not dispose of or transfer shares of Stock purchased under the Plan for a period of time determined by the Administrator in its discretion; (vi) make all determinations it deems advisable for the administration of the Plan; (vii) decide all disputes arising in connection with the Plan; and (viii) otherwise supervise the administration of the Plan. Further, the Administrator may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures, provided that the adoption and implementation of any such rules and/or procedures would not cause the 423 Component to be in noncompliance with Section 423 of the Code. Without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules and procedures regarding handling of participation elections, payroll deductions, payment of interest, conversion of local currency, payroll tax, withholding procedures and handling of share certificates that vary with local requirements. All interpretations and decisions of the Administrator are binding on all persons, including the Company and the Participants. No member of the Board or individual exercising administrative authority with respect to the Plan will be liable for any action or determination made in good faith with respect to the Plan or any Option granted hereunder.

2. Offerings. The Company may make one or more offerings to eligible employees to purchase shares of Stock under the Plan (“*Offerings*”), consisting of one or more Purchase Periods. Each Offering will begin and end on the dates determined by the Administrator, provided that no Offering shall exceed 27 months in duration. Unless the Administrator, in its sole discretion, determines otherwise prior to an Offering Date (as defined in Section 3), and to the extent an Offering has more than one Purchase Period and to the extent permitted by applicable law, if the Fair Market Value of the Stock on any Exercise Date in an Offering is lower than the Fair Market Value of the Stock on the Offering Date, then all participants in such Offering will automatically be withdrawn from such Offering immediately after the exercise of their Options on such Exercise Date and automatically re-enrolled in the immediately following Offering as of the first day thereof and the preceding Offering will terminate.

3. Eligibility. All individuals classified as employees on the payroll records of the Company or a Designated Company as of the first day of the applicable Offering (the “*Offering Date*”) are eligible to participate in such Offering under the Plan, provided that the Administrator may determine, in advance of any Offering, that employees are eligible only if, as of the Offering Date, (a) they are customarily employed by the Company or a Designated Company for more than (i) 20 hours a week or (ii) five months per calendar year, (b) they have completed such minimum period of service prior to the Offering Date as determined by the Administrator (provided such service requirement does not exceed two years of employment), and/or (c) they are not highly compensated employees (within the meaning of Section 414(q) of the Code). Notwithstanding any other provision herein, individuals who are not contemporaneously classified as employees of the Company or a Designated Company for purposes of the Company’s or applicable Designated Company’s payroll system are not considered to be eligible employees of the Company or any Designated Company and are not eligible to participate in the Plan. In the event any such individuals are reclassified as employees of the Company or a Designated Company for any purpose, including, without limitation, common law or statutory employees, by any action of any third party, including, without limitation, any government agency, or as a result of any private lawsuit, action or administrative proceeding, such individuals shall, notwithstanding such reclassification, remain ineligible for participation. Notwithstanding the foregoing, the exclusive means for individuals who are not contemporaneously classified as employees of the Company or a Designated Company on the Company’s or Designated Company’s payroll system to become eligible to participate in this Plan is through an amendment or subplan to this Plan, duly executed by the Company, that specifically renders such individuals eligible to participate herein.

4. Participation. An eligible employee who is not a Participant in any prior Offering may participate in a subsequent Offering by submitting an enrollment form to the Company or an agent designated by the Company in a manner determined by the Administrator (including, but not limited to, by electronic means) by the deadline established by the Administrator for the Offering. The enrollment form will (a) state a whole percentage (unless the Administrator determines in advance of an Offering to require that a fixed amount be specified in lieu of a percentage) to be contributed from an eligible employee's Compensation (as defined in Section 11) per pay period and (b) authorize the purchase of shares of Stock in each Offering in accordance with the terms of the Plan. An employee who does not enroll in accordance with these procedures will be deemed to have waived the right to participate. Unless a Participant files a new enrollment form, withdraws from the Plan or otherwise becomes ineligible to participate in the Plan, such Participant's payroll deductions and purchases will continue at the same percentage of Compensation for future Offerings. Notwithstanding the foregoing, participation in the Plan will neither be permitted nor be denied contrary to the requirements of the Code.

5. Employee Contributions. Each eligible employee may authorize payroll deductions at a minimum of 1% up to a maximum of 15% of such employee's Compensation for each pay period or such other minimum or maximum as may be specified by the Administrator in advance of an Offering. The Company will maintain book accounts showing the amount of payroll deductions made by each Participant for each Purchase Period within an Offering. No interest will accrue or be paid on payroll deductions, unless required under applicable law.

Notwithstanding any other provisions of the Plan to the contrary, in non-U.S. jurisdictions where participation in the Plan through payroll deductions is prohibited or otherwise problematic under applicable law (as determined by the Administrator in its sole discretion), the Administrator may provide that an eligible employee may elect to participate through other contributions in a form acceptable to the Administrator in lieu of or in addition to payroll deductions; provided, however, that, for any Offering under the 423 Component, any alternative method of contribution must be applied on an equal and uniform basis to all eligible employees in the Offering. Any reference to "payroll deductions" in this Section 5 (or in any other section of the Plan) will similarly cover contributions by other means made pursuant to this Section 5.

6. Contribution Changes. Unless otherwise determined by the Administrator, except in the case of withdrawal as described in Section 7, a Participant may not increase or decrease such Participant's payroll deductions during any Offering, but may increase or decrease such Participant's payroll deductions with respect to the next Offering (subject to the limitations of Section 5) by filing a new enrollment form by the deadline established by the Administrator for the Offering. The Administrator may, in advance of any Offering, establish rules permitting a Participant to increase, decrease or terminate such Participant's payroll deductions during an Offering.

7. Withdrawal. A Participant may withdraw from participation in the Plan by giving written notice to the Company or an agent designated by the Company in a form acceptable to the Administrator (including, but not limited to, by electronic means) no later than two weeks prior to the end of the then-applicable Offering (or such shorter or longer period as may be specified by the Administrator prior to any Offering). The Participant's withdrawal will be effective as soon as practicable following receipt of written notice of withdrawal by the Company or an agent designated by the Company. Following a Participant's withdrawal, the Company will promptly refund such Participant's entire account balance under the Plan to such Participant (after payment for any shares of Stock purchased before the effective date of withdrawal). Partial withdrawals are not permitted. Unless otherwise determined by the Administrator, a Participant may not begin participation again in any Offering from which such Participant has withdrawn, but may enroll in a subsequent Offering in accordance with Section 4.

8. Grant of Options. On each Offering Date, the Company will grant to each eligible employee who is then a Participant in the Plan an option (“*Option*”) to purchase on the last day of a Purchase Period (an “*Exercise Date*”) the lowest of (a) a number of shares of Stock determined by dividing such Participant’s accumulated payroll deductions on such Exercise Date by the Option Price (as defined below), (b) the number of shares of Stock determined by dividing \$25,000 by the Fair Market Value of the Stock on the Offering Date for such Offering or (c) such other number of shares of Stock determined by the Administrator in advance of the Offering; provided, however, that such Option shall be subject to the limitations set forth below. Each Participant’s Option shall be exercisable only to the extent of such Participant’s accumulated payroll deductions on the Exercise Date. The purchase price for each share of Stock purchased under each Option (the “*Option Price*”) will be 85% of the Fair Market Value of the Stock on the Offering Date or the Exercise Date, whichever is less.

Notwithstanding the foregoing, no Participant may be granted an Option hereunder if such Participant, immediately after the Option was granted, would be treated as owning stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or any Parent or Subsidiary (each as defined in Section 11). For purposes of the preceding sentence, the attribution rules of Section 424(d) of the Code will apply in determining the stock ownership of a Participant, and all stock that the Participant has a contractual right to purchase will be treated as stock owned by the Participant. In addition, no Participant may be granted an Option that permits such Participant rights to purchase Stock under the Plan, and any other employee stock purchase plan of the Company and its Parents and Subsidiaries, to accrue at a rate that exceeds \$25,000 of the fair market value of such stock (determined on the Option grant date or dates) for each calendar year in which the Option is outstanding at any time. The purpose of the limitation in the preceding sentence is to comply with Section 423(b)(8) of the Code and shall be applied taking Options into account in the order in which they were granted.

9. Exercise of Option and Purchase of Shares. Each employee who continues to be a Participant in the Plan on the Exercise Date shall be deemed to have exercised such Participant’s Option on such date and shall acquire from the Company such number of whole shares of Stock as such Participant’s accumulated payroll deductions on such date will purchase at the Option Price, subject to any other limitations contained in the Plan. Unless otherwise determined by the Administrator in advance of any Offering, any balance remaining in a Participant’s account at the end of a Purchase Period or Offering will be promptly refunded to the Participant.

10. Delivery of Shares. As soon as practicable after each Exercise Date, the Company will arrange for the delivery to each Participant of the shares of Stock acquired by the Participant on such Exercise Date; provided that the Company may deliver such shares to a broker that holds such shares in street name for the benefit of the Participant.

11. Definitions. The following terms shall be defined as set forth below:

“*Affiliate*” means any entity that is directly or indirectly controlled by the Company that does not meet the definition of a Subsidiary below, as determined by the Administrator, whether now or hereafter existing.

“*Compensation*” means the regular or basic rate of compensation. The Administrator shall have the discretion to determine the application of this definition to Participants outside of the United States.

“*Designated Company*” means each Affiliate and Subsidiary that has been designated by the Administrator from time to time, in its sole discretion, as eligible to participate in the Plan, such designation to specify whether such participation is in the 423 Component or Non-423 Component. A Designated Company may participate in either the 423 Component or Non-423 Component, but not both. Notwithstanding the foregoing, if any Affiliate or Subsidiary is disregarded for U.S. tax purposes in respect of the Company or any Designated Company participating in the 423 Component, then such disregarded Affiliate or Subsidiary shall automatically be a Designated Company participating in the 423 Component. If any Affiliate or Subsidiary is disregarded for U.S. tax purposes in respect of any Designated Company participating in the Non-423 Component, the Administrator may exclude such Affiliate or Subsidiary from participating in the Plan, notwithstanding that the Designated Company in respect of which such Affiliate or Subsidiary is disregarded may participate in the Plan. The Administrator may so designate any Affiliate or Subsidiary, or revoke any such designation, at any time and from time to time, either before or after the Plan is approved by the Company’s stockholders.

“*Effective Date*” means the date immediately preceding the closing of the transactions contemplated by that certain Business Combination Agreement, dated as of December 17, 2025 by and among Cartesian Growth Corporation III, Fenway MS, Inc. and the Company.

“*Fair Market Value*” of the Stock on any given date means the fair market value of the Stock determined in good faith by the Administrator; provided, however, that if the Stock is listed on the National Association of Securities Dealers Automated Quotation System (“*NASDAQ*”), NASDAQ Global Market, The New York Stock Exchange or another national securities exchange or traded on any established market, the determination shall be made by reference to the closing price on such date. If there is no closing price for such date, the determination shall be made by reference to the last date preceding such date for which there is a closing price.

“*New Exercise Date*” means a new Exercise Date if the Administrator shortens any Offering then in progress.

“*Outstanding Shares*” means, as of a specified date, the sum of (a) number of shares of Stock issued and outstanding and (b) the number of shares of Stock issuable pursuant to the exercise of any outstanding, pre-funded warrants to acquire shares of Stock for a nominal exercise price.

“*Parent*” means a “parent corporation” with respect to the Company, as defined in Section 424(e) of the Code.

“*Participant*” means an individual who is eligible, as determined pursuant to Section 3, and who has complied with the provisions of Section 4.

“*Purchase Period*” means a period of time specified within an Offering, as determined by the Administrator in accordance with Section 2.

“*Sale Event*” means (i) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, (ii) a merger, reorganization or consolidation pursuant to which the holders of the Company’s outstanding voting power and outstanding stock immediately prior to such transaction do not own a majority of the outstanding voting power and outstanding stock or other equity interests of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction, (iii) the sale of all of the Stock of the Company to an unrelated person, entity or group acting in concert, (iv) any other transaction in which the owners of the Company’s outstanding voting power immediately prior to such transaction do not own at least a majority of the outstanding voting power of the Company or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Company or (v) the approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

“*Stock*” means the Series A Common Stock, par value \$0.00001 per share, of the Company, subject to adjustments pursuant to Section 17.

“*Subsidiary*” means a “subsidiary corporation” with respect to the Company, as defined in Section 424(f) of the Code.

12. **Rights on Termination of Employment.** Unless otherwise required by applicable law, if a Participant’s employment terminates for any reason before the Exercise Date for any Offering, such Participant’s participation in the Plan will terminate immediately and no payroll deductions will be taken from any pay due and owing to the Participant on or after the termination date. The balance in the Participant’s account will be paid to such Participant or, in the case of such Participant’s death, to the Participant’s legal heirs. An employee will be deemed to have terminated employment, for this purpose, if the corporation that employs such employee, having been a Designated Company, ceases to be an Affiliate or a Subsidiary, or if the employee is transferred to any corporation other than the Company or a Designated Company. An employee will not be deemed to have terminated employment for this purpose, if the employee is on an approved leave of absence for military service or sickness or for any other purpose approved by the Company, if the employee’s right to reemployment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Administrator otherwise provides in writing.

If a Participant transfers employment from the Company or any Designated Company participating in the 423 Component to any Designated Company participating in the Non-423 Component, such transfer will not be treated as a termination of employment, but the Participant will immediately cease to participate in the 423 Component; however, any contributions made for the Offering in which such transfer occurs will be transferred to the Non-423 Component, and such Participant will immediately join the then-current Offering under the Non-423 Component upon the same terms and conditions in effect for the Participant’s participation in the 423 Component, except for such modifications otherwise applicable for Participants in such Offering. A Participant who transfers employment from any Designated Company participating in the Non-423 Component to the Company or any Designated Company participating in the 423 Component will not be treated as terminating the Participant’s employment and will remain a Participant in the Non-423 Component until the earlier of (i) the end of the current Offering under the Non-423 Component or (ii) the Offering Date of the first Offering in which the Participant is eligible to participate following such transfer. Notwithstanding the foregoing, the Administrator may establish different rules to govern transfers of employment between companies participating in the 423 Component and the Non-423 Component, consistent with the applicable requirements of Section 423 of the Code.

13. Special Rules and Sub-Plans. Notwithstanding any provision to the contrary in this Plan, the Administrator may adopt such special rules or sub-plans relating to the operation and administration of the Plan to accommodate local laws, customs and procedures for jurisdictions in which the Plan is offered, the terms of which sub-plans may take precedence over other provisions of this Plan, but unless otherwise superseded by the terms of such sub-plan, the provisions of this Plan will govern the operation of such sub-plan. To the extent inconsistent with the requirements of Section 423 of the Code, any such sub-plan will be considered part of a Non-423 Offering, and Options granted thereunder will not be required by the terms of the Plan to comply with Section 423 of the Code. Without limiting the generality of the foregoing, the Administrator is authorized to adopt sub-plans for particular jurisdictions that modify or supplement the terms of the Plan to meet applicable local requirements, customs or procedures regarding, without limitation, (i) eligibility to participate, (ii) the definition of Compensation, (iii) the dates and duration of Offerings or Purchase Periods or other periods during which Participants may make payroll deductions to purchase of shares of Stock, (iv) the method of determining the Option Price and the discount from Fair Market Value at which shares of Stock may be purchased, (v) any minimum or maximum amount of payroll deductions a Participant may make in an Offering, Purchase Period or other specified period under the applicable sub-plan, (vi) the treatment of Options upon a Sale Event or a change in capitalization of the Company, (vii) the handling of payroll deductions, (viii) establishment of bank or trust accounts to hold payroll deductions, (ix) payment of interest, (x) conversion of local currency, (xi) obligations to pay payroll tax, (xii) determination of beneficiary designation requirements, (xiii) withholding procedures and (xiv) handling of share issuances.

14. Optionees Not Stockholders. Neither the granting of an Option to a Participant nor the deductions from a Participant's pay or other contributions will result in such Participant becoming a holder of the shares of Stock covered by an Option under the Plan until such shares of Stock have been purchased by and issued to the Participant.

15. Rights Not Transferable. Rights under the Plan are not transferable by a Participant other than by will or the laws of descent and distribution, and are exercisable during the Participant's lifetime only by the Participant.

16. Application of Funds. All funds received or held by the Company under the Plan may be combined with other corporate funds and may be used for any corporate purpose, unless otherwise required under applicable law.

17. Adjustment in Case of Changes Affecting Stock. In the event of a subdivision of outstanding shares of Stock, the payment of a dividend in Stock or any other change affecting the Stock, the number of shares approved for the Plan and any other share limitations in the Plan shall be equitably or proportionately adjusted to give proper effect to such event. In the case of and subject to the consummation of a Sale Event, the Administrator, in its discretion, and on such terms and conditions as it deems appropriate, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any right under the Plan or to facilitate such transactions or events:

(a) To provide for either (i) termination of any outstanding Option in exchange for an amount of cash, if any, equal to the amount that would have been obtained upon the exercise of such Option had such Option been currently exercisable or (ii) the replacement of such outstanding Option with other options or property selected by the Administrator in its sole discretion.

(b) To provide that the outstanding Options under the Plan will be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or will be substituted for similar options covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices.

(c) To make adjustments in the number and type of shares of Stock (or other securities or property) subject to outstanding Options under the Plan and/or in the terms and conditions of outstanding Options and Options that may be granted in the future.

(d) To provide that the Offering with respect to which an Option relates will be shortened by setting a New Exercise Date on which such Offering will end. The New Exercise Date will occur before the date of the Sale Event. The Administrator will notify each Participant in writing or electronically prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option will be exercised automatically on the New Exercise Date, unless the Participant has withdrawn from the Offering in advance of the New Exercise Date as provided in Section 7 hereof.

(e) To provide that all outstanding Options shall terminate without being exercised and all amounts in the accounts of Participants shall be promptly refunded.

18. Section 409A. The 423 Component of the Plan and the Options granted pursuant to Offerings thereunder are intended to be exempt from the application of Section 409A of the Code. Neither the Non-423 Component nor any Option granted pursuant to an Offering thereunder is intended to constitute or provide for "nonqualified deferred compensation" within the meaning of Section 409A of the Code. Notwithstanding any provision of the Plan to the contrary, if the Administrator determines that any Option granted under the Plan is or may be or become subject to Section 409A of the Code or that any provision of the Plan may cause an Option granted under the Plan to be or become subject to Section 409A of the Code, the Administrator may adopt such amendments to the Plan and/or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions as the Administrator determines are necessary or appropriate to avoid the imposition of taxes under Section 409A of the Code. The Company makes no representation that the Options granted pursuant to the Plan will be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to any such Option. Participants will be solely responsible for the payment of any taxes and penalties incurred under Section 409A.

19. Amendment of the Plan. The Board may at any time and from time to time amend the Plan in any respect, except that without the approval within 12 months of such Board action by the stockholders, no amendment may be made increasing the number of shares of Stock approved for issuance under the Plan or making any other change that would require stockholder approval in order for the 423 Component of the Plan, as amended, to qualify as an “employee stock purchase plan” under Section 423(b) of the Code, as determined by the Administrator.

20. Insufficient Shares. If the total number of shares of Stock that would otherwise be purchased on any Exercise Date plus the number of shares of Stock purchased under previous Offerings under the Plan exceeds the maximum number of shares of Stock issuable under the Plan, the shares then available shall be apportioned among Participants in proportion to the amount of payroll deductions accumulated on behalf of each Participant that would otherwise be used to purchase shares of Stock on such Exercise Date.

21. Termination of the Plan. The Plan may be terminated at any time by the Board. Upon termination of the Plan, all amounts in the accounts of Participants shall be promptly refunded.

22. Governmental Regulations. The Company’s obligation to sell and deliver shares of Stock under the Plan is subject to obtaining all governmental approvals required in connection with the authorization, issuance or sale of such Stock.

23. Governing Law. This Plan and all Options and actions taken thereunder shall be governed by, and construed in accordance with, the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to conflict of law principles.

24. Issuance of Shares. Shares may be issued upon exercise of an Option from authorized but unissued Stock, from shares held in the treasury of the Company or from any other proper source.

25. Tax Withholding. Participation in the Plan is subject to any applicable U.S. and non-U.S. federal, state or local tax withholding requirements on income the Participant realizes in connection with the Plan. Each Participant agrees, by entering the Plan, that the Company or any Subsidiary or Affiliate may, but will not be obligated to, withhold from a Participant’s wages, salary or other compensation at any time the amount necessary for the Company or any Subsidiary or Affiliate to meet applicable withholding obligations, including any withholding required to make available to the Company or any Subsidiary or Affiliate any tax deductions or benefits attributable to the sale or disposition of Stock by such Participant. In addition, the Company or any Subsidiary or Affiliate may, but will not be obligated to, withhold from the proceeds of the sale of Stock or use any other method of withholding that the Company or any Subsidiary or Affiliate deems appropriate to the extent permitted by U.S. Treasury Regulation Section 1.423-2(f) with respect to the 423 Component. The Company will not be required to issue any shares of Stock under the Plan until such obligations are satisfied.

26. Notification Upon Sale of Shares Under the 423 Component. Each Participant who is subject to tax in the United States and participates in the 423 Component agrees, by entering the Plan, to give the Company prompt notice of any disposition of shares of Stock purchased under the Plan where such disposition occurs within two years after the date of grant of the Option pursuant to which such shares were purchased or within one year after the date such shares were purchased.

27. Effective Date. This Plan will become effective on the Effective Date, subject to prior stockholder approval in accordance with applicable state law, the Company's bylaws and articles of incorporation and applicable stock exchange rules.

28. Equal Rights and Privileges. Notwithstanding any provision of the Plan to the contrary and in accordance with Section 423 of the Code, all eligible employees who are granted Options under the 423 Component shall have the same rights and privileges.

29. No Right to Continued Service. None of the Plan, participation in any Offering, or any compensation paid hereunder will confer on any Participant the right to continue as an employee or in any other capacity.

DATE APPROVED BY BOARD OF DIRECTORS: June 5, 2026

DATE APPROVED BY STOCKHOLDERS: June 5, 2026

**FACTORIAL ENERGY INC.
EXECUTIVE CHANGE IN CONTROL SEVERANCE PLAN AND
SUMMARY PLAN DESCRIPTION**

1. Introduction and Purpose

This document serves as the Plan document and Summary Plan Description (“*SPD*”) for the severance pay and benefits provided under the Factorial Energy Inc. Executive Change in Control Severance Plan (the “*Plan*”). Factorial Energy Inc., a Delaware corporation (including its successors, the “*Company*”), considers it essential to foster the continuous employment of key management personnel. The Company acknowledges the possibility of an involuntary termination of employment in connection with a Change in Control exists and that such possibility, and the uncertainty and questions that it may raise among management, may result in the departure or distraction of management personnel to the detriment of the Company.

Therefore, the Board has adopted this Plan to reinforce and encourage the continued attention and dedication of the Covered Executives to their assigned duties without distraction. This Plan contains information that will help Covered Executives understand the severance pay and benefits being offered hereunder. The Company encourages all Covered Executives to read the Plan carefully. Note that capitalized words and phrases used throughout this document are generally defined in Section 4. If you have any questions regarding the Plan, please contact dmj53@factorialenergy.com.

2. Establishment of Plan

Effective as of the Effective Date, the Board hereby establishes an unfunded severance benefits plan that is intended to be a welfare benefit plan within the meaning of Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended (“*ERISA*”). This Plan supersedes any and all severance plans, policies and provisions and all change in control plans, policies and provisions applying to a Covered Executive that may have been in effect before the Effective Date.

3. Eligibility

All Covered Executives who have executed and submitted to the Company a Participation Agreement, and satisfied such other requirements as may be determined by the Plan Administrator, are eligible to participate in the Plan. The Plan Administrator may determine at any time that a Covered Executive should no longer be designated as such as a result of a material change in such Covered Executive’s role, and such individual shall cease to be eligible to participate in the Plan upon the Plan Administrator taking action by resolution to update the Exhibit A or Exhibit B hereto, as applicable; provided, however, no such update to Exhibit A or Exhibit B may be made during the Change in Control Period without the consent of any adversely impacted Covered Executive.

4. Definitions

For purposes of this Plan, the following definitions shall apply:

(a) “**Accelerated Vesting Date**” means the later of the (i) Covered Executive’s Date of Termination or (ii) effective date of the Covered Executive’s Separation Agreement and Release (as defined below).

(b) “**Accounting Firm**” means a nationally recognized accounting or outside firm selected by the Company prior to a Change in Control.

(c) “**Adverse Benefit Determination**” means any of the following: a denial, reduction or termination of, or a failure to provide or make payment (in whole or in part) for, a benefit, including any such denial, reduction, termination or failure to provide or make payment that is based on a determination of a Covered Executive’s or beneficiary’s eligibility to participate in the Plan.

(d) “**Affiliate**” means any “parent” or “subsidiary” of the Company as such terms are defined in Rule 405 of the Securities Act of 1933, as amended.

(e) “**Base Salary**” means the higher of the Covered Executive’s annual base salary in effect immediately prior to (i) the Covered Executive’s Date of Termination or (ii) a Change in Control.

(f) “**Board**” means the Board of Directors of the Plan Sponsor.

(g) “**Cause**” means (i) the Covered Executive’s continued, willful failure to substantially perform the Covered Executive’s duties and responsibilities (other than due to physical or mental impairment) or to comply with Company policies, rules or instructions, in each case as determined by the Board in its sole discretion; (ii) the Covered Executive’s misappropriation of funds or property of the Company or its Affiliates; (iii) the Covered Executive’s willful failure to cooperate in good faith with a governmental or internal investigation of the Company or its directors, officers or employees, if the Company has requested the Covered Executive’s cooperation; (iv) in the course of the Covered Executive’s responsibilities for the Company, the Covered Executive’s engagement in material dishonesty, gross negligence or willful misconduct; (v) the commission by the Covered Executive of acts satisfying the elements of, the Covered Executive’s conviction for, or the entry of a plea of guilty or nolo contendere by the Covered Executive to any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud; (vi) the Covered Executive’s material violation of any of the Company’s or its Affiliates’ written employment policies; (vii) the Covered Executive’s breach of any material provision of the employment agreement then in effect between the Covered Executive and the Company or any of its Affiliates, any restrictive covenants agreement then in effect between the Covered Executive and the Company or any of its Affiliates, or any other agreement between the Covered Executive and the Company or any of its Affiliates; or (viii) any misconduct by the Covered Executive, regardless of whether or not in the course of the Covered Executive’s employment, that would reasonably be expected to result in material injury or reputational harm to the Company or any of its Affiliates if the Covered Executive were to continue to be employed in the same position. In the event of any action or omission alleged to constitute Cause under clauses (i) or (vi), the Company shall provide the Covered Executive with written notice detailing the alleged circumstances and a period of 30 days to cure the alleged circumstances constituting Cause (if capable of cure).

- (h) “**Change in Control**” means a Sale Event, as defined in the Company’s 2026 Equity Incentive Plan, as amended from time to time.
- (i) “**Change in Control Period**” means the period beginning three months prior to a Change in Control and ending on the one-year anniversary of the Change in Control.
- (j) “**CIC Severance Period**” means (i) for the Tier 1 Executive, 24 months; (ii) for the Tier 2 Executives, 12 months; and (iii) for the Tier 3 Executives, nine months.
- (k) “**Code**” means the Internal Revenue Code of 1986, as amended.
- (l) “**Continuing Obligations**” means the Covered Executive’s obligations to the Company or its Affiliates pursuant to any agreement relating to confidentiality, non-solicitation of customers and employees, assignment of inventions and other restrictive covenants.
- (m) “**Covered Executives**” means the Tier 1 Executive and those other employees designated by the Plan Administrator in its sole discretion as the Tier 2 Executives and the Tier 3 Executives, in each case, who meet the eligibility requirements set forth in Section 3 of the Plan.
- (n) “**Date of Termination**” means the date that a Covered Executive’s employment with the Company and its Affiliates ends, which date shall be specified in the Notice of Termination. Notwithstanding the foregoing, a Covered Executive’s employment will not be deemed to have been terminated solely as a result of the Covered Executive becoming an employee of any direct or indirect successor to the business or assets of the Company or any Affiliate.
- (o) “**Effective Date**” means the consummation of the transactions contemplated by the Business Combination Agreement, dated as of December 17, 2025, by and among Cartesian Growth Corporation III, Fenway MS, Inc. and Factorial Inc.
- (p) “**Disability**” means the Covered Executive is disabled and unable to perform or expected to be unable to perform (or expected to be unable to perform) the essential functions of the Covered Executive’s then existing position or positions with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Covered Executive is disabled so as to be unable to perform the essential functions of the Executive’s then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Covered Executive or the Covered Executive’s guardian has no reasonable objection as to whether the Covered Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Plan be conclusive of the issue. The Covered Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Covered Executive shall fail to submit such certification, the Company’s determination of such issue shall be binding on the Covered Executive. Nothing in this definition shall be construed to waive the Covered Executive’s rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 et seq. and the Americans with Disabilities Act, 42 U.S.C. §12101 et seq.

(q) “**Good Reason**” means that the Covered Executive has completed all steps of the Good Reason Process following the occurrence of any of the following events without the Covered Executive’s consent (each, a “**Good Reason Condition**”): (i) a material diminution in the Covered Executive’s base salary, except for salary reductions based on the Company’s financial performance similarly affecting all senior management employees of the Company; (ii) a material change in the geographic location at which the Covered Executive is required to regularly provide services to the Company (which shall mean more than 50 miles from Executive’s principal residence as of such change and more than 50 miles from the geographic location at which the Covered Executive was previously required to regularly perform services to the Company and which shall not include business travel reasonably required by the Company); or (iii) a material breach of the employment agreement then in effect between the Covered Executive and the Company or any of its Affiliates.

(r) “**Good Reason Process**” consists of the following steps: (i) the Covered Executive reasonably determines in good faith that a Good Reason Condition has occurred; (ii) the Covered Executive notifies the Company in writing of the first occurrence of the Good Reason Condition within 60 days of the first occurrence of such condition; (iii) the Covered Executive cooperates in good faith with the Company’s efforts, for a period of not less than 30 days following such notice (the “**Good Reason Cure Period**”), to remedy the Good Reason Condition; (iv) notwithstanding such efforts, the Good Reason Condition continues to exist at the end of the Good Reason Cure Period; and (v) the Covered Executive terminates employment within 60 days after the end of the Good Reason Cure Period. If the Company cures the Good Reason Condition during the Good Reason Cure Period, Good Reason shall be deemed not to have occurred.

(s) “**Notice**” or “**Notification**” means the delivery or furnishing of information to an individual in a manner that is reasonably calculated to ensure actual receipt by the individual.

(t) “**Notice of Termination**” means a written Notice that indicates the specific termination provision in this Plan relied upon for the termination of a Covered Executive’s employment and the Date of Termination.

(u) “**Participation Agreement**” means an agreement between a Covered Executive and the Company that acknowledges the Covered Executive’s participation in the Plan.

(v) “**Plan Administrator**” means the Board or a committee thereof designated by the Board to administer the Plan; *provided, however*, that the Plan Administrator may in its sole discretion appoint a new Plan Administrator to administer the Plan at any time.

(w) “**Plan Sponsor**” means the Company.

(x) “**Qualified Termination**” means (i) a termination of the Covered Executive’s employment by the Company other than for Cause, death or Disability or (ii) the Covered Executive’s resignation from the Company for Good Reason.

(y) “**Separation Obligations**” means: (i) execution of a separation agreement and release in a form and manner satisfactory to and provided by the Company that contains, among other provisions, a general release of claims in favor of the Company and all related persons and entities that shall not release the Covered Executive’s rights under this Plan, a reaffirmation of the Covered Executive’s Continuing Obligations, confidentiality, return of property and non-disparagement provisions and provides that if the Covered Executive breaches any of the Continuing Obligations, then, among other remedies available to the Company, all severance payments and benefits shall immediately cease (the “**Separation Agreement and Release**”) and (ii) the Separation Agreement and Release becoming irrevocable, all within 60 days after the Date of Termination (or such shorter period set forth in the Separation Agreement and Release).

(z) “**Target Bonus**” means the higher of the Covered Executive’s target annual cash incentive compensation or target sales incentive plan commission, as applicable, in effect immediately prior to (i) the Covered Executive’s Date of Termination or (ii) the Change in Control.

(aa) “**Tier 1 Executive**” means the Company’s Chief Executive Officer.

(bb) “**Tier 2 Executives**” means the individuals holding the titles designated as such by the Plan Administrator and whose titles are listed in Exhibit A attached hereto, as such exhibit may be amended by the Plan Administrator from time to time.

(cc) “**Tier 3 Executives**” means the individuals holding the titles designated as such by the Plan Administrator and whose titles are listed in Exhibit B attached hereto, as such exhibit may be amended by the Plan Administrator from time to time.

(dd) “**Time-Based Equity Awards**” means all outstanding stock options, restricted stock units, restricted stock awards and other stock-based awards with respect to the Company’s common stock that are subject solely to time-based vesting.

5. Accrued Obligations

If the Covered Executive’s employment with the Company is terminated for any reason, the Company shall pay or provide to the Covered Executive (or to the Covered Executive’s authorized representative or estate) (i) any base salary earned but unpaid through the Date of Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, the Company’s expense reimbursement policy then in effect); and (iii) any vested benefits the Covered Executive may have under any employee benefit plan of the Company or its Affiliates through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the “**Accrued Obligations**”).

6. Termination in Connection with a Change in Control

If a Covered Executive experiences a Qualified Termination within the Change in Control Period, then, in addition to the Accrued Obligations, and subject to the Covered Executive’s fulfillment of the Separation Obligations:

(a) the Company shall pay to the Covered Executive an amount equal to (i) for the Tier 1 Executive, 2.0 times, (ii) for Tier 2 Executives, 1.0 times and (iii) for Tier 3 Executives, 0.75 times, the sum of (A) the Covered Executive’s Base Salary and (B) the Covered Executive’s Target Bonus;

(b) subject to the Covered Executive's copayment of premium amounts at the applicable active employees' rate and the Covered Executive's proper election to receive benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("**COBRA**"), the Company shall pay to the group health plan provider or the COBRA provider a monthly payment equal to the monthly employer contribution that the Company would have made to provide health insurance to the Covered Executive if the Covered Executive had remained employed by the Company until the earliest of (i) the end of the CIC Severance Period; (ii) the date that the Covered Executive becomes eligible for group medical plan benefits under any other employer's group medical plan; or (iii) the cessation of the Covered Executive's health continuation rights under COBRA; *provided, however*, that if the Company determines that it cannot pay such amounts to the group health plan provider or the COBRA provider (if applicable) without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company shall convert such payments to payroll payments directly to the Covered Executive for the time period specified above. Such payments to the Covered Executive shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates;

(c) notwithstanding anything to the contrary in any applicable Time-Based Equity Award agreement or in any applicable Company equity incentive plan, all Time-Based Equity Awards shall immediately accelerate and become fully vested and exercisable or nonforfeitable as of the later of the Accelerated Vesting Date or the date of a Change in Control, provided that in order to effectuate the accelerated vesting contemplated by this subsection, the unvested portion of the Covered Executive's Time-Based Equity Awards that would otherwise terminate or be forfeited on the Date of Termination will be delayed until the earlier of (i) the effective date of the Separation Agreement and Release or the date of the Change in Control, as applicable (at which time acceleration will occur), or (ii) the date that the Separation Agreement and Release can no longer become fully effective (at which time the unvested portion of the Covered Executive's Time-Based Equity Awards will terminate or be forfeited). For the avoidance of doubt, upon a Qualified Termination prior to the consummation of a Change in Control (1) all Time-Based Equity Awards held by the Covered Executive as of the Date of Termination will remain outstanding for a period of three months thereafter (unless such Time-Based Equity Awards are forfeited prior to such date pursuant to clause (ii) of the preceding sentence) and remain eligible to become vested upon the consummation of such Change in Control and, to the extent such Time-Based Equity Awards do not become vested in accordance with the terms set forth in this Section 6(c) on or prior to the date that is three months following the Date of Termination, all then-unvested Time-Based Equity Awards held by such Covered Executive will automatically and without further action be canceled and forfeited on the three-month anniversary of the Date of Termination. Notwithstanding the foregoing, no additional vesting of the Time-Based Equity Awards will occur during the period between the Date of Termination and the Accelerated Vesting Date or the date of the Change in Control, as applicable.

The amounts payable under Section 6(a) shall be paid out in a lump sum within 60 days after the Date of Termination and the amounts payable under Section 6(b) will be paid out in substantially equal installments in accordance with the Company's payroll practice over the CIC Severance Period, commencing within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, such payments, to the extent they qualify as "non-qualified deferred compensation" within the meaning of Section 409A of the Code, shall be paid or begin to be paid in the second calendar year by the last day of such 60-day period; *provided, further*, that the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Date of Termination.

7. Section 409A

(a) This Plan is intended to be administered in accordance with Section 409A of the Code. To the extent that any provision of this Plan is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. Each payment pursuant to this Plan is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). This Plan may be amended as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost.

(b) To the extent that any payment or benefit described in this Plan constitutes “non-qualified deferred compensation” under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Covered Executive’s termination of employment, then such payments or benefits shall be payable only upon the Covered Executive’s “separation from service.” The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(c) Anything in this Plan to the contrary notwithstanding, if at the time of the Covered Executive’s separation from service within the meaning of Section 409A of the Code, the Company determines that the Covered Executive is a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Covered Executive becomes entitled to under this Plan on account of the Covered Executive’s separation from service would be considered deferred compensation otherwise subject to the 20% additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Covered Executive’s separation from service, or (B) the Covered Executive’s death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision (without interest), and the balance of the installments shall be payable in accordance with their original schedule.

(d) The Company makes no representation or warranty and shall have no liability to any Covered Executive or any other person if any provisions of this Plan are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

8. Additional Limitation

(a) Anything in this Plan to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company to or for the benefit of the Covered Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Plan or otherwise, calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the “**Aggregate Payments**”), would be subject to the excise tax imposed by Section 4999 of the Code, then the Aggregate Payments shall be reduced (but not below zero) so that the sum of all of the Aggregate Payments shall be \$1.00 less than the amount at which the Covered Executive becomes subject to the excise tax imposed by Section 4999 of the Code; *provided* that such reduction will only occur if it would result in the Covered Executive receiving a higher After Tax Amount (as defined below) than the Covered Executive would receive if the Aggregate Payments were not subject to such reduction. In the event of a reduction, the Aggregate Payments will be reduced in the following order, in each case, in reverse chronological order beginning with the Aggregate Payments that are to be paid the furthest in time from consummation of the transaction that is subject to Section 280G of the Code: (i) cash payments not subject to Section 409A of the Code; (ii) cash payments subject to Section 409A of the Code; (iii) equity-based payments and acceleration; and (iv) non-cash forms of benefits; *provided* that in the case of all the foregoing Aggregate Payments all amounts or payments that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c).

(b) For purposes of this Section, the “**After Tax Amount**” means the amount of the Aggregate Payments less all federal, state and local income, excise, employment and social security taxes imposed on the Covered Executive as a result of the Covered Executive’s receipt of the Aggregate Payments. For purposes of determining the After Tax Amount, the Covered Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes and social security taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes (if any) that could be obtained from deduction of such state and local taxes.

(c) The determination as to whether a reduction in the Aggregate Payments shall be made pursuant to Section 8(a) shall be made by the Accounting Firm selected by the Company prior to the closing of the Change in Control, which shall provide detailed supporting calculations both to the Company and the Covered Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Covered Executive. Any determination by the Accounting Firm shall be binding upon the Company and the Covered Executive.

9. Withholding; Tax Effect

All payments made under this Plan shall be net of any tax or other amounts required to be withheld by the Company or its Affiliates under applicable law. Nothing in this Plan shall be construed to require the Company or any of its Affiliates to make any payments to compensate the Covered Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

10. Death

If a Covered Executive dies after the Date of Termination, but before all payments or benefits to which such Covered Executive is entitled pursuant to the Plan have been paid or provided, any remaining payments and benefits will be made to any beneficiary designated by the Covered Executive prior to the Covered Executive's death (or the Covered Executive's estate, if the Covered Executive fails to make such designation).

11. Plan Administration

(a) *Plan Administrator.* The Plan Administrator and Plan Sponsor shall serve as the "named fiduciaries" of the Plan under ERISA. The Plan Administrator shall be the "administrator" within the meaning of Section 3(16) of ERISA and shall have all the responsibilities and duties contained therein.

(b) *Decisions, Powers and Duties.* The general administration of the Plan and the responsibility for carrying out its provisions shall be vested in the Plan Administrator. The Plan Administrator shall have the maximum discretionary authority permitted by law to discharge such duties and responsibilities, which also include, but are not limited to, interpretation and construction of the Plan, the determination of all questions of fact, including, without limitation, eligibility, participation and benefits, the resolution of any ambiguities and all other related or incidental matters, and such duties and powers of the Plan administration that are not assumed from time to time by any other appropriate entity, individual or institution. The Plan Administrator may adopt rules and regulations of uniform applicability in its interpretation and implementation of the Plan.

The Plan Administrator shall discharge its duties and responsibilities and exercise its powers and authority in its sole discretion and in accordance with the terms of the controlling legal documents and applicable law, and its actions and decisions that are not arbitrary and capricious shall be binding on any Covered Executive, and the Covered Executive's spouse or other dependent or beneficiary and any other interested parties whether or not in being or under a disability.

(c) *Reports.* The Plan Administrator shall be responsible for the preparation and delivery of all reports, notices, plan summaries and plan descriptions required to be filed with any governmental office or to be given to any employee, former employee or beneficiary.

(d) *Company to Furnish Information.* Upon request of the Plan Administrator, the Company shall furnish such information in its possession and aid the Plan Administrator in the performance of its duties hereunder.

12. Claims Procedure and Payment of Benefits

(a) Application for Benefits

(i) General. All applications for benefits under the Plan shall be submitted to the Plan Administrator at such location as designated by the Plan Administrator from time to time. Applications for benefits must be in writing on forms acceptable to the Plan Administrator and must be signed by the Covered Executive. The Plan Administrator reserves the right to require the Covered Executive to furnish such other information and documents as the Plan Administrator determines are necessary or appropriate. Each application shall be acted upon and approved or disapproved by the Plan Administrator within 90 days following its receipt by the Plan Administrator.

(ii) Notification. The Plan Administrator shall provide a claimant with written or electronic Notification of any Adverse Benefit Determination. Any electronic Notification shall comply with the standards imposed by 29 C.F.R. 2520.104b-1(c)(1)(i), (iii) and (iv). The Notification shall set forth, in a manner calculated to be understood by the claimant:

- (A) the specific reason or reasons for the Adverse Benefit Determination;
- (B) reference to the specific Plan provisions on which the Adverse Benefit Determination is based;
- (C) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
- (D) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an Adverse Benefit Determination on review.

(b) *Review of Benefit Denials*

(i) Appeal. A claimant shall have a reasonable opportunity to appeal an Adverse Benefit Determination to the Board and under which there will be a full and fair review of the claim and the Adverse Benefit Determination. The Board shall be identified in the Notification described in Section 12(a)(ii) and may be the Plan Administrator. Such full and fair review shall:

- (A) provide claimants at least 60 days following receipt of a Notification of an Adverse Benefit Determination within which to appeal the Adverse Benefit Determination;
- (B) provide claimants the opportunity to submit written comments, documents, records and other information relating to the claim for benefits;
- (C) provide that a claimant shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits; and

- (D) provide for a review of the initial Adverse Benefit Determination that takes into account all comments, documents, records and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial Adverse Benefit Determination.

(ii) Timing of Benefit Determination on Review. The Board shall notify the Covered Executive, in accordance with Section 12(b)(iv), of the Plan Administrator's benefit determination on review within a reasonable period of time. Such Notification shall be provided not later than 60 days after receipt by the Plan Administrator of the Covered Executive's request for review of the Adverse Benefit Determination.

(iii) Furnishing Documents. In the case of an Adverse Benefit Determination on review, the Board shall provide such access to, and copies of, documents, records and other information described in Section 12(b)(iv) as is appropriate.

(iv) Content of Notification on Review. The Board shall provide a claimant with written or electronic Notification of a Plan Administrator's benefit determination following an appeal described in Section 12(b)(i). Any electronic Notification shall comply with the standards imposed by 29 C.F.R. 2520.104b-1(c)(1)(i), (iii) and (iv). In the case of an Adverse Benefit Determination on review, the Notification shall set forth, in a manner calculated to be understood by the claimant:

- (A) the specific reason or reasons for the Adverse Benefit Determination;
- (B) reference to the specific Plan provisions on which the Adverse Benefit Determination is based;
- (C) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits; and
- (D) a statement of the claimant's right to bring an action under Section 502(a) of ERISA.

(c) Calculating Time Periods. The period of time within which a benefit determination (including an Adverse Benefit Determination on review) is required to be made shall begin at the time a claim (or appeal) is filed in accordance with the reasonable procedures of the Plan, without regard to whether all the information necessary to make a benefit determination accompanies the filing. In the event that a period of time is extended due to a claimant's failure to submit information necessary to decide a claim, the period for making the benefit determination shall be tolled from the date on which the Notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

(d) *Extension of Notice Period.* The 90-day and 60-day periods applicable to the Notice furnished by the Plan Administrator in Sections 12(a) and 12(b) above may be extended at the discretion of the Plan Administrator for a second 90 or 60-day period, as the case may be, provided that written Notice of the extension is furnished to the claimant prior to the termination of the initial period, indicating the special circumstances requiring such extension of time and the date by which a final decision is expected.

(e) *Facility of Payment.* Whenever and as often as any person entitled to payments hereunder shall be determined to be a minor or under other legal disability or otherwise incapacitated in any way so as to be unable to manage the person's financial affairs, the Company, in its discretion, may direct that all or any portion of the benefit payments be made: (i) to such person; (ii) to such person's legal guardian or conservator; or (iii) to such person's spouse. The decision of the Plan Administrator shall, in each case, be final and binding upon all persons. Any payment made pursuant to the authority herein conferred shall operate as a complete discharge of the obligations of the Company under the Plan in respect thereof.

(f) *Responsibility for Payment.* The Company shall be liable for the payment of benefits in accordance with the terms of the Plan. The benefits under the Plan shall be payable solely by the Company and each Covered Executive who shall claim the right to any payment under the Plan shall be entitled to look only to the Company for such payment.

(g) *Limitation on Benefits.* The Company shall have no obligation to set aside, earmark or entrust any fund, policy or money with which to pay its obligations under this Plan. A Covered Executive, or any successor in interest, shall be and remain simply a general, unsecured creditor of the Company with respect to the benefits under this Plan in the same manner as any other creditor who has a general claim for an unpaid liability.

13. Indemnification

To the extent permitted by law, all employees, officers, directors, agents and representatives of the Company shall be indemnified by the Company and held harmless against any claims and the expenses of defending against such claims, resulting from any action or conduct relating to the administration of the Plan, whether as a member of the Plan Administrator or otherwise, except to the extent that such claims arise from gross negligence, willful neglect or willful misconduct.

14. Plan Not an Employment Contract

The Plan is not a contract between the Company and any employee, nor is it a condition of employment or services of any employee. Nothing contained in the Plan gives, or is intended to give, any employee the right to be retained in the service of the Company, or to interfere with the right of the Company to discharge or terminate the employment or services of any employee at any time and for any reason. No employee shall have the right or claim to benefits beyond those expressly provided in this Plan, if any. All rights and claims are limited as set forth in the Plan.

15. Severability

If any portion or provision of this Plan (including, without limitation, any portion or provision of any Section of this Plan) is to any extent declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Plan, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Plan shall be valid and enforceable to the fullest extent permitted by law.

16. Waiver

No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Plan, or the waiver by any party of any breach of this Plan, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

17. Successors and Assigns

No right or interest of any Covered Executive in the Plan shall be assignable or transferable in whole or in part either directly or by operation of law or otherwise, including, but not limited to, execution, levy, garnishment, attachment, pledge or bankruptcy. The Plan Sponsor may assign or otherwise transfer this Plan without any Covered Executive's consent to any affiliate or to any person or entity with whom the Plan Sponsor shall hereafter effect a reorganization or consolidation, into which the Plan Sponsor merges or to whom it transfers all or substantially all of its properties or assets; *provided* that if the Covered Executive remains employed or becomes employed by the Company, the purchaser or any of their affiliates in connection with any such transaction, then the Covered Executive shall not be entitled to any payments or benefits pursuant to Section 6 of this Plan solely as a result of such transaction. This Plan shall inure to the benefit of and be binding upon the Covered Executive and the Plan Sponsor, and each of the Covered Executive's and the Plan Sponsor's respective successors, executors, administrators, heirs and permitted assigns.

18. Non-Duplication of Benefits and Effect on Other Plans

Notwithstanding any other provision in the Plan to the contrary, the benefits provided hereunder are in lieu of any other change in control-related severance payments and/or benefits provided by the Company, including any such payments and/or benefits pursuant to an employment agreement or offer letter between the Company and any Covered Executive.

19. Amendment or Termination

The Plan Sponsor may amend, modify or terminate the Plan at any time in its sole discretion; *provided, however*, that no such amendment, modification or termination may affect the rights of a Covered Executive then receiving payments or benefits under the Plan without the consent of such person. Notwithstanding the foregoing, a Covered Executive's rights to receive payments and benefits pursuant to this Plan in connection with a Qualified Termination may not be adversely affected by an amendment or termination of this Plan without the consent of such person.

20. Governing Law and Limitation on Actions

The Plan and the rights of all persons hereunder shall be construed in accordance with and under applicable provisions of ERISA, and the regulations thereunder, and the Plan and the rights of all persons under the Plan shall be construed in accordance with and under applicable provisions the laws of the Commonwealth of Massachusetts (without regard to conflict of laws provisions), to the extent not preempted by federal law. No action (whether at law, in equity or otherwise) shall be brought by or on behalf of any person for or with respect to benefits due under this Plan unless the person bringing such action has timely exhausted the Plan's claim review procedure. Any action (whether at law, in equity or otherwise) must be filed and litigated in the U.S. District Court for the District of Massachusetts, and must be commenced within one year. This one-year period shall be computed from the earlier of (a) the date a final determination denying such benefit, in whole or in part, is issued under the Plan's claim review procedure and (b) the date such person's cause of action first accrued. If a person does not bring such an action within such one-year period, the person will be barred from bringing such action.

21. ERISA Required Information

Official Plan Name: The official name of the Plan is the Factorial Energy Inc. Executive Change in Control Severance Plan.

Plan Administrator: The Plan Administrator is the Board (or its designee) of the Plan Sponsor.

Plan Sponsor:

Factorial Energy Inc.
805 Middlesex Turnpike
Billerica, MA 01821
617-315-9733

Plan Number: Documents and reports for the Plan are filed with the U.S. Department of Labor under Factorial Energy Inc. Employer Identification Number (EIN) and the Plan Number (PN). The EIN for Factorial Energy Inc. is 42-2967285, and the PN is 501.

The Plan Year: The Plan year is January 1 through December 31.

Agent for Service of Legal Process: Factorial Energy Inc. is the Plan's agent for service of legal process and may be served at the address indicated in the section entitled "Plan Administrator and Sponsor" above.

Funding: All severance payments and benefits are paid from the Company's general assets and, thus the Plan is considered unfunded for tax purposes under Title I of ERISA.

ERISA Rights: The Plan is subject to ERISA. As a Covered Executive, you are entitled to certain rights and protections under ERISA. Under ERISA, you are entitled to:

- Examine, without charge at the Plan Administrator's office, all official Plan documents (including insurance contracts) and copies of all documents filed with the U.S. Department of Labor, such as detailed Summary Annual Reports.

- Obtain copies of all official Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may charge a reasonable fee for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required to furnish each participant with a copy of this Summary Annual Report.

You also have the right to expect "fiduciaries," the people who are responsible for the management of the Plan, to act prudently and to act in the interest of you and other Plan participants and beneficiaries. Another one of your ERISA-guaranteed rights means that no one – including the Company or any other person – may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

ERISA also guarantees your rights to written notice if any part of a claim is denied or ignored, in whole or in part. Because your rights under ERISA are protected by law, you also can file suit if a right is denied. For example, if you request certain Plan-related materials from the Plan Administrator and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay a fine of up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. You may file suit in a federal court if you have a claim for benefits under the Plan that is denied or ignored, in whole or in part. You also can seek assistance from the U.S. Department of Labor or file suit in a federal court if a Plan fiduciary has misused Plan funds or if you are discriminated against for asserting your rights. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose because, for example, the court finds your claim frivolous, you may be ordered to pay all these costs and fees on your own, including any court costs and attorney fees.

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Ave. N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the Employee Benefits Security Administration's publications hotline at 1-866-444-3272.

Exhibit A

Tier 2 Executives

<u>Title</u>
Yingchao (Alex) Yu
Richard Wei
Jason Duva

Exhibit B

Tier 3 Executives

<u>Title</u>
None

**FACTORIAL ENERGY INC.
SENIOR EXECUTIVE CASH INCENTIVE BONUS PLAN**

1. Purpose

This Senior Executive Cash Incentive Bonus Plan (the “Incentive Plan”) is intended to provide an incentive for superior work and to motivate eligible executives of Factorial Energy Inc. (the “Company”) and its subsidiaries toward even higher achievement and business results, to tie their goals and interests to those of the Company and its stockholders and to enable the Company to attract and retain highly qualified executives. The Incentive Plan is for the benefit of Covered Executives (as defined below).

2. Covered Executives

From time to time, the Compensation Committee of the Board of Directors of the Company (the “Compensation Committee”) may select certain key executives (the “Covered Executives”) to be eligible to receive bonuses hereunder. Participation in the Incentive Plan does not change the “at will” nature of a Covered Executive’s employment with the Company.

3. Administration

The Compensation Committee shall have the sole discretion and authority to administer and interpret the Incentive Plan.

4. Bonus Determinations

(a) Corporate Performance Goals. A Covered Executive may receive a bonus payment under the Incentive Plan based upon the attainment of one or more performance objectives that are established by the Compensation Committee in its sole discretion and relate to financial and/or operational metrics with respect to the Company or any of its subsidiaries (the “Corporate Performance Goals”), including, without limitation, the following: achievement of cash flow (including, but not limited to, operating cash flow and free cash flow); earnings before interest, taxes, depreciation, and amortization; net income (loss) (either before or after interest, taxes, depreciation, and/or amortization); changes in the market price of our common stock; economic value-added; acquisitions or strategic transactions, including licenses, collaborations, joint ventures, or promotion arrangements; operating income (loss); return on capital, assets, equity, or investment; total stockholder returns; productivity; expense efficiency; margins; operating efficiency; working capital; earnings (loss) per share of our common stock; sales or market shares; revenue; corporate revenue; operating income and/or net annual recurring revenue, any of which may be (A) measured in absolute terms or compared to any incremental increase, (B) measured in terms of growth, (C) compared to another company or companies or to results of a peer group, (D) measured against the market as a whole and/or as compared to applicable market indices and/or (E) measured on a pre-tax or post-tax basis (if applicable). Further, any Corporate Performance Goals may be used to measure the performance of the Company as a whole or a business unit or other segment of the Company, or one or more product lines or specific markets. The Corporate Performance Goals may differ from Covered Executive to Covered Executive and from performance period to performance period.

(b) Calculation of Corporate Performance Goals. At the beginning of each applicable performance period, the Compensation Committee will determine whether any significant element(s) will be included in or excluded from the calculation of any Corporate Performance Goal with respect to any Covered Executive. In all other respects, Corporate Performance Goals will be calculated in accordance with the Company's financial statements, generally accepted accounting principles, or under a methodology established by the Compensation Committee at the beginning of the performance period and which is consistently applied with respect to a Corporate Performance Goal in the relevant performance period.

(c) Target; Minimum; Maximum. Each Corporate Performance Goal shall have a "target" (i.e., 100 percent attainment of the Corporate Performance Goal) and may also have a "minimum" hurdle and/or a "maximum" amount.

(d) Bonus Requirements; Individual Goals. Except as otherwise set forth in this Section 4(d): (i) any bonuses paid to Covered Executives under the Incentive Plan shall be based upon objectively determinable bonus formulas that tie such bonuses to one or more performance targets relating to the Corporate Performance Goals, (ii) bonus formulas for Covered Executives shall be adopted in each performance period by the Compensation Committee and communicated to each Covered Executive at the beginning of each performance period and (iii) no bonuses shall be paid to Covered Executives unless and until the Compensation Committee makes a determination with respect to the attainment of the performance targets relating to the Corporate Performance Goals. Notwithstanding the foregoing, the Compensation Committee may adjust bonuses payable under the Incentive Plan based on achievement of one or more individual performance objectives or pay bonuses (including, without limitation, discretionary bonuses) to Covered Executives under the Incentive Plan based on individual performance goals and/or upon such other terms and conditions as the Compensation Committee may in its discretion determine.

(e) Individual Target Bonuses. The Compensation Committee shall establish a target bonus opportunity for each Covered Executive for each performance period. For each Covered Executive, the Compensation Committee shall have the authority to apportion the target award so that a portion of the target award shall be tied to attainment of Corporate Performance Goals and a portion of the target award shall be tied to attainment of individual performance objectives.

(f) Employment Requirement. Subject to any additional terms contained in a written agreement between the Covered Executive and the Company, the payment of a bonus to a Covered Executive with respect to a performance period shall be conditioned upon the Covered Executive's employment by the Company on the bonus payment date. If a Covered Executive was not employed for an entire performance period, the Compensation Committee may pro rate the bonus based on the number of days employed during such period.

5. Timing of Payment

(a) With respect to Corporate Performance Goals established and measured on a basis more frequently than annually (e.g., quarterly or semi-annually), the Corporate Performance Goals will be measured at the end of each applicable performance period. If the Corporate Performance Goals and/or individual goals for such period are met, payments will be made as soon as practicable following the end of such period, but not later than two and one-half months after the end of the fiscal year in which such performance period ends. With respect to Corporate Performance Goals established and measured on an annual or multi-year basis, Corporate Performance Goals will be measured as of the end of each such performance period (e.g., the end of each fiscal year). If the Corporate Performance Goals and/or individual goals for any such period are met, bonus payments will be made as soon as practicable, but not later than two and one-half months after the end of the relevant fiscal year.

(b) For the avoidance of doubt, bonuses earned at any time in a fiscal year must be paid no later than two and one-half months after the last day of such fiscal year.

6. Amendment and Termination

The Company reserves the right to amend or terminate the Incentive Plan at any time in its sole discretion.

**FACTORIAL ENERGY INC.
NON-EMPLOYEE DIRECTOR COMPENSATION POLICY**

The purpose of this Non-Employee Director Compensation Policy (the “**Policy**”) of Factorial Energy Inc. (the “**Company**”) is to provide a total compensation package that enables the Company to attract and retain, on a long-term basis, high-caliber directors who are not employees or officers of the Company or its subsidiaries (“**Outside Directors**”). This Policy will become effective as of date immediately preceding the closing of the transactions contemplated by that certain Business Combination Agreement, dated as of December 17, 2025, by and among Cartesian Growth Corporation III, Fenway MS, Inc. and the Company (the “**Effective Date**”). In furtherance of the purpose stated above, all Outside Directors shall be paid compensation for services provided to the Company as set forth below:

Cash Retainers

Annual Retainer for Board Membership: \$50,000 for each Outside Director, other than the Executive Chairman, for general availability and participation in meetings and conference calls of our Board of Directors, to be paid quarterly in arrears, pro-rated based on the number of actual days served by the director during such calendar quarter. No additional compensation will be paid for attending individual meetings of the Board of Directors.

Additional Annual Retainer for Non-Executive Chair: \$50,000

Additional Annual Retainer for Lead Independent Director: \$20,000

Additional Annual Retainers for Committee Membership:

Audit Committee Chair: \$15,500

Audit Committee member: \$7,750

Compensation Committee Chair: \$11,000

Compensation Committee member: \$5,500

Nominating and Corporate Governance Committee Chair: \$10,000

Nominating and Corporate Governance Committee member: \$5,000

Chair and committee member retainers are in addition to retainers for members of the Board of Directors. No additional compensation will be paid for attending individual committee meetings of the Board of Directors.

Equity Retainers

All grants of equity retainer awards to Outside Directors (other than equity awards to the Executive Chairman of the Board of Directors) pursuant to this Policy will be automatic and nondiscretionary and will be made in accordance with the following provisions:

Initial Award: On the date of an Outside Director's initial election or appointment to the Board of Directors, each Outside Director other than the Executive Chairman of the Board of Directors will receive a one-time restricted stock unit award (the "***Initial Award***") with a Value (as defined below) of \$180,000, which will vest in full on the first anniversary of the date of grant, provided, however, that all vesting will cease if the director ceases to have a Service Relationship (as defined in the Company's 2026 Equity Incentive Plan (the "***2026 Plan***")) unless otherwise determined by the Board of Directors. This Initial Award applies only to Outside Directors who are first elected to the Board of Directors subsequent to the Effective Date.

Annual Award: On the date of each Annual Meeting of Stockholders of the Company (the "***Annual Meeting***") following the Effective Date, each continuing Outside Director (other than the Executive Chairman of the Board of Directors and a director receiving an Initial Award) will receive an annual restricted stock unit award with a Value of \$180,000, which will vest in full upon the earlier of (i) the first anniversary of the date of grant or (ii) the date of the next Annual Meeting; provided, however, that all vesting will cease if the director ceases to have a Service Relationship, unless otherwise determined by the Board of Directors.

Value: For purposes of this Policy, "***Value***" means the product of (i) the average closing market price on the Nasdaq Stock Market (or such other market on which the Company's Series A Common Stock is then principally listed) of one share of the Company's Series A Common Stock over the trailing 60-calendar day period ending on the last day of the month immediately prior to the month of the grant date, and (ii) the aggregate number of shares of Series A Common Stock underlying such award.

Sale Event Acceleration: All outstanding Initial Awards and Annual Awards held by an Outside Director shall become fully vested and nonforfeitable upon a Sale Event (as defined in the 2026 Plan).

Executive Chairman Compensation

The compensation for the Executive Chairman of the Board of Directors will be determined annually by the independent members of the Board of Directors.

Expenses

Subject to the Company's prior written approval and compliance with the Company's expense reimbursement policies, the Company will reimburse all reasonable out-of-pocket expenses incurred by non-employee directors in attending meetings of the Board of Directors or any committee thereof.

Maximum Annual Compensation

The aggregate amount of compensation, including both equity compensation and cash compensation, paid by the Company to any Outside Director in a calendar year for services as an Outside Director shall not exceed \$750,000; provided, however, that such amount shall be \$1,000,000 for the calendar year in which the applicable Outside Director is initially elected or appointed to the Board of Directors (or such other limits as may be set forth in Section 3(d) of the 2026 Plan or any similar provision of a successor plan) and, provided further that these limits shall not apply to the Executive Chairman of the Board of Directors. For this purpose, the "amount" of equity compensation paid in a calendar year will be determined based on the grant date fair value thereof, as determined in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 or its successor provision, but excluding the impact of estimated forfeitures related to service-based vesting conditions.

Adopted: June 5, 2026

Factorial Energy Inc.

together with its subsidiaries, referred to as “Factorial”

Code of Business Conduct and Ethics

Effective Date: June 5, 2026

CEO Message

At Factorial, we believe that ethical business is good business and that every decision we make should be the right choice for our planet, our communities, our customers, our investors, and each other.

That means that every step we take in running our business is made with ethics and integrity in mind.

Doing things right is not a choice at Factorial. Working here means making a commitment to uphold our company values and to follow this code of conduct. Thank you for joining us on our mission.

Siyu Huang

Chief Executive Officer

Factorial Energy Inc.

Table of Contents

I. Purpose and Scope

The Board of Directors of Factorial has adopted this Code of Business Conduct and Ethics to help directors, officers, and employees make ethical and legal decisions in their work at the Company.

The Board of Directors, or a committee designated by the Board, administers this Code. Day-to-day responsibility for Code compliance is delegated to the Company's General Counsel or their designee(s), who will serve as the Compliance Officer.

This Code sets forth minimum standards of conduct. It does not eliminate or reduce any legal or contractual obligations that may apply to you.

We encourage you to:

- Use good judgment and common sense in your business dealings
- Refer to this Code frequently
- Ask for guidance from your supervisor or the Compliance Officer when questions arise

II. Our Guiding Principles

Everything we do at Factorial flows from our core purpose and mission:

Purpose

Powering the Next Shift in Mobility & Intelligence

Mission

Our first responsibility is to the people we serve — those who rely on eMobility to move through their daily lives, families and businesses powered by advanced energy storage, and a nation that demands secure, sovereign energy storage solutions for its defense. In meeting their needs, everything we do must be of the highest quality. We must constantly strive to deliver value, reduce costs, and maintain fair prices. We must respond to our customers with speed and precision, and build long-lasting, trustworthy partnerships grounded in integrity and mutual prosperity.

Our employees are the foundation of everything we build. Across every location and discipline, we are committed to a workplace that is inclusive, safe, and worthy of the people in it. We respect the dignity and diversity of every team member and reward merit fairly. We support our people's well-being, at work and beyond, and create an environment where honest feedback flows freely. Growth and advancement are open to all who earn it. Fair compensation, safe conditions, and genuine well-being are not perks, they are obligations. We listen, we act, and we lead with integrity.

We are responsible to the communities in which we live and work, not just as a company, but as neighbors, parents, and members of a shared humanity. We recognize that our actions ripple beyond our walls, touching the lives of those around us today and those who will inherit this world tomorrow. We are committed to being a force for good in every community we touch, maintaining our properties with care, and protecting the natural resources that belong to all of us — for our children, our grandchildren, and the generations to come.

Our final responsibility is to our stockholders. We are committed to building a business that is financially sound, forward-thinking, and worthy of the trust placed in us. We will pursue bold ideas, drive innovation relentlessly, and face challenges not as obstacles but as opportunities to grow. Every dollar invested carries weight - it will be spent with discipline, intention, and a clear purpose to create lasting value. We will learn from every setback, build reserves to weather uncertainty, and operate with the long view in mind. When we honor all of our responsibilities - to our customers, our employees, our communities - a fair and meaningful return to our stockholders will follow naturally.

SMAHRT Values

- Safety
- Meritocracy
- Agility
- Humility
- Respect for All
- Transparency

These principles guide every decision in this Code.

III. Making Ethical Decisions

When you face a decision, ask yourself:

1. Does it reflect our guiding principles and SMAHRT values?
2. Is it consistent with this Code and Company policies?
3. Is it legal?

If you can answer yes to all three questions, you are on the right track. If you are unsure, do not proceed alone. Talk to your supervisor first or contact our Compliance Officer.

IV. Compliance with Laws, Rules and Regulations

As directors, officers, and employees of Factorial, you must comply with all applicable laws, rules, and regulations wherever the Company does business.

Use good judgment and common sense. If you are uncertain about whether something complies with the law, ask for advice. It is always better to ask than to guess.

If you learn that the Company, its people, or any third party acting on the Company's behalf has violated or may be violating applicable laws, you are obligated to promptly report the violation. Use the reporting channels described in Section VI.

V. Whistleblower Protections

As a public company, we have a legal obligation to protect the rights of those who report potential legal violations. Nothing in this Code, in any agreement with the Company, or in any Company policy limits your ability to:

4. File charges or complaints with government agencies, including but not limited to the Equal Employment Opportunity Commission (EEOC), the National Labor Relations Board (NLRB), the Securities and Exchange Commission (SEC), the Occupational Safety and Health Administration (OSHA), or any other governmental agency or commission.
5. Communicate with government agencies or participate in their investigations, including providing non-privileged information or documents, without prior notice to the Company.
6. For non-supervisory employees: Exercise your rights under Section 7 of the National Labor Relations Act (NLRA), including the right to discuss employment issues with coworkers as part of concerted activities for mutual aid or protection.
7. Share your own compensation information, or share information about others' compensation, except as may be restricted by information obtained in the course of your job responsibilities that requires or allows you access to such information.
8. Discuss or disclose information about unlawful workplace acts, such as harassment, discrimination, or other conduct that you have reason to believe is unlawful.
9. Testify truthfully in legal proceedings, administrative hearings, or other forums.

Any communications you make under these protections must be consistent with applicable law. You may not disclose information that is protected by attorney-client privilege, attorney work product doctrine, or other applicable legal privilege, except as otherwise permitted by law.

The Company will not limit any right you may have to receive a whistleblower award from the SEC or any other government agency for providing information to that agency.

VI. Speaking Up and Feeling Safe

At Factorial, communication is key. If you are not sure whether something is the right thing to do, ask. If you see an issue, speak up.

Reporting Channels

You have several ways to report concerns:

- Talk to your manager or supervisor
- Contact our Human Resources department
- Contact the Compliance Officer
- Call our internal ethics hotline: 800-236-8516
- Report online: <https://www.whistleblowerservices.com/factorial>
- Send a written report by mail to: Compliance Officer, Factorial Energy Inc., 805 Middlesex Turnpike, Billerica, MA 01821

Audit Committee Reports

If your concern involves accounting, internal controls, auditing, or securities law matters, you may also report directly to the Audit Committee of the Board of Directors or its designee using any of the channels above.

Director Reports

If you are a director, you may also contact the Board Chair or the Chair of the Audit Committee directly.

Anonymity and Confidentiality

The Company prefers that you identify yourself when you report a concern; this helps us investigate thoroughly and follow up with you. However, you may report anonymously if you choose. The Company will use reasonable efforts to protect your confidentiality. If you report anonymously, please provide as much detail as possible so we can investigate effectively.

Zero Tolerance for Retaliation

The Company has a zero-tolerance policy for retaliation. We will not discharge, demote, suspend, threaten, harass, or discriminate against anyone who reports a concern in good faith, provides truthful information during an investigation, or participates in any manner in an investigation.

Anyone who retaliates against another person for making a good-faith report or participating in an investigation is subject to disciplinary action, up to and including termination of employment.

If you believe you have experienced retaliation, report it immediately using the channels above.

Misuse of Reporting Channels

While we encourage speaking up, reporting channels must be used in good faith. Making a false report knowingly and intentionally may result in disciplinary action, up to and including termination.

Cooperation

All directors, officers, and employees are expected to cooperate fully with Company investigations. Failure to cooperate may result in disciplinary action.

VII. Conflicts of Interest

A conflict of interest arises when your personal interests interfere with, or appear to interfere with, the interests of the Company or your duties to the Company. You must avoid conflicts of interest and the appearance of conflicts.

Examples of Conflicts

Conflicts may include, but are not limited to:

- A personal or financial relationship with someone at another company that competes with, supplies to, or does business with Factorial
- Family members or relatives who do business with Factorial or work for a competitor or supplier
- Outside employment or business interests that distract from your duties to Factorial or compete with the Company
- Investing in a competitor or supplier
- Accepting gifts or entertainment that could influence your judgment

This list is not exhaustive. Use good judgment.

Disclosure and Approval

Any material transaction, responsibility, obligation, or relationship that could give rise to a conflict of interest must be reported promptly to the Compliance Officer. The Compliance Officer may notify the Board of Directors or a committee thereof.

If you are the Compliance Officer and have a conflict of interest, report it to the Chief Financial Officer (CFO).

The Compliance Officer or the Board will determine whether the conflict is acceptable, requires management, or must be eliminated.

VIII. Corporate Opportunities

As a director, officer, or employee of Factorial, you owe a duty to advance the Company's legitimate business interests. This means you may not:

- Divert business opportunities that come to you through Company property, information, or your position with the Company, unless the Company has explicitly rejected the opportunity and you have obtained approval from the Board or a committee.
- Use Company property, information, or your position with the Company for improper personal gain.
- Compete with the Company without the express written consent of the Board.

If you become aware of a business opportunity that may be of interest to the Company, disclose it to your manager or the Compliance Officer.

IX. Insider Trading

Never buy or sell securities of Factorial, or any other company, if you have material non-public information about that company obtained through your relationship with the Company.

Never share material non-public information with others (a practice called "tipping") if you know or have reason to know that they may trade on that information.

The Company has adopted a separate Insider Trading Policy that sets out detailed rules and restrictions. If you are uncertain whether you may trade in the Company's securities or any other securities, consult the Compliance Officer before trading.

X. Confidentiality

Maintain confidentiality of information entrusted to you by the Company, its customers, suppliers, partners, and other third parties. This includes:

- Technical and business information
- Research and development data
- Product plans and strategies
- Financial information
- Customer and supplier lists and relationships
- Regulatory or legal matters

Authorized Disclosure

You may disclose confidential information only when:

- Authorized by your supervisor or the Compliance Officer
- Required by law (subject to the whistleblower protections in Section V)

When disclosing confidential information within the Company, do so only on a need-to-know basis.

External Communications

Do not discuss internal Company matters with outsiders except as required for your job duties. When appropriate, use non-disclosure agreements.

Refer all inquiries from the media, securities analysts, investors, or shareholders to authorized Company spokespersons (see Section XI).

Obligations to Former Employers

Abide by all lawful obligations to your former employers, including restrictions on use of confidential information, non-solicitation agreements, and non-competition agreements.

XI. External Communications

Only authorized spokespersons may speak on behalf of Factorial to the media, investors, or other external parties.

Authorized Spokespersons

The following roles are authorized to speak to the media on behalf of the Company:

- Chief Executive Officer
- Chief Financial Officer
- Chief Technology Officer
- Vice President, Commercial

Only the General Counsel and their designees are authorized to communicate with legal authorities on behalf of the Company.

Other Inquiries

If you receive a media, investor, analyst, or shareholder inquiry that you are not authorized to handle, refer it to the Company's marketing or investor relations teams.

XII. Equal Opportunity

Factorial is committed to providing equal employment opportunities to all employees and applicants regardless of race, color, religion, sex, national origin, age, disability, sexual orientation, gender identity, veteran status, or any other characteristic protected by applicable law.

All employment decisions - including hiring, promotion, compensation, discipline, and termination - are made based on merit, qualifications, and job performance, not on protected characteristics.

We are committed to creating a diverse and inclusive workplace where everyone can thrive.

XIII. Harassment

Factorial has a zero-tolerance policy for harassment and bullying of any kind. We do not tolerate:

- Sexual harassment, including unwelcome advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature
- Harassment based on race, color, religion, sex, national origin, age, disability, sexual orientation, gender identity, or any other protected characteristic
- Bullying, intimidation, or threats
- Demeaning, disrespectful, or hostile conduct that creates an intimidating, offensive, or hostile work environment

If you witness or experience harassment, report it immediately to your supervisor, HR, or the Compliance Officer. All reports will be investigated promptly and thoroughly. Retaliation is prohibited.

XIV. Honest and Ethical Conduct and Fair Dealing

Deal honestly, ethically, and fairly with partners, suppliers, customers, competitors, and employees.

Truthful Communications

All statements about Factorial products and services must be truthful, accurate, and not misleading, deceptive, or fraudulent.

Fair Practices

Do not gain unfair advantage through:

- Manipulation of facts or figures
- Concealment of material information
- Abuse of privileged information
- Misrepresentation
- Any other unfair practice

XV. Competition, Fair Dealing and Antitrust

Factorial competes fairly and legally in the marketplace. All communications about Factorial, our products, and our competitors must be fair and accurate.

We strictly prohibit:

- Price-fixing or bid-rigging with competitors
- Agreements to divide markets or customers
- Agreements to allocate territories or products
- Any other anti-competitive activities

If you are involved in any activity or discussion that may affect fair competition, consult with the General Counsel before proceeding. Many jurisdictions have strict antitrust and competition laws. When in doubt, ask for guidance.

XVI. Bribery and Facilitation Payments

No bribes, kickbacks, or improper payments to government officials, competitors, suppliers, customers, or business partners are permitted - in the United States or anywhere in the world.

We also do not permit facilitation payments (small payments to obtain routine administrative services).

The Company has adopted a Foreign Corrupt Practices Act (FCPA) and Anti-Corruption Policy that establishes detailed guidelines. All personnel, contractors, and agents must comply with that policy.

Your Responsibilities

You must:

- Carefully select and monitor third parties who act on the Company's behalf
- Keep accurate books and records of all transactions
- Refuse to make unlawful payments even if it costs the Company business
- Report any suspected bribery or improper payment to the General Counsel

XVII. International Trade Controls

Many countries, including the United States, regulate imports, exports, and international financial transactions. Some countries also restrict certain boycotts. Violations can result in severe civil and criminal penalties.

The Company's policy is to comply with all applicable international trade controls, even if compliance means losing a business opportunity.

If your work involves international transactions, take time to learn and understand the extent to which international trade control laws apply to your work. When in doubt, consult with the General Counsel.

XVIII. Gifts and Entertainment

Gifts and entertainment can be appropriate ways to build relationships. However, they must never be used to influence decisions or create obligations.

Guidelines

As a general rule:

- Do not offer, accept, or solicit gifts or entertainment that are more than modest in value or frequency without approval from the General Counsel

- Never offer or accept cash, cash equivalents, securities, or anything that functions as a financial benefit
- Never offer or accept illegal or immoral gifts
- Never offer or accept gifts that could reasonably be seen as attempting to influence a business decision
- Nominal, unsolicited promotional items (like branded pens or mugs) are generally acceptable

When in doubt, check with the General Counsel before offering or accepting a gift or entertainment.

XIX. Political Contributions

All political contributions made with Company funds must be coordinated through and approved by the Compliance Officer before commitment.

The Company does not provide financial support to political candidates, parties, or organizations without explicit approval.

Personal Contributions

You are free to make your own political contributions with your personal funds. However:

- Keep personal contributions separate from Company business and resources
- Do not represent personal contributions as being from the Company
- Do not use Company time, equipment, or facilities for personal political activity

XX. Charitable Contributions

Factorial may contribute to charitable causes and non-politically-affiliated organizations that align with our mission and values. All charitable contributions proposed with Company funds must be reviewed and approved by the Chief Executive Officer (CEO) before commitment.

XXI. Privacy

Factorial is committed to protecting the privacy and confidentiality of personal information - whether it belongs to employees, customers, suppliers, or other individuals.

Personal Information

Protect personal and confidential information entrusted to you, including:

- Employee personal information (names, addresses, phone numbers, email addresses, social security numbers, health information)
- Customer and supplier information
- Payment card information
- Other personal data collected in the course of business

Lawful Use and Disclosure

Personal information must only be used for the purposes for which it was collected and disclosed only with authorization or as required by law. Unauthorized access to, use of, or disclosure of personal information may result in disciplinary action.

XXII. Record Keeping and Accuracy of Records

All business transactions must be reported honestly and accurately. You are responsible for the accuracy of your own records and reports.

Financial Records

The Company maintains books, records, and accounts in accordance with all applicable legal and regulatory requirements and in accordance with generally accepted accounting principles (GAAP). Every financial statement, report, and disclosure must:

- Accurately reflect the true nature and amount of transactions
- Comply with GAAP and the Company's accounting policies
- Include all material information

Prohibited Conduct

You must never:

- Maintain undisclosed or unrecorded accounts or funds
- Make false or misleading entries in any record
- Misstate facts or omit critical information to mislead
- Modify records to conceal the truth
- Interfere with accounting procedures, record-keeping, or independent audits

Every disbursement must be supported by adequate documentation showing the business purpose and authorization.

XXIII. Quality of Public Disclosures

As a public company, Factorial must provide full, fair, accurate, timely, and understandable disclosure in all reports and documents filed with the Securities and Exchange Commission (SEC) and in other public communications.

If you are involved in preparing disclosures, reports, or certifications:

- Ensure all information is complete and accurate
- Correct any errors or omissions promptly
- Follow all SEC rules and Nasdaq listing standards
- Consult with the General Counsel or CFO if you have questions

XXIV. Protection and Proper Use of Company Assets

Use Company assets solely for legitimate business purposes. Company assets include:

- Facilities and equipment
- Computers and information systems
- Telephones and communications systems
- Employee time
- Confidential and proprietary information
- Corporate opportunities
- Funds and financial resources

Preventing Loss

Theft, carelessness, and waste directly impact our financial performance and ability to invest in our mission. Protect Company assets by:

- Using assets only for authorized purposes
- Securing confidential information
- Preventing unauthorized access or use
- Reporting any loss, damage, or unauthorized use immediately

XXV. Money Laundering

The Company complies with all anti-money laundering laws and regulations. We do not knowingly facilitate or enable money laundering or the financing of illegal activities.

Red Flags

Be alert to transactions or activities that may indicate money laundering:

- Customers or suppliers who insist on cash or unusual payment methods
- Transactions that lack a clear business purpose
- Requests to move funds through multiple accounts or jurisdictions
- Customers or suppliers who appear on government sanctions lists or are otherwise high-risk
- Large round-dollar transactions that seem unusual for the customer or transaction type

If you observe any red flags, report them to the General Counsel or the Compliance Officer.

XXVI. Health and Safety

The health and safety of our employees, contractors, and other stakeholders is paramount. We are committed to maintaining a safe workplace and proactively managing environmental, health, and safety (EHS) risks.

Your Responsibilities

You must:

- Follow all safety policies and procedures
- Report hazards, incidents, and near-misses promptly to your supervisor or our EHS team
- Cooperate with safety investigations and training
- Use required protective equipment
- Never engage in reckless or dangerous behavior

EHS Team

Factorial's EHS team is available to answer questions about health and safety. Consult them whenever you have concerns about workplace safety.

XXVII. Compliance Procedures

Communication of the Code

All current and future directors, officers, and employees will receive a copy of this Code. The Company will require periodic review and acknowledgment. The Code is available from the Human Resources department and on the Company website at <https://factorialenergy.com>.

Monitoring and Disciplinary Action

Company management, under oversight by the Board of Directors or a designated committee, monitors compliance with this Code and takes appropriate disciplinary action for violations. The Audit Committee oversees compliance matters related to accounting, internal controls, auditing, and securities law.

Disciplinary measures for Code violations may include:

- Counseling
- Reprimand or written warning
- Probation or suspension

- Demotion
- Reduction in salary
- Termination of employment
- Restitution or recovery of losses

The Company reserves the right to impose whatever discipline it deems appropriate based on the facts and circumstances.

Board Reporting

Management will periodically report to the Board on the Company's compliance efforts, any Code violations, and disciplinary actions taken.

XXVIII. Waivers and Amendments

Waivers

No waiver of this Code for a director or executive officer of the Company is effective unless approved by the Board of Directors or a committee thereof to which the Board has delegated authority, and, if required by applicable securities laws or Nasdaq listing standards, the waiver must be promptly disclosed.

Waivers for other employees may be made by the Compliance Officer, the Board, or the Audit Committee.

Amendments

All amendments to this Code must be approved by the Board of Directors and, if required by applicable securities laws and Nasdaq listing standards, must be promptly disclosed.

XXIX. Acknowledgment

I have reviewed this Code of Business Conduct and Ethics and understand its contents. I agree to comply with this Code and to conduct my business and personal activities with the Company in a manner consistent with this Code and applicable laws.

I understand that violations of this Code may result in disciplinary action, up to and including termination of employment. I understand that this Code does not create a contract or guarantee of employment. I also understand the reporting channels and whistleblower protections described in this Code.

Signature

Name (printed or typed)

Position/Title

Date

June 10, 2026

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Commissioners:

We have read the statements made by Factorial Energy Inc. (formerly known as Cartesian Growth Corporation III) under Item 4.01 of its Form 8-K dated June 5, 2026. We agree with the statements concerning our Firm in such Form 8-K; we are not in a position to agree or disagree with other statements of Factorial Energy Inc. contained therein.

Very truly yours,

/s/ CBIZ CPAs P.C.

LIST OF SUBSIDIARIES OF THE REGISTRANT

The following are the subsidiaries of Factorial Energy Inc.:

Name	State or Other Jurisdiction of Organization
Factorial Inc.	DE
Factorial Security Corporation	MA
Factorial Korea Ltd.	Korea (Yongsan District)

Factorial Inc.

Condensed Consolidated Balance Sheets (Unaudited)

(In thousands, except share and per share data)

	As of	
	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 25,449	\$ 28,891
Receivables under collaboration agreements (includes \$0 and \$1,000 as related party as of March 31, 2026, and December 31, 2025, respectively)	3,360	1,152
Deferred transaction costs	3,468	1,423
Prepaid expenses and other current assets (includes \$910 and \$1,110 as related party as of March 31, 2026, and December 31, 2025, respectively)	1,718	1,425
Total current assets	33,995	32,891
Restricted cash	884	881
Property and equipment, net	20,206	21,276
Operating lease right-of-use assets, net	7,266	7,576
Other non-current assets (related party)	40	160
TOTAL ASSETS	\$ 62,391	\$ 62,784
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK & STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable (includes \$30 and \$190 as related party, as of March 31, 2026, and December 31, 2025, respectively)	\$ 656	\$ 741
Accrued expenses	4,128	2,981
Operating lease liabilities, current portion	1,401	1,357
Total current liabilities	6,185	5,079
Operating lease liabilities, net of current portion	6,817	7,180
Convertible promissory notes - related parties, at fair value	20,296	18,889
Convertible promissory notes, at fair value	4,600	-
Warrant liabilities for Series B-1 and Series D redeemable convertible preferred stock (includes \$2,803 and \$2,770 to related parties as of March 31, 2026, and December 31, 2025, respectively)	3,484	3,378
Total liabilities	41,382	34,526
Commitments and contingencies (Note 8)		
Redeemable convertible preferred stock (Note 9):		
Series A-1 redeemable convertible preferred stock, \$0.0001 par value; 1,234,568 shares authorized, issued and outstanding as March 31, 2026, and December 31, 2025. Liquidation preference of \$3,000 as of March 31, 2026, and December 31, 2025.	327	327
Series A-2 redeemable convertible preferred stock, \$0.0001 par value; 2,362,204 shares authorized, issued and outstanding as of March 31, 2026, and December 31, 2025. Liquidation preference of \$6,000 as March 31, 2026, and December 31, 2025.	655	655
Series B-1 redeemable convertible preferred stock, \$0.0001 par value; 2,738,469 shares authorized; 2,718,539 shares issued and outstanding as of March 31, 2026, and December 31, 2025. Liquidation preference of \$22,166 as of March 31, 2026, and December 31, 2025.	2,169	2,169
Series C-1 redeemable convertible preferred stock, \$0.0001 par value; 3,570,724 shares authorized, issued and outstanding as of March 31, 2026, and December 31, 2025. Liquidation preference of \$28,423 as of March 31, 2026, and December 31, 2025.	28,303	28,303
Series C-2 redeemable convertible preferred stock, \$0.0001 par value; 2,513,698 shares authorized, issued and outstanding as of March 31, 2026, and December 31, 2025. Liquidation preference of \$26,857 as of March 31, 2026, and December 31, 2025.	26,013	26,013
Series D redeemable convertible preferred stock, \$0.0001 par value; 7,625,734 shares authorized; 5,950,204 shares issued and outstanding as of March 31, 2026, and December 31, 2025. Liquidation preference of \$202,385 as of March 31, 2026, and December 31, 2025.	192,185	192,185
Total redeemable convertible preferred stock	249,652	249,652
Stockholders' deficit:		
Common stock, \$0.0001 par value; 32,000,000 shares authorized as of March 31, 2026, and December 31, 2025. 5,068,690 and 5,039,438 shares issued and outstanding as of March 31, 2026, and December 31, 2025, respectively.	-	-
Additional paid-in capital	36,285	34,661
Accumulated deficit	(264,151)	(255,576)
Accumulated other comprehensive loss	(743)	(445)
Treasury stock, at cost; 108,466 shares as of March 31, 2026, and December 31, 2025	(34)	(34)
Total stockholders' deficit	(228,643)	(221,394)
TOTAL LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK & STOCKHOLDERS' DEFICIT	\$ 62,391	\$ 62,784

See accompanying notes to unaudited condensed consolidated financial statements.

Factorial Inc.

Condensed Consolidated Statements of Operations (Unaudited)

(In thousands, except share and per share data)

	Three Months Ended March 31,	
	2026	2025
Operating expenses:		
Research and development, net (includes \$0 and \$24 of related party research and development reimbursement, net, during the three months ended March 31, 2026, and 2025, respectively)	\$ (1,942)	\$ (6,754)
Selling, general and administrative (includes \$88 and \$44 of related party expenses, during the three months ended March 31, 2026, and 2025, respectively)	(4,549)	(6,368)
Loss from operations	(6,491)	(13,122)
Other (expense) income, net:		
Financing costs related to issuance of convertible promissory notes	(37)	-
Change in fair value of convertible promissory notes – related parties	(1,407)	-
Change in fair value of convertible promissory notes	(300)	-
Change in fair value of warrant liabilities (includes related party loss of \$33 and \$0 during the three months ended March 31, 2026, and 2025, respectively)	(106)	-
Other (expenses) income, net	(234)	252
Total other (expenses) income, net	(2,084)	252
Loss before provision for income taxes	(8,575)	(12,870)
Provision for income taxes	-	-
Net loss	\$ (8,575)	\$ (12,870)
Net loss attributable to common stockholders - basic and diluted (Note 12)	<u><u>\$ (8,575)</u></u>	<u><u>\$ (12,870)</u></u>
Net loss per share attributable to common stockholders - basic and diluted (Note 12)	<u><u>\$ (1.70)</u></u>	<u><u>\$ (2.57)</u></u>
Weighted-average common stock outstanding - basic and diluted (Note 12)	<u><u>5,056,994</u></u>	<u><u>5,016,149</u></u>

See accompanying notes to unaudited condensed consolidated financial statements.

Factorial Inc.

Condensed Consolidated Statements of Comprehensive Loss (Unaudited)

(In thousands, except share and per share data)

	Three Months Ended March 31,	
	2026	2025
Net loss	\$ (8,575)	\$ (12,870)
Other comprehensive income (loss), net of tax		
Foreign currency translation adjustments	(298)	8
Other comprehensive income (loss), net of tax	\$ (298)	\$ 8
Comprehensive loss	\$ (8,873)	\$ (12,862)
Comprehensive loss attributable to stockholders	<u><u>\$ (8,873)</u></u>	<u><u>\$ (12,862)</u></u>

See accompanying notes to unaudited condensed consolidated financial statements.

Factorial Inc.

Condensed Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit (Unaudited)

(In thousands, except share data)

Three Months Ended March 31, 2026	REDEEMABLE CONVERTIBLE PREFERRED STOCK \$0.0001 PAR VALUE		COMMON STOCK \$0.0001 PAR VALUE		ADDITIONAL PAID-IN CAPITAL	ACCUMULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	TREASURY STOCK AT COST	TOTAL STOCKHOLDERS' DEFICIT
	SHARES	AMOUNT	SHARES	AMOUNT					
Balance as of December 31, 2025	18,349,937	\$ 249,652	5,039,438	\$ -	\$ 34,661	\$ (255,576)	\$ (445)	\$ (34)	\$ (221,394)
Issuance from stock option exercises	-	-	29,252	-	90	-	-	-	90
Stock based compensation	-	-	-	-	1,534	-	-	-	1,534
Foreign currency translation adjustments	-	-	-	-	-	-	(298)	-	(298)
Net loss	-	-	-	-	-	(8,575)	-	-	(8,575)
Balance as of March 31, 2026	18,349,937	\$ 249,652	5,068,690	\$ -	\$ 36,285	\$ (264,151)	\$ (743)	\$ (34)	\$ (228,643)

Three Months Ended March 31, 2025	REDEEMABLE CONVERTIBLE PREFERRED STOCK \$0.0001 PAR VALUE		COMMON STOCK \$0.0001 PAR VALUE		ADDITIONAL PAID-IN CAPITAL	ACCUMULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	TREASURY STOCK AT COST	TOTAL STOCKHOLDERS' DEFICIT
	SHARES	AMOUNT	SHARES	AMOUNT					
Balance as of December 31, 2024	18,349,937	\$ 249,652	5,016,051	\$ -	\$ 25,193	\$ (181,731)	\$ 76	\$ (34)	\$ (156,496)
Issuance from stock option exercises	-	-	300	-	2	-	-	-	2
Stock based compensation	-	-	-	-	3,857	-	-	-	3,857
Foreign currency translation adjustments	-	-	-	-	-	-	8	-	8
Net loss	-	-	-	-	-	(12,870)	-	-	(12,870)
Balance as of March 31, 2025	18,349,937	\$ 249,652	5,016,351	\$ -	\$ 29,052	\$ (194,601)	\$ 84	\$ (34)	\$ (165,499)

See accompanying notes to unaudited condensed consolidated financial statements.

Factorial Inc.

Condensed Consolidated Statements of Cash Flows (Unaudited)

(In thousands, except share and per share data)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net loss	\$ (8,575)	\$ (12,870)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	882	2,191
Non-cash lease expenses and amortization	310	302
Stock-based compensation	1,534	3,857
Change in fair value and financing cost of convertible promissory notes	337	-
Change in fair value of convertible promissory notes – related parties	1,407	-
Change in fair value of warrant liability	106	-
Loss on disposal of property and equipment	9	7
Unrealized foreign exchange loss	487	51
Non-cash interest	-	39
Changes in operating assets and liabilities:		
Receivables under collaboration agreements	(2,208)	545
Prepaid expenses and other current assets	(306)	70
Other non-current assets	120	-
Accounts payable	(174)	5
Accrued expenses	271	(2)
Operating lease liabilities	(320)	(298)
Net cash used in operating activities	(6,120)	(6,103)
Cash flows from investing activities:		
Property and equipment expenditures	(482)	(172)
Advances on property and equipment	(5)	-
Net cash used in investing activities	(487)	(172)
Cash flows from financing activities:		
Proceeds from stock option exercises	90	2
Principal paid on finance lease liability	-	(207)
Deferred transaction costs paid	(1,051)	-
Financing costs related to issuance of convertible promissory notes	(37)	-
Proceeds from convertible promissory notes	4,300	-
Net cash provided (used) in financing activities	3,302	(205)
Effects of exchange rate change on cash, cash equivalents and restricted cash	(134)	(36)
Net change in cash, cash equivalents and restricted cash	(3,439)	(6,516)
Beginning cash, cash equivalents and restricted cash	29,772	51,421
Ending cash, cash equivalents and restricted cash	\$ 26,333	\$ 44,905
Supplemental disclosures:		
Cash paid for interest	\$ -	\$ 146
Non-cash investing and financing activities:		
Deferred transaction costs included in accounts payable and accrued expenses	\$ 1,723	\$ -
The following table presents the Company's cash, cash equivalents and restricted cash by category in the Company's Condensed Consolidated Balance Sheets:		
Cash and cash equivalents	\$ 25,449	\$ 41,719
Restricted cash	884	3,186
Total cash, cash equivalents and restricted cash	\$ 26,333	\$ 44,905

See accompanying notes to unaudited condensed consolidated financial statements.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

Note 1 - The Company

Nature of Operations

Factorial Inc. ("Factorial", the "Company", or "we") is a developer and manufacturer of advanced battery energy storage technologies and solid-state battery ("SSB") technology. The technologies developed are expected to create a more sustainable future with high-performance batteries for electric vehicles, homes, and critical applications.

de-SPAC Transaction

On December 17, 2025, Cartesian Growth Corporation III, a Cayman Islands exempted company ("CGC"), Fenway MS, Inc., a Delaware corporation ("Merger Sub"), and Factorial Inc., a Delaware corporation ("Factorial"), entered into a Business Combination Agreement ("BCA"). CGC, a publicly traded special purpose acquisition company ("SPAC") was listed on the Nasdaq Capital Market ("Nasdaq") under the ticker symbol "CGCT".

On June 5, 2026, the Merger Sub, a wholly-owned subsidiary of CGC, merged with and into the Company, with the Company surviving the merger as a wholly-owned subsidiary of CGC (the "Merger"). In connection with the Merger, CGC was renamed Factorial Energy, Inc. ("PubCo"). PubCo became listed on the Nasdaq under the new ticker symbol "FAC" ("de-SPAC Transaction"). PubCo received gross proceeds of approximately \$112,100 in connection with the de-SPAC Transaction and the sale of a private placement of PubCo Series A Common Stock, prior to the payment of transaction expenses ("de-SPAC and PIPE Proceeds"). These unaudited condensed consolidated financial statements do not reflect the impact of the de-SPAC Transaction, since it was closed subsequent to March 31, 2026.

Basis of Presentation

The accompanying interim condensed consolidated financial statements and notes to the condensed consolidated financial statements have been prepared in accordance with accounting standards generally accepted in the United States of America ("U.S. GAAP") for interim financial information as organized in the Accounting Standards Codification ("ASC") administered by the Financial Accounting Standards Board ("FASB"). The accompanying interim Condensed Consolidated Balance Sheet as of March 31, 2026, the interim Condensed Consolidated Statements of Operations, Comprehensive Loss, Redeemable Convertible Preferred Stock and Stockholders' Deficit, and the interim Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2026 and 2025, are unaudited. The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited annual consolidated financial statements and, in management's opinion, include adjustments consisting of only normal recurring adjustments necessary for the fair statement of the Company's financial position as of March 31, 2026 and its result of operations for the three months ended March 31, 2026 and 2025 are not necessarily indicative of the results to be expected for the full fiscal year or any other period.

These unaudited interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the related notes included in the Company's audited annual consolidated financial statements for the year ended December 31, 2025, included in the proxy statement/prospectus filed by CGC on May 6, 2026. The accounting policies applied in the preparation of these interim condensed consolidated financial statements are consistent with those disclosed in the Company's audited consolidated financial statements and accompanying notes. The disclosures provided herein include only those policies that have been newly adopted or updated during the interim period, if any.

Prior to the receipt of the de-SPAC and PIPE Proceeds, the Company determined that its existing liquidity was not sufficient to fund operations for at least twelve months from the date of issuance of its audited annual consolidated financial statements, which raised substantial doubt about the Company's ability to continue as a going concern. The Company has experienced net losses and negative cash flows from operations since its inception. The Company expects it will continue to incur significant costs including research and development expenses related to its ongoing operations until it successfully develops a commercial product and achieves revenues adequately to support the Company's operations. However, Factorial believes that its cash on hand, including the net proceeds from the de-SPAC and PIPE Proceeds will be sufficient to meet its working capital and capital expenditure requirements for a period of at least twelve months from the date of this filing. Accordingly, management has concluded that the substantial doubt about the Company's ability to continue as a going concern has been alleviated. Factorial may, however, need additional cash resources due to changed business conditions or other developments, including unanticipated delays in negotiations with Original Equipment Manufacturers ("OEMs") and tier-one automotive suppliers or other suppliers, supply chain challenges, competitive pressures, and regulatory developments, among other developments. To the extent that Factorial's current resources are insufficient to satisfy its cash requirements, Factorial may need to seek additional equity or debt financing. If the financing is not available, or if the terms of financing are less desirable than Factorial expects, Factorial may be forced to decrease its level of investment in product development or scale back its operations.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company and its four wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in the preparation of the consolidated financial statements in accordance with the provisions under ASC Topic 810 *Consolidation*.

Use of Estimates

The preparation of the financial statements in conformity with U.S. 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 consolidated financial statements, and the amounts of expenses during the reporting period. On an ongoing basis, the Company's management evaluates its estimates, judgments, and methodologies. Significant estimates and assumptions in the consolidated financial statements include those related to warrant liabilities, convertible promissory notes and stock-based compensation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ materially from these estimates under different assumptions or conditions. Changes in estimates are reflected in reported results in the period in which they become known.

Collaboration Arrangements and Partnership Agreements

The Company enters into collaborative arrangements with various parties individually through joint development agreements ("JDAs") to evaluate and test its technology. The agreements are executed in anticipation of entering into either a purchasing agreement for the Company's sellable products or jointly developing a commercialized product. As part of the JDAs, the counterparty may either reimburse the Company for certain costs incurred through a fixed fee payment or per unit payment or share certain costs with the Company.

The Company assesses each collaborative arrangement to determine whether it is in scope for ASC Topic 808, *Collaborative Arrangements* ("ASC 808"). In making the determination, the Company considers whether the arrangement involves joint operating activities performed by parties that are both active participants in the activities and exposed to significant risks and rewards that are dependent on the commercial success of such activities. All of the JDAs entered into by the Company have been concluded to be arrangements within the scope of ASC 808. As a result, payments received/paid from/to the counterparties have been netted against the research and development expenses incurred by the Company.

The Company assesses each collaborative arrangement to determine whether it is in scope for ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). In making the determination, the Company considers if some or all aspects of the arrangement represent a transaction with a customer. All of the JDAs entered into by the Company to date have been concluded to be arrangements outside the scope of ASC 606. As a result, no revenue has been recognized by the Company.

For the three months ended March 31, 2026, and 2025, the Company recognized approximately \$3,410 and \$34, respectively in expense reimbursements from arrangements, which are recorded net within research and development expenses on the condensed consolidated statements of operations. The Company had one partner that accounted for \$3,360 in expense reimbursements for the three months ended March 31, 2026.

In February 2026, the Company entered into a new development agreement with PowerCo SE ("PowerCo"). The development agreement has various terms and conditions and has a term of fifteen months; however, PowerCo has the right to terminate under certain conditions. The Company entered into this development agreement for purposes of assessing its technology through evaluation and testing of its batteries.

In January 2026, the Company entered into a partnership agreement with a note holder as further described in Note 7. The partnership agreement includes up to \$900 of consideration for the performance of research and development services to the note holder.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

Deferred Transaction Costs

The Company complies with the requirements of ASC 340, *Other Assets and Deferred Costs*, with regards to transaction costs. Prior to the completion of the transaction (potential business combination with Cartesian Growth Corporation III) as mentioned in Note 1 of the audited annual consolidated financial statements for the year ended December 31, 2025, direct transaction costs are capitalized as deferred transaction costs. If the transaction is completed, the deferred transaction costs are charged to additional paid-in capital and offset the proceeds received from the potential business combination. As of March 31, 2026, and December 31, 2025, the Company had \$3,468 and \$1,423 of deferred transaction costs incurred, respectively.

Convertible Promissory Notes, Fair Value

During January 2026, the Company entered into Note Purchase Agreements and a Convertible Promissory Note Agreement pursuant to which it could receive proceeds up to \$5,340 (the “January 2026 Notes”) from new investors. The Company determined that it is eligible for the fair value option election in connection with the Convertible Promissory Notes. The Convertible Promissory Notes meet the definition of a “recognized financial liability” which is an acceptable financial instrument eligible for the fair value option under ASC Topic 825 *Financial Instruments* (“ASC 825”). At the date of issuance, the fair value of the Convertible Promissory Notes were derived using the scenario-based method (“SBM”) as further described in Note 3. The fair value option election was made to enhance the relevance and transparency of information presented related to the features embedded in the Convertible Promissory Notes.

Changes in the fair value of the Convertible Promissory Notes are recorded as gains or losses in the Company’s consolidated statements of operations in each reporting period. For the three months ended March 31, 2026, the Company recorded a loss on the change in fair value of convertible promissory notes of \$300.

Recently Adopted Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies and adopted by the Company as of the specified effective date. After completion of the business combination described in Note 15, the Company expects it will be considered an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, as amended (the “Jobs Act”). The Jobs Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. The Company has elected to avail itself of this extended transition period and, as a result, the Company will not be required to adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other public companies.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets* (“ASU 2025-05”). ASU 2025-05 provides optional practical expedients intended to simplify the application of the current expected credit loss model to current trade accounts receivable and current contract assets arising from revenue transactions under Topic 606. The amendments will be effective for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted in both interim and annual reporting periods in which financial statements have not yet been issued or made available for issuance. The Company adopted the guidance effective January 1, 2026. The adoption did not have a material impact on its accounting policies, financial position, results of operations, or cash flows, given the short-term nature and historically no loss experience of its trade receivables and contract assets.

New Accounting Pronouncements – Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses (DISE)* (“ASU 2024-03”), requiring additional disclosure of the nature of expenses included in the income statement. The new standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. The amendment in this update applies to all public business entities and is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. The Company is currently evaluating the provisions of the amendments and the impact on its disclosures.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

NOTE 3 - FAIR VALUE MEASURES

The Company's financial assets subject to fair value measurements on a recurring basis. The following table presents information about the Company's financial assets and liabilities measured at fair value and the level of input utilized to determine such fair values (in thousands):

Fair value measurements as of March 31, 2026				
	Total	Level 1	Level 2	Level 3
Assets:				
Money market (included in cash and cash equivalents)	\$ 10,245	\$ 10,245	\$ -	\$ -
Money market (included in restricted cash)	884	884	-	-
Total Assets	\$ 11,129	\$ 11,129	\$ -	\$ -
Liabilities:				
Warrant liability Series B-1	\$ 681	\$ -	\$ -	\$ 681
Warrant liability Series D	2,803	-	-	2,803
Convertible promissory notes – related parties	20,296	-	-	20,296
Convertible promissory notes	4,600	-	-	4,600
Total Liabilities	\$ 28,380	\$ -	\$ -	\$ 28,380
Fair value measurements as of December 31, 2025				
	Total	Level 1	Level 2	Level 3
Assets:				
Money market (included in cash and cash equivalents)	\$ 14,152	\$ 14,152	\$ -	\$ -
Money market (included in restricted cash)	881	881	-	-
Total Assets	\$ 15,033	\$ 15,033	\$ -	\$ -
Liabilities:				
Warrant liability Series B-1	\$ 608	\$ -	\$ -	\$ 608
Warrant liability Series D	2,770	-	-	2,770
Convertible promissory notes – related parties	18,889	-	-	18,889
Convertible promissory notes	-	-	-	-
Total Liabilities	\$ 22,267	\$ -	\$ -	\$ 22,267

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

The following table presents a roll-forward of the aggregate fair values of the Company's Warrant liabilities and the Company's Convertible promissory notes for which fair value is determined by Level 3 inputs (in thousands):

	Total	Warrant Liability Series B - 1	Warrant Liability Series D	Convertible Promissory Notes Related Parties	Convertible Promissory Notes
December 31, 2024	\$ 1,148	\$ 114	\$ 1,034	\$ -	\$ -
Issuance of convertible promissory notes	-	-	-	-	-
Loss on issuance	-	-	-	-	-
Change in fair value	-	-	-	-	-
March 31, 2025	\$ 1,148	\$ 114	\$ 1,034	\$ -	\$ -
Issuance of convertible promissory notes	10,000	-	-	10,000	-
Loss on issuance	4,500	-	-	4,500	-
Change in fair value	6,619	494	1,736	4,389	-
December 31, 2025	\$ 22,267	\$ 608	\$ 2,770	\$ 18,889	\$ -
Issuance of convertible promissory notes	4,300	-	-	-	4,300
Loss on issuance	-	-	-	-	-
Change in fair value	1,813	73	33	1,407	300
March 31, 2026	\$ 28,380	\$ 681	\$ 2,803	\$ 20,296	\$ 4,600

Certain of the Company's financial instruments are not measured at fair value on a recurring basis but are recorded at amounts that approximate their fair value due to their liquid or short-term nature, such as accounts payable, accrued expenses, and other current liabilities.

Warrant Liability Series B-1

In connection with the issuance of Series B-1 redeemable convertible preferred stock of the Company ("Series B-1") on October 28, 2019, the Company entered into a warrant agreement with Massachusetts Development Finance Agency, or its registered assignees to purchase 19,930 Series B-1 redeemable convertible preferred stock ("Series B-1 Warrant Agreements"). The warrant was issued at a purchase price of \$0.81 per share, with a maturity date of February 1, 2029, or the closing of the Company's Initial Public Offering.

Warrant Liability Series D

In connection with the issuance of Series D redeemable convertible preferred stock of the Company ("Series D") on November 30, 2021, the Company entered into a warrant for preferred stock with each of Mercedes-Benz Investment Company LLC and Stellantis (each a "Holder") ("Series D Agreement"). Upon closing of the Series D Agreement, Mercedes-Benz Investment Company LLC and its affiliates ("Mercedes-Benz") and Stellantis became related parties to the Company. During 2022, the Warrant Agreements were amended and restated with both Stellantis and Mercedes-Benz to eliminate certain milestone-based provisions. The Amended Warrants modified the original agreements by setting the number of shares issuable upon exercise at a fixed 137,814 shares per Holder at a fixed price of \$27.2105 per share. The warrants have a maturity date of February 1, 2029, or the closing of the Company's Initial Public Offering. The Amended Warrants remain consistent with the Warrant Agreements to require settlement through the issuance of the then most senior redeemable convertible preferred stock of the Company to the Holder. At inception, the monetary value of the obligation is based on a fixed monetary amount known at inception.

To estimate the fair value of the Series B-1 and D Warrant Agreements, the Company applied the Probability Weighted Equity Return Method ("PWERM"). Under this approach, the Company develops multiple scenarios and ascribes a probability weighting to each scenario and related estimated fair value. Key inputs and assumptions in the PWERM include the probability and the estimated value of the security in each liquidity scenario, in addition to scenario specific assumptions. The two scenarios used in the valuation of the Series B-1 and D Warrant Agreements are a SPAC Exit scenario and Option Pricing Method scenario. The Company applied a 90% weighting to the SPAC Exit Scenario and 10% to the Option Pricing Method ("OPM") scenario as of March 31, 2026. The Company applied a 75% weighting to the SPAC Exit Scenario and 25% to the OPM scenario as of December 31, 2025.

Factorial Inc.

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(In thousands, except share and per share data)

The following are assumptions used in valuing the Series B-1 and D Warrant Agreements in the SPAC Exit scenario, as of March 31, 2026:

	Series B-1	Series D
Discount rate	25%	25%
Expected life (in years)	0.20	0.20
Future projected price per share	\$ 37.76	\$ 37.76
Strike price	\$ 0.08	\$ 27.21

The following are assumptions used in valuing the Series B-1 and D Warrant Agreements in the SPAC Exit scenario, as of December 31, 2025:

	Series B-1	Series D
Discount rate	25%	25%
Expected life (in years)	0.38	0.38
Future projected price per share	\$ 37.76	\$ 37.76
Strike price	\$ 0.08	\$ 27.21

The significant unobservable inputs used in the fair value measurement of the Series B-1 and D warrant liability in the SPAC Exit scenario are the discount rate and the expected life. The future projected price per share is estimated based on the SPAC purchase price as outlined in the Company's Business Combination Agreement. The discount rate reflects current market assessments of the time of value of money and the risks specific to the Company given its stage of development.

The expected life is based upon the fact that the Warrant Agreements would not persist through a liquidity event, and therefore the expected life is based upon management's estimated holding period to an exit/liquidity event.

The following are the assumptions used in valuing the Series B-1 and D Warrant Agreements in the OPM scenario, as of March 31, 2026:

	Series B-1	Series D
Share value	\$ 18.16	\$ 33.61
Assumed volatility	90%	37%
Assumed risk-free interest rate	3.8%	3.8%
Expected life (in years)	2	2
Expected dividends	-	-

The following are the assumptions used in valuing the Series B-1 and D Warrant Agreements in the OPM scenario, as of December 31, 2025:

	Series B-1	Series D
Share value	\$ 18.14	\$ 33.71
Assumed volatility	90%	37%
Assumed risk-free interest rate	3.5%	3.5%
Expected life (in years)	2	2
Expected dividends	-	-

The significant unobservable inputs used in the fair value measurement of the Series B-1 and D warrant liability in the OPM scenario are the equity value of the Company, the expected life and assumed volatility. The equity value of the Company is derived from a discounted cash flow analysis based on the Company's best estimates of future cash flows. The assumptions underlying these valuations include projected future revenue and cash flows, discount rates, market adjustments and multiples, selection of comparable companies, the lack of marketability of our equity, and probability of possible future events, including the expected time to liquidity. These underlying assumptions represent our best estimates at the time they were made, which involves inherent uncertainty and the application of judgment. Changes to the key assumptions and estimates used in the valuations could result in materially different fair values of our common and preferred stock at each valuation date.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

The expected life is based upon the fact that the Warrant Agreements would not persist through a liquidity event, and therefore the expected life is based upon management's estimated holding period to an exit/liquidity event. The expected volatility is based upon observed historical volatilities of a cohort of guideline public companies. Equity allocation mechanics are based upon the distribution waterfall as outlined in the Company's operating agreement. Significant increases (decreases) in the equity value, the expected life, or the assumed volatility, could result in significantly higher (lower) fair value measurements.

As of March 31, 2026, the Company had reserved 295,558 shares of common stock for potential conversion of Series B-1 and D Warrants.

Convertible Promissory Notes – Related Parties

To estimate the fair value of the August 2025 Notes, the Company applied the SBM method. The fair value of the August 2025 Notes includes an estimate of the value of accrued interest. The significant unobservable inputs used in the fair value measurement of the August 2025 Notes are the underlying share value, the expected life, assumed volatility, assumed discount rate, share value, and the probability of scenarios.

The assumptions used in determining the fair value of the August 2025 Notes under the SBM during the three months ended March 31, 2026, were as follows:

	Series D Three Months Ended March 31, 2026
SPAC Exit Scenario	85%
Qualified Financing Scenario	7.5%
Dissolution Scenario	7.5%
Assumed volatility	40%
Assumed risk-free interest rate	3.7%
Expected life (in years)	.50
Assumed discount rate	20%
Share value	\$ 37.35

The assumptions used in determining the fair value of the August 2025 Notes under the SBM as of December 31, 2025, were as follows:

	Series D December 31, 2025
SPAC Exit Scenario	75%
Qualified Financing Scenario	15%
Dissolution Scenario	10%
Assumed volatility	40%
Assumed risk-free interest rate	3.50%
Expected life (in years)	.75
Assumed discount rate	20%
Share value	\$ 34.47

To estimate the share value of the Series D redeemable convertible preferred stock we used a PWERM. The two scenarios used in the estimation of the Series D redeemable convertible preferred stock are a SPAC Exit scenario and Option Pricing Method scenario. As of March 31, 2026, we applied a 85% weighting to the SPAC Exit scenario and 15% weighting to the Option Pricing Method scenario.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

Convertible Promissory Notes

To estimate the fair value of the January 2026 Notes, the Company applied the SBM method. The fair value of the January 2026 Notes includes an estimate of the value of accrued interest. The significant unobservable inputs used in the fair value measurement of the January 2026 Notes are the underlying share value, the expected life, assumed volatility, assumed discount rate, share value, and the probability of scenarios.

The assumptions used in determining the fair value of the January 2026 Notes under the SBM during the three months ended March 31, 2026, were as follows:

	Three Months Ended March 31, 2026	January 26, 2026
SPAC Exit Scenario	85%	80%
Qualified Financing Scenario	7.5%	10%
Dissolution Scenario	7.5%	10%
Expected life (in years)	.50	.68
Assumed discount rate	20%	20%

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment, net consists of the following (in thousands):

	As of March 31, 2026	December 31, 2025
Leasehold improvements	\$ 10,680	\$ 10,680
Machinery and equipment	16,081	16,315
Furniture and fixtures	414	419
Computer and software	211	216
Buildings	1,160	1,227
Building Fixtures	1,256	1,206
Land	3,196	3,382
Advances on purchases of property and equipment	617	632
Total	\$ 33,615	\$ 34,077
Accumulated depreciation	(13,409)	(12,801)
Total	\$ 20,206	\$ 21,276

Advances on purchases of property and equipment are payments made before the related asset (such as machinery and equipment) are delivered and are not depreciated until the asset is placed in service.

Depreciation expense totaled \$882 and \$1,984 for the three months ended March 31, 2026, and 2025, respectively, and was recorded as operating expenses in the condensed consolidated statements of operations. Depreciation expense was allocated as \$850 and \$1,775 to research and development expense, net and \$32 and \$209 to selling, general and administrative expenses for the three months ended, March 31, 2026, and 2025, respectively.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

NOTE 5 - ACCRUED EXPENSES

Accrued expenses consisted of the following (in thousands):

	As of	
	March 31, 2026	December 31, 2025
Accrued compensation and benefits	\$ 838	\$ 760
Accrued audit and tax services	166	67
Accrued legal and professional	320	172
Accrued transaction costs	2,327	1,423
Accrued other	477	559
Total accrued expenses	\$ 4,128	\$ 2,981

NOTE 6 – CONVERTIBLE PROMISSORY NOTES – RELATED PARTIES

The following table shows the components of the Company's indebtedness (in thousands):

	Three Months Ended March 31, 2026
Total convertible promissory notes - related parties, at fair value as of December 31, 2025	\$ 18,889
Change in fair value	1,407
Total convertible promissory notes - related parties, at fair value	\$ 20,296

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

NOTE 7 – CONVERTIBLE PROMISSORY NOTES

During January 2026, the Company issued the January 2026 Notes pursuant to which it could receive proceeds up to \$5,340. The January 2026 Notes bear interest of 5% per annum and mature on either August 1, 2028 or January 1, 2029. The January 2026 Notes provide the holders with certain conversion features including: a mandatory conversion upon a qualified financing event, an optional conversion upon a non-qualified financing event and an optional conversion upon an acquisition of the Company.

Concurrently with the issuance of the January 2026 Notes, the Company entered into a partnership agreement with a note holder. Pursuant to the partnership agreement, the Company may receive up to \$2,240 in total consideration. The deliverables of the partnership agreement coincide with payments to the Company on the convertible note. Deliverables under the partnership agreement are aligned with, and contingent upon, funding milestones under the convertible note, which provide for up to \$1,340 in aggregate principal funding to the Company of which \$300 in proceeds have been received as of March 31, 2026, with an issuance cost of \$37. The note holder had the option to request funding in part or in full. Subsequently, on May 18, 2026, the Company received the remaining proceeds of \$1,040. In addition, the partnership agreement includes up to \$900 of consideration for the performance of research and development services to the note holder.

The following table shows the components of the Company's indebtedness (in thousands):

	Three Months Ended March 31, 2026	
Convertible promissory notes principal balance	\$	4,300
Change in fair value		300
Total convertible promissory notes, at fair value	\$	4,600

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Leases

The Company's leases include various operating leases for offices, laboratory space, and storage space, expiring at various dates through November 2032. Many leases include one or more options to renew. The Company does not assume renewals in the determination of the lease term unless the renewals are deemed to be reasonably certain. The Company's finance lease for the facility in Methuen, Massachusetts was terminated in October 2025. Fixed rent generally escalates each year, and the Company is responsible for a portion of the landlords' operating expenses such as property tax, insurance, and common area maintenance.

The components of lease expenses recorded within the condensed consolidated statements of operations for the three months ended March 31, 2026, and 2025 are as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Finance lease costs:		
Amortization of right-of-use assets	\$ -	\$ 207
Interest on financing lease liabilities	-	185
Total finance lease costs	-	392
Operating lease costs:		
Operating lease expenses	480	497
Variable lease expenses	217	199
Short-term lease expenses	-	18
Total operating lease costs	697	714
Total lease expenses	\$ 697	\$ 1,106

Other information related to agreements treated as finance and operating leases was as follows:

	Three Months Ended March 31,	
	2026	2025
Operating cash flows from operating leases	\$ (489)	\$ (493)
Financing cash flows from finance lease	\$ -	\$ (353)

	As of	
	March 31, 2026	December 31, 2025
Weighted-average remaining lease term – operating leases (years)	5.5	5.9
Weighted-average discount rate – operating leases	8.04%	8.05%
Remaining lease term – finance lease (years)	-	-
Discount rate – finance lease	N/A	N/A

The remaining lease obligations are substantially unchanged from year end.

Legal Proceedings

From time to time, the Company may be subject to legal claims or be party to legal proceedings arising in the normal course of business. While the outcome of such claims or proceedings cannot be predicted with certainty, the Company's management expects that any such liabilities, to the extent not provided for by insurance or otherwise, would not have a material effect on the Company's financial condition, results of operations or cash flows.

The Company is party to an arbitration, initiated on March 14, 2025, before the International Centre for Dispute Resolution. A hearing was conducted in June 2026, and post-hearing submission are due in July 2026. The hearing is regarding a contractual dispute in which a vendor is seeking \$4,900 in damages, interest, and other relief. The Company does not believe that such payment is owed, is defending against such claims, and it has asserted counterclaims. The Company believes that a loss is neither probable nor remote and is unable to reasonably estimate the amount or range of possible loss due to the stage of the proceedings and the uncertainty regarding the resolution of the competing claims.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

NOTE 9 - REDEEMABLE CONVERTIBLE PREFERRED STOCK

No redeemable convertible preferred stock was issued, converted, or redeemed during the three months ended March 31, 2026. Total carrying value remains \$249,652. Terms and rights are unchanged from the audited annual consolidated financial statements for the year ended December 31, 2025.

NOTE 10 - COMMON STOCK

The Company was authorized to issue 32,000,000 shares of its common stock as of March 31, 2026, and December 31, 2025. The voting, dividend, and liquidation rights of the holders of the Company's common stock are subject to and qualified by the rights, powers and preference of the Preferred Stockholders set forth in Note 9 - Redeemable Convertible Preferred Stock.

Each share of common stock entitles the holder to one vote, together with the Preferred Stockholders, on all matters submitted to a vote of the Company's stockholders. Terms and rights are unchanged from the audited annual consolidated financial statements for the year ended December 31, 2025.

Total common shares issued and outstanding were 5,068,690 as of March 31, 2026.

NOTE 11 - STOCK BASED COMPENSATION

Equity Compensation Plans

The 2019 Stock Incentive Plan (the "2019 Plan"), was adopted by the Board of Directors to reserve a sufficient number of shares to facilitate the grants of stock options and restricted stock to employees, officers and directors, non-employee advisors and consultants in exchange for certain services. Awards granted under the 2019 Plan are issued at the discretion of the Board of Directors. Awards generally vest over four years; however, vesting terms are subject to terms set forth by the Board of Directors when the award is granted. Stock options granted under the 2019 Plan expire 10 years from the date of grant, which was subsequently amended.

Share-Based Compensation Awards

The Company estimates the fair value of stock options with service conditions and performance conditions using the Black-Scholes valuation model. The resulting fair value is recorded as compensation cost on a straight-line basis over the requisite service period. The key inputs and assumptions used to estimate the fair value of stock options include the value of the underlying stock at grant date, expected term, stock price volatility, the appropriate annual risk-free rate, and expected annual dividend yield.

Given the Company's lack of historical data, the Company's estimate of the expected term was calculated in accordance with the simplified method. Additionally, the Company has identified publicly traded comparable companies with similar characteristics (e.g., lithium battery manufacturing) whose historical stock price volatilities were used in the estimation of expected volatility. The risk-free interest rate is based on the U.S. Treasury zero coupon instrument with a duration/term that equals the expected term calculated by the Company.

For stock options with performance conditions, vesting is also subject to service conditions; however, the number of options that ultimately vest also depends on the attainment of certain predefined performance criteria. Note that stock options with performance conditions were issued to two strategic consultants of the Company and the performance criteria are related to the achievement of certain third-party purchase orders and contracts. No stock options with performance conditions were granted during the three months ended March 31, 2026.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

The assumptions made for purposes of estimating the fair value under the Black Scholes valuation model for stock options granted during the three months ended March 31, 2026 and 2025 were as follows:

	Three Months Ended March 31,	
	2026	2025
Expected term of options (years)	5.00 - 6.07	5.00 - 6.06
Risk free interest rate	3.83% - 3.98%	4.02% - 4.43%
Volatility	60.92% 65.79%	64.37% 65.81%
Expected dividend yield	-	-
Common stock grant date fair value per share	\$25.18 - \$27.78	\$3.23
Option grant date fair value per share	\$13.89 - \$17.42	\$1.87 - \$2.03

For the three months ended March 31, 2026, and 2025, the Company recorded stock-based compensation expense of \$1,534 and \$3,857, respectively. The following table provides stock-based compensation expense by class reflected in the Company's condensed consolidated statements of operations related to stock options (including stock options with performance conditions) for the three months ended March 31, 2026, and 2025 (in thousands):

	Three Months Ended March 31,	
	2026	2025
Research and development	\$ 240	\$ 347
Selling, general and administrative	1,294	3,510
Total	\$ 1,534	\$ 3,857

Stock Options

The following table summarizes stock option activity for the three months ended March 31, 2026, and 2025:

	Number of Options	Weighted -Average Exercise Price	Weighted- Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2024 (1)	5,085,269	\$ 6.78	7.28	\$ 1,172
Granted	594,691	3.23		
Exercised	(300)	8.21		-
Cancelled or forfeited	(555,215)	3.86		
Outstanding as of March 31, 2025	5,124,445	\$ 3.00	7.11	\$ 1,172
Options vested and expected to vest as of March 31, 2025 (2)	5,004,445	\$ 3.00	7.08	
Exercisable as of March 31, 2025	3,696,298	\$ 2.91	6.68	\$ 1,172

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

	Number of Options	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2025 (3)	5,546,772	\$ 3.83	6.94	\$ 31,996
Granted	33,580	25.45		
Exercised	(29,252)	3.10		667
Cancelled or forfeited	(12,179)	5.08		
Outstanding as of March 31, 2026	5,538,921	\$ 4.03	6.72	\$ 131,528
Options vested and expected to vest as of March 31, 2026 (4)	5,448,921	\$ 4.05	6.71	
Exercisable as of March 31, 2026	4,436,262	\$ 3.06	6.18	\$ 109,673

(1) Includes 245,628 of stock options subject to performance conditions

(2) Does not include 120,000 stock options subject to performance conditions which are improbable as of March 31, 2025.

(3) Includes 215,628 of stock options subject to performance conditions

(4) Does not include 90,000 stock options subject to performance conditions which are improbable as of March 31, 2026.

The aggregate intrinsic value of stock options is calculated as the difference between the exercise price of the stock options and the fair value of the Company's common stock for those stock options that had exercise prices lower than the fair value of the Company's common stock. As of March 31, 2026 there was \$6,803 of total unrecognized stock-based compensation expense to be recognized over a weighted-average period of 4 years, respectively. As of March 31, 2026, the Company had \$656 of total unrecognized stock-based compensation expense included in the total above for stock options with performance conditions currently considered not probable of achievement.

NOTE 12 - NET LOSS PER COMMON SHARE

Basic and diluted net loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding during the period.

Basic and diluted losses per share are calculated as follows (in thousands, except share and per share data):

	Three Months Ended March 31,	
	2026	2025
Numerator:		
Net loss	\$ (8,575)	\$ (12,870)
Net loss attributable to common stockholders—basic and diluted	\$ (8,575)	\$ (12,870)
Denominator:		
Weighted average number of common shares outstanding	5,056,994	5,016,149
Net loss per share attributable to common stockholders—basic and diluted	\$ (1.70)	\$ (2.57)

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

The following common stock equivalents were excluded from the calculation of diluted loss per share attributable to common stockholders because their inclusion would have been anti-dilutive:

	Three Months Ended March 31,	
	2026	2025
Series A-1 redeemable convertible preferred stock	1,234,568	1,234,568
Series A-2 redeemable convertible preferred stock	2,362,204	2,362,204
Series B-1 redeemable convertible preferred stock	2,718,539	2,718,539
Series C-1 redeemable convertible preferred stock	3,570,724	3,570,724
Series C-2 redeemable convertible preferred stock	2,513,698	2,513,698
Series D redeemable convertible preferred stock	5,950,204	5,950,204
Preferred stock warrants	295,558	295,558
Preferred stock issued upon conversion of convertible promissory notes (1)	560,024	-
Options to purchase common stock	5,538,921	5,124,445
Restricted stock units	1,394,670	1,414,922

- (1) Due to the multiple conversion options provided for within the Company's convertible promissory notes, the Company applied the if-converted method to the calculation of the anti-dilutive shares underlying such notes to determine the estimated shares that the notes would convert into as of March 31, 2026. This assumption included consideration of the multiple conversion features and applying probability weightings to an assumed price of approximately \$38 per share (\$19 per share after applying the 50% discount).

NOTE 13 – SEGMENT INFORMATION

The Company conducts business as a single operating segment. In reaching this conclusion, management considers the definition of the (“CODM”), how the business is defined by the CODM, the nature of the information provided to the CODM, and how that information is used to make operating decisions, allocate resources, and assess performance. The Company’s CODM is the chief executive officer. The results of operations provided to and analyzed by the CODM are at the consolidated level which is the level that the CODM manages the business, allocates resources, makes key resource decisions, and assesses performance.

The key measure of segment profit and loss that the CODM uses to allocate resources and assess performance is the Company’s net loss. The table below shows a reconciliation of the Company’s net loss, including the significant expense categories regularly provided to and reviewed by the CODM, as computed under U.S. GAAP to the Company’s total net loss in the condensed consolidated statements of operations:

	Three Months Ended March 31,	
	2026	2025
Operating expenses		
Reimbursement from JDAs and others	\$ 3,410	\$ 34
Payroll expense	(5,860)	(8,133)
Occupancy expense	(859)	(1,497)
Professional service expense	(916)	(606)
Research and development expense	(933)	(537)
Depreciation expense	(882)	(1,984)
Other operating expense	(451)	(399)
Loss from operations	\$ (6,491)	\$ (13,122)
Total other income (expense), net	(2,084)	252
Net loss	\$ (8,575)	\$ (12,870)

Assets provided to CODM are consistent with those reported on the condensed consolidated balance sheet with particular emphasis on the company’s available liquidity, including its cash and cash equivalents reduced by current liabilities. All long-lived assets are maintained in, and all losses are attributable to the United States of America and South Korea.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

NOTE 14 - RELATED PARTY TRANSACTIONS

Collaboration Arrangements

The Company has established JDAs with various partners with some of the partners also making investments in the Company through the purchase of preferred shares. In connection with the Series D Agreements, the Company entered into both Warrant and JDA agreements with Mercedes-Benz and Stellantis.

Uwe Keller, a member of the Company's Board of Directors, represents Mercedes-Benz who is an investor in the Company's Preferred Stock and holder of Series D Warrants. For the three months ended March 31, 2026, the Company recognized no expense reimbursements for the services provided under the JDA with Mercedes-Benz. For the three months ended March 31, 2025, the Company recognized \$24 in expense reimbursements for the services provided under the JDA with Mercedes-Benz, which are recorded net within research and development expenses on the condensed consolidated statement of operations. There were no amounts due from Mercedes-Benz as of March 31, 2026, and December 31, 2025.

Michael Bly, a member of the Company's Board of Directors, represents Stellantis who is an investor in the Company's Preferred Stock and holder of Series D Warrants. For the three months ended March 31, 2026, and 2025, the Company recognized no expense reimbursements for the services provided under the JDA with Stellantis. There were no amounts due from Stellantis as of March 31, 2026. Amounts due from Stellantis totaled \$1,000 which are included in receivables under collaboration agreements on the condensed consolidated balance sheets as of December 31, 2025.

In August 2025, the Company modified its existing JDA with Stellantis. The modified JDA required the Company to make a \$2,000 payment to Stellantis for services related to the production and testing of a demo fleet. The Company and Stellantis jointly developed a production timeline as outlined in the agreement, which includes deliverables of Stellantis to the Company through June 2027 such as, module and pack safety reports, battery management system results, installation and retrofitting of test cells, and validation results of the demo fleet. In December 2025, the Company prepaid \$2,000 to Stellantis for these services. As of March 31, 2026, and December 31, 2025, \$40 and \$160 are included in other non-current assets, respectively on the condensed consolidated balance sheets. As of March 31, 2026, and December 31, 2025, \$910 and \$950 are included in prepaid expenses and other current assets, respectively on the condensed consolidated balance sheets. During the three months ended March 31, 2026, \$160 of expense was recognized as part of the agreement and is included in research and development expenses on the condensed consolidated statements of operations.

Consulting Arrangements

In March of 2020, the Company entered into a consulting services agreement with Joseph Taylor who also serves as Executive Chairman of the Company's Board of Directors. For the three months ended March 31, 2026 and 2025, the Company incurred \$88 and \$44, respectively in expenses for consulting services provided by Joseph Taylor recorded within selling, general and administrative expenses on the condensed consolidated statements of operations. Amounts due to Joseph Taylor totaled \$30 and \$190 as of March 31, 2026, and December 31, 2025, respectively and are included in accounts payable.

NOTE 15 - SUBSEQUENT EVENTS

The Company has evaluated subsequent events through June 10, 2026.

As discussed in Note 1, on June 5, 2026, upon the closing of the de-SPAC Transaction, the Company became a wholly-owned subsidiary of CGC. Under the BCA, each outstanding Class A ordinary share of CGC (each, a "CGC Class A Share"), each outstanding Class B ordinary share of CGC and each outstanding preference share of CGC was converted into one share of Series A Common Stock, par value \$0.00001 per share, (the "PubCo Series A Common Stock"). Each share of Factorial Common Stock (excluding treasury shares, dissenting shares and shares held by the Factorial founders) issued and outstanding as of immediately prior to the Effective Time, was automatically canceled and extinguished and exchanged for a number of shares of PubCo Series A Common Stock equal to the consideration ratio of approximately 3.67 (the "Consideration Ratio"), which was based on an implied Factorial equity value of \$1,100,000. Each share of Factorial Common Stock held by the Factorial Founders issued and outstanding as of immediately prior to the Effective Time, was automatically canceled and extinguished and exchanged for a number of shares of Series B Common Stock, par value \$0.00001 per share (the "PubCo Series B Common Stock") equal to the Consideration Ratio. Each share of Factorial Preferred Stock issued and outstanding as of immediately prior to the Effective Time was automatically canceled and extinguished and converted into the right to receive a number of shares of PubCo Series A Common Stock, par value \$0.00001 per share, equal to the Consideration Ratio. PubCo received gross proceeds of approximately \$112,100 in connection with the de-SPAC Transaction and the sale of a private placement of PubCo Series A Common Stock, prior to the payment of transaction expenses.

Factorial Inc.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(In thousands, except share and per share data)

Additionally, and in congruence with the consummation of the de-SPAC transaction, each option to purchase Factorial Common Stock (each, a “Factorial Option”), whether vested or unvested, ceased to represent the right to purchase Factorial Common Shares and was canceled in exchange for options to purchase PubCo Series A Common Stock under the equity incentive plan adopted by CGC in advance of the Closing (the “PubCo Equity Incentive Plan”), in an amount equal to the product of (x) the number shares of Factorial Common Stock subject to such Factorial Option immediately prior to the Effective Time, multiplied by (y) the Consideration Ratio, at an exercise price per share equal to the quotient of (i) the exercise price per share of such Factorial Option immediately prior to the Effective Time, divided by (ii) the Consideration Ratio, and generally subject to the same terms and conditions that applied to the corresponding Factorial Option immediately prior to the Effective Time. Each restricted stock unit award that was outstanding with respect to Factorial Common Stock (each, a “Factorial RSU Award”), whether vested or unvested, ceased to have any rights in respect of the Factorial Common Stock and was canceled in exchange for a restricted stock unit award under the PubCo Equity Incentive Plan that settled in a number of shares of PubCo Series A Common Stock in an amount and subject to such terms and conditions, in each case, as set forth on the allocation schedule, that was generally subject to the same terms and conditions that applied to the corresponding Factorial RSU Award immediately prior to the Effective Time.

On April 1, 2026, the Company modified an outstanding equity award granted to a consultant that included performance based vesting conditions. As a result of the modification, 90,000 previously granted stock options were forfeited. Pursuant to the modification, and contingent upon the closing of the Company’s pending business combination, the Company is required to grant the consultant RSUs with an aggregate grant date fair value of \$250. Additionally, the modification provides for the issuance of 100,000 RSUs subject to performance conditions as defined in the amended agreement.

On April 27, 2026, the Company entered into a definitive agreement to sell its wholly-owned subsidiary Factorial Germany GmbH for a total consideration of \$6. The transaction will close at a later date, subject to the satisfaction of customary closing conditions in accordance with German law and registration with the German Commercial Register.

On May 18, 2026, the Company received \$1,040 of proceeds related to the January 2026 Notes.

On June 5, 2026, the Company entered into an agreement with Clear Street LLC (“Clear Street”), pursuant to which Clear Street agreed to act as capital markets advisor to the Company for a term of twelve months. As consideration for these services, the agreement provides for the issuance to Clear Street of 100,000 shares of PubCo Series A Common Stock.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION
(in thousands, except share and per share data, unless otherwise stated)

Capitalized terms used but not defined in this Exhibit 99.2 shall have the meanings ascribed to them in the Current Report on Form 8-K (“Form 8-K”) filed with the Securities and Exchange Commission (the “Commission”) on June 10, 2026 and, if not defined in the Form 8-K, capitalized terms used but not defined in this Exhibit 99.2 shall have the meanings ascribed to them in the definitive proxy statement/prospectus filed by Cartesian Growth Corporation III with the Commission on May 6, 2026, prior to the consummation of the business combination (the “Proxy Statement/Prospectus”).

Introduction

The following is selected unaudited pro forma condensed combined financial information to aid you in your analysis of the financial aspects of the Business Combination and related transactions.

The unaudited pro forma condensed combined balance sheet as of March 31, 2026 gives pro forma effect to the Business Combination as if it was consummated on March 31, 2026. The unaudited pro forma condensed combined statements of operations for the three months ended March 31, 2026 and the year ended December 31, 2025 give pro forma effect to the Business Combination as if it was consummated on January 1, 2025, the beginning of the earliest period presented.

The unaudited pro forma condensed combined financial information was derived from and should be read in conjunction with the following:

- Factorial’s unaudited condensed consolidated financial statements as of and for the three months ended March 31, 2026, included as Exhibit 99.1 to the Form 8-K;
- Factorial’s audited consolidated financial statements for the year ended December 31, 2025, included in the Proxy Statement/Prospectus;
- CGC’s unaudited condensed financial statements as of and for the three months ended March 31, 2026, included in the Quarterly Report on Form 10-Q filed with the Commission on May 15, 2026; and
- CGC’s audited financial statements for the year ended December 31, 2025, included in the Annual Report on Form 10-K filed with the Commission on March 23, 2026; and
- Factorial Common Stock is calculated based on shares outstanding as of the Merger Effective Time, and shares underlying vested and outstanding Factorial Options as of the Merger Effective Time for purposes of determining the Consideration Ratio.

The unaudited pro forma condensed combined financial information should also be read together with “Management’s Discussion and Analysis of Financial Condition and Results of Operations of Factorial” included in Exhibit 99.3 to the Form 8-K and incorporated by reference.

The unaudited pro forma condensed combined financial information has been presented for illustrative purposes only and does not necessarily reflect what the actual results of operations of the combined company would have been had the Business Combination occurred on March 31, 2026 or January 1, 2025, respectively. The unaudited pro forma condensed combined financial information has been prepared, in accordance with Article 11 of Regulation S-X and is for informational purposes only. It is subject to several uncertainties and assumptions as described in the accompanying notes.

Further, the unaudited pro forma condensed combined financial information also may not be useful in predicting the future financial condition and results of operations of the combined company. The actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors. The unaudited pro forma adjustments represent management’s estimates based on information available as of the date of these unaudited pro forma condensed combined financial statements and are subject to change as additional information becomes available and analyses are performed.

Description of the Transaction

On December 17, 2025, CGC entered into the Business Combination Agreement with Factorial and Merger Sub, pursuant to which on June 5, 2026 (the “Merger Effective Time”) Merger Sub merged with and into Factorial, with Factorial surviving the merger as a wholly-owned subsidiary of CGC.

The board of directors of CGC has approved the Business Combination and the Domestication. In connection with, and as part of, the Domestication, CGC became a Delaware corporation and changed its corporate name to Factorial Energy, Inc. ("PubCo") and all outstanding securities of CGC converted into securities of PubCo, as described in more detail in the Proxy Statement/Prospectus.

By virtue of the Merger and without any action on the part of any Party or any other person, the Aggregate Merger Consideration, equal to the Equity Value of \$1.1 billion, consisting of a number of shares of PubCo Common Stock equal to the Equity Value divided by the Redemption Price, was issued as set forth in (i)-(iv) or reserved for issuance as set forth in (v)-(vi) below:

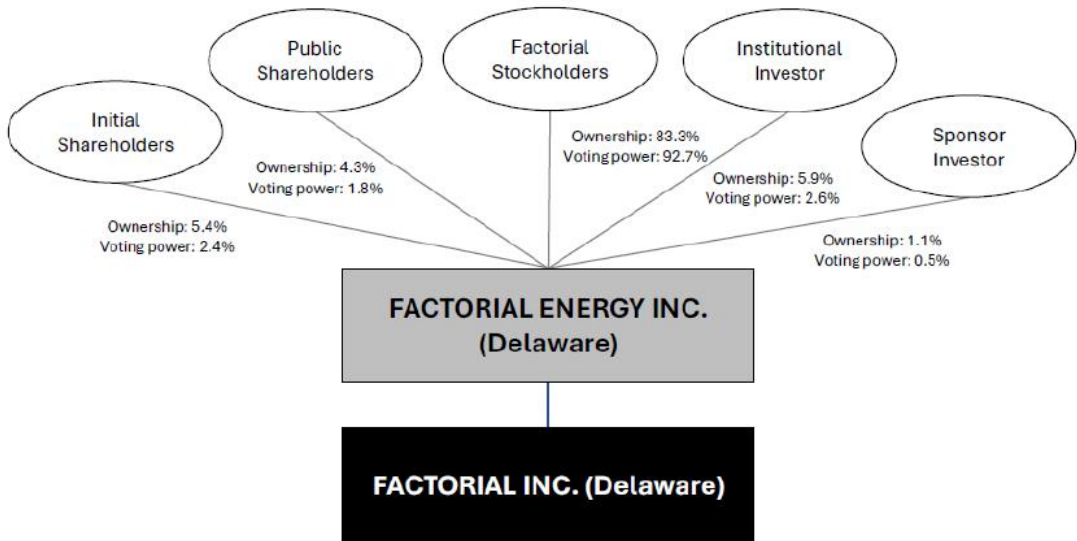
- i. At the Merger Effective Time, each share of Factorial Common Stock that was issued and outstanding as of immediately prior to the Merger Effective Time (excluding treasury shares, dissenting shares and shares held by the Factorial Founders) was automatically canceled and converted into the right to receive a corresponding number of shares of PubCo Series A Common Stock equal to the Consideration Ratio and each share of Factorial's capital stock that was issued and outstanding as of immediately prior to the Merger Effective Time held by the Factorial Founders was automatically canceled and converted into the right to receive a corresponding number of shares of PubCo Series B Common Stock equal to the Consideration Ratio;
 - ii. The number of shares of Factorial Common Stock set forth in (i) above gave effect to:
 - a. The conversion of each outstanding convertible debt instrument including accrued interest (including the Factorial Convertible Notes) into Factorial Common Stock pursuant to its terms;
 - b. The conversion of each issued and outstanding share of Factorial Preferred Stock into a number of shares of Factorial Common Stock in accordance with the terms of Section 5.1 of the Factorial Certificate of Incorporation in effect immediately prior to the Merger Effective Time; and
 - c. The conversion of each issued and outstanding Factorial Warrant into a number of shares of Factorial Common Stock in accordance with the terms of the corresponding warrant agreements;
 - iii. each share of Factorial Common Stock held immediately prior to the Merger Effective Time by Factorial as treasury stock was automatically cancelled and extinguished, and no consideration was paid with respect thereto;
 - iv. each share of capital stock of Merger Sub issued and outstanding immediately prior to the Merger Effective Time was automatically cancelled and extinguished and converted into one share of Factorial Common Stock;
 - v. each outstanding and unexercised vested Factorial Option to purchase shares of Factorial Common Stock became a PubCo Option containing the same terms, conditions, vesting and other provisions as were historically applicable to such Factorial Options and each resulting PubCo Option became exercisable for the number of shares of PubCo Series A Common Stock equal to the Consideration Ratio multiplied by the number of shares of Factorial common stock subject to the Factorial Option as of immediately prior to the Merger Effective Time, rounded down to the nearest whole share, at an exercise price equal to the per share exercise price of the Factorial Option divided by the Consideration Ratio, rounded up to the nearest whole cent; and
-

- vi. each Factorial RSU that was outstanding with respect to shares of Factorial Common Stock was cancelled in exchange for a PubCo RSU under the PubCo Incentive Plan containing the same terms, conditions, vesting and other provisions as were historically applicable to such Factorial RSU, and each resulting PubCo RSU will settle into a number of shares of PubCo Series A Common Stock equal to a number of shares of PubCo Series A Common Stock as set forth on an allocation schedule, rounded down to the nearest whole share.

In addition, PubCo consummated the PIPE Financing pursuant to the PIPE Purchase Agreements. Under the Institutional Investor Stock Purchase Agreement, the Institutional Investor committed to purchase 7,500,000 shares of PubCo Series A Common Stock for an aggregate purchase price of \$75.0 million at \$10.00 per share. Prior to Closing, the Institutional Investor purchased 2,000,000 Class A ordinary shares of CGC in open market or privately negotiated transactions, which reduced its remaining PIPE Financing purchase commitment on a share-for-share basis. Accordingly, through the PIPE Financing, PubCo issued 5,500,000 shares of PubCo Series A Common Stock to the Institutional Investor for an aggregate purchase price of \$55.0 million. Under the Sponsor Investor Stock Purchase Agreement, the Sponsor Investor committed to purchase 2,400,168 shares of PubCo Series A Common Stock (based on the Merger Effective Time Redemption Price) for an aggregate purchase price of \$25.0 million. Prior to Closing, the Sponsor Investor purchased 1,470,764 Class A ordinary shares of CGC in the open market, which reduced its remaining PIPE Financing purchase commitment on a share-for-share basis. Accordingly, through the PIPE Financing, PubCo issued 929,404 shares of PubCo Series A Common Stock to the Sponsor Investor at the closing Redemption Price of \$10.41593671 per share, for an aggregate purchase price of approximately \$9.7 million.

In connection with the Institutional Investor’s open market purchases, and pursuant to the Letter Agreement among the Institutional Investor, Factorial and the Sponsor executed on May 18, 2026, the Sponsor transferred at Closing 90,000 shares of PubCo Series A Common Stock to the Institutional Investor, representing the \$900,000 Differential Amount divided by \$10.00, and Factorial reimbursed the Sponsor in cash for such Differential Amount. In addition, pursuant to the Investor Stock Purchase Agreements, the Sponsor transferred, directly or indirectly through forfeiture and reissuance, an aggregate of 750,000 shares of PubCo Series A Common Stock to the Institutional Investor and 250,000 shares of PubCo Series A Common Stock to the Sponsor Investor. After giving effect to these Sponsor share transfers , the Institutional Investor received 6,340,000 shares for \$55.0 million, or an effective purchase price of approximately \$8.68 per share, and the Sponsor Investor effectively received 1,179,404 shares for \$9.7 million, or an effective purchase price of approximately \$8.21 per share. Note that based on the nature of such Sponsor to investor transfers, no expense is recorded by PubCo as a result of the transfers.

The diagram below depicts a simplified version of the combined company’s organizational structure immediately following the consummation of the Business Combination and the PIPE Financing:



Set forth below is a calculation, on a per CGC Class A Ordinary Share basis, of the approximate net cash received by PubCo from the Trust Account and PIPE Financing. Such calculations are based upon (i) cash held in the Trust Account as of March 31, 2026 assuming the Merger Effective Time redemption price of \$10.41593671 (“Redemption Price”) per Public Share and (ii) \$64,681 of gross cash proceeds received from the PIPE Financing, and (iii) approximate transaction expenses of \$22,057 including the estimated PIPE Financing transaction expenses of \$3,750, Factorial’s approximate transaction expenses of \$10,259, and CGC’s approximate transaction expenses of \$8,048. Pursuant to the Investor Stock Purchase Agreements, the PIPE Investors were entitled to satisfy a portion of their respective purchase obligations through the acquisition of Public Shares and the non-redemption of such shares. In connection with the Closing, the Institutional Investor acquired 2,000,000 Public Shares and the Sponsor Investor acquired 1,470,764 Public Shares, each of which reduced such investor’s obligation to purchase shares of PubCo Common Stock at Closing on a share-for-share basis. The calculations set forth below give effect to those Public Share purchases in determining the number of shares of PubCo Common Stock issued to the PIPE Investors at Closing.

Below is a calculation, on a per CGC Class A Share basis, of the cash received by PubCo from the Trust Account and PIPE Financing, net of transaction expenses. The total number of shares outstanding in the table below gives effect to the issuance of shares of PubCo Common Stock upon consummation of the Business Combination.

(in thousands, except share and per share amounts)	Actual Redemptions⁽¹⁾
CGC Class A Ordinary Shares Not Redeemed	4,548,687
Gross Cash Proceeds of Trust Account	\$ 47,379
Gross Cash Proceeds from the PIPE Financing	\$ 64,681
Transaction Expenses ⁽²⁾	\$ 21,410
Total Shares Outstanding	107,023,245
Net Cash per share of CGC Class A Shares	\$ 0.85

- (1) Reflects redemption of 23,051,313 of CGC Class A Shares out of the 27,600,000 of CGC Class A Ordinary Shares available for redemption by CGC Public Shareholders prior to the Closing. Note that the 4,548,687 shares presented herein include an aggregate of 3,470,764 CGC Class A Shares (the “NRA Shares”) that the Institutional Investor and the Sponsor Investor purchased prior to the Closing to partially satisfy their PIPE Financing obligations.
- (2) Includes cash transaction expenses relating to both the Business Combination and the PIPE Financing. This amount includes \$1,346 of cash transaction expenses paid prior to the Closing and \$20,064. However, this amount excludes \$647 that was payable in Pubco Series A Common Stock for the merger underwriter fee as it’s a non-cash transaction expense. Refer to Note (c) of the unaudited condensed combined pro forma balance sheets as of March 31, 2026 for more information.

Accounting for the Business Combination

The Business Combination will be accounted for as a reverse recapitalization in accordance with U.S. GAAP. Under a reverse recapitalization, CGC will be treated as the “acquired” company for financial reporting purposes. Factorial has been determined to be the accounting acquirer based on evaluation of the following facts and circumstances:

- Factorial’s shareholders will have the largest voting interest in PubCo;
- As a result of such voting interest, Factorial’s shareholders will have the ability to nominate a majority of the members of the PubCo Board of Directors;
- Factorial’s senior management will be the senior management of PubCo; and
- Factorial is the larger entity, in terms of substantive operations and employee base.

Accordingly, for accounting purposes, the Business Combination will be treated as the equivalent of Factorial issuing shares for the net assets of CGC, accompanied by a recapitalization. The net assets of CGC will be stated at fair value, with no goodwill or other intangible assets recorded. Operations prior to the Business Combination will be those of Factorial.

Basis of Pro Forma Presentation

The historical financial information has been adjusted to give pro forma effect to Factorial's issuance of Factorial Convertible Notes in May 2026, that converted into Pubco Series A Common Stock in connection with the Business Combination. Although the Factorial Convertible Notes converted into Pubco Series A Common Stock in connection with the Business Combination, such Factorial Convertible Notes were not issued in connection with, or contingent upon, the Business Combination, as the August 2025 Factorial Convertible Notes were issued to existing investors in Factorial prior to the negotiation of the Business Combination Agreement and the January and May 2026 Factorial Convertible Notes were issued to strategic partners with whom Factorial is party to commercial arrangements and all of the shares issuable upon conversion of the Factorial Convertible Notes have been included in the Aggregate Fully Diluted Factorial Shares. For the Factorial Convertible Notes issued in May 2026, the Company estimated the pro forma effect for proceeds received under such convertible notes through the Merger Effective Time. The pro forma effect of the May 2026 Factorial Convertible Notes issuance has been assumed to have occurred as of March 31, 2026 for balance sheet purposes. The adjustments presented on the unaudited pro forma condensed combined financial statements have been identified and presented to provide relevant information necessary for a more accurate understanding of the combined company upon consummation of the Business Combination.

The pro forma adjustments included in the unaudited pro forma condensed combined balance sheet as of March 31, 2026 and in the unaudited pro forma condensed combined statements of operations for the three months ended March 31, 2026 and for the year ended December 31, 2025 are based on preliminary estimates. The final amounts recorded may differ from the information presented.

Factorial and CGC did not have any historical relationship prior to the Business Combination. Accordingly, no pro forma adjustments were required to eliminate activities between the companies.

The pro forma shares of the combined common stock issued and outstanding immediately after the Business Combination are presented below:

	Pro Forma Combined
CGC's Public Shareholders ⁽¹⁾	4,548,687
Sponsor and DirectorCo ⁽²⁾	5,810,000
PIPE Institutional Investor ⁽³⁾	6,340,000
PIPE Sponsor Investor ⁽⁴⁾	1,179,404
Factorial Shareholders ⁽⁵⁾	89,083,036
Cantor Advisory Fee ⁽⁶⁾	62,118
Total shares outstanding	107,023,245

(1) Reflects redemption of 23,051,313 CGC Class A Shares out of the 27,600,000 CGC Class A Ordinary Shares available for redemption by CGC Public Shareholders prior to the Closing. Note that the 4,548,687 shares presented herein include an aggregate of 3,470,764 CGC Class A Shares (the "NRA Shares") that the Institutional Investor and the Sponsor Investor purchased prior to the Closing to partially satisfy their PIPE Financing obligations.

(2) Amount includes 5,710,000 Founder Shares held by the Sponsor and 100,000 Founder Shares held by DirectorCo (in which, each of CGC's independent directors hold an interest in 30,000 Founder Shares).

(3) Amount includes (i) the Institutional Investor's subscription for 5,500,000 shares of PubCo Series A Common Stock at a subscription price of \$10.00 per share; plus (ii) the constructive transfer at the Closing of an aggregate of 750,000 shares of PubCo Series A Common Stock from the Sponsor to the Institutional Investor; and plus (iii) an aggregate of 90,000 shares of Pubco Series A Common Stock constructively transferred to the Institutional Investor by the Sponsor as part of the Letter Agreement. The effective subscription price of the Institutional Investor is \$8.68 per share, taking into account the foregoing transfers from the Sponsor.

(4) Amount includes (i) the Sponsor Investor's subscription for 929,404 shares of PubCo Series A Common Stock at a subscription price equal to the Redemption Price; plus (ii) the constructive transfer at the Closing of an aggregate of 250,000 shares of PubCo Series A Common Stock from the Sponsor to the Sponsor Investor. The effective subscription price of the Sponsor Investor is \$8.21 per share, taking into account the foregoing transfer from the Sponsor.

- (5) Includes (i) an aggregate of 3,081,263 shares of PubCo Series A Common Stock issued to holder of Factorial Common Stock from conversion of Factorial Common Stock based upon the Consideration Ratio; (ii) an aggregate of 15,512,744 shares of PubCo Series B Common Stock issued to the Factorial Founders from the exchange of shares of Factorial Common Stock based upon the Consideration Ratio; (iii) an aggregate of 67,314,957 shares of PubCo Series A Common Stock issued to holders of Factorial Preferred Stock from the exchange of shares of Factorial Preferred Stock; (iv) an aggregate of 2,811,447 shares of PubCo Series A Common Stock issued to holders of the Factorial Convertible Notes from conversion of the Factorial Convertible Notes along with accrued interest into shares of Factorial Common Stock immediately before the Business Combination and the subsequent exchange into shares of PubCo Series A Common Stock; and (v) an aggregate of 362,625 shares of PubCo Series A Common Stock issued to holders of the Factorial Warrants from their cashless exercise of the warrants for shares of Factorial Preferred Stock and converted into shares of Factorial Common Stock immediately before the Business Combination and subsequent exchange for PubCo Series A Common Stock.
- (6) Amount includes 62,118 shares of PubCo Series A Common Stock issued to Cantor pursuant to the financial advisor engagement letter as outlined in the section entitled “*Certain Engagements in Connection with the Business Combination*” of the Proxy Statement/Prospectus.
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Unaudited Condensed Combined Pro Forma Balance Sheets as of March 31, 2026
(in thousands, except share and per share data)

	Pro Forma Adjustments for Q2 2026				Pro Forma Combined		
	Historical		Transactions	Notes	Transaction Accounting Adjustments	Notes	Pro Forma Balance Sheet
	CGCT	Factorial					
Assets							
Current assets:							
Cash and cash equivalents	\$ 396	\$ 25,449	\$ 1,040	(a)	\$ 287,480	(b)	\$ 118,808
					(240,101)	(f)	
					(16,386)	(c)	
					60,931	(d)	
Deferred offering costs	-	3,468	-		(3,468)	(c)	-
Prepaid expenses and other current assets	113	5,078	-		-		5,191
Total current assets	509	33,995	1,040		88,455		123,999
Restricted cash	-	884	-		-		884
Property and equipment, net	-	20,206	-		-		20,206
Operating lease right-of-use assets, net	-	7,266	-		-		7,266
Other assets	10	40	-		-		50
CGC Investments held in Trust Account	285,869	-	-		(285,869)	(b)	-
Total assets	\$ 286,388	\$ 62,391	\$ 1,040		\$ (197,414)		\$ 152,405
Liabilities, convertible preferred stock and stockholders' equity (deficit)							
Current liabilities:							
Accounts payable	\$ -	\$ 656	\$ -		\$ -		\$ 656
Accrued expenses	1,312	4,128	-		(3,352)	(c)	2,088
Accrued offering costs	75	-	-		-		75
Operating lease liabilities, current portion	-	1,401	-		-		1,401
Total current liabilities	1,387	6,185	-		(3,352)		4,220
Operating lease liabilities, net of current portion	-	6,817	-		-		6,817
Convertible notes liability	-	24,896	1,040	(a)	(25,936)	(e)	-
Deferred UW fee payable	13,140	-	-		(13,140)	(c)	-
Warrant liability	-	3,484	-		(3,484)	(e)	-
Total liabilities	14,527	41,382	1,040		(45,912)		11,037
Redeemable convertible preferred stock							
Factorial Series A-1 redeemable convertible preferred stock	-	327	-		(327)	(e)	-
Factorial Series A-2 redeemable convertible preferred stock	-	655	-		(655)	(e)	-
Factorial Series B-1 redeemable convertible preferred stock	-	2,169	-		(2,169)	(e)	-
Factorial Series C-1 redeemable convertible preferred stock	-	28,303	-		(28,303)	(e)	-
Factorial Series C-2 redeemable convertible preferred stock	-	26,013	-		(26,013)	(e)	-
Factorial Series D redeemable convertible preferred stock	-	192,185	-		(192,185)	(e)	-
CGC Class A common stock subject to redemption	285,869	-	-		(285,869)	(f)	-
Total redeemable convertible preferred stock	285,869	249,652	-		(535,521)		-
Stockholders' equity (deficit)							
PubCo Series A common stock	-	-	-		8	(e)	9
					1	(f)	
Pubco Series B common stock	-	-	-		2	(e)	2
CGC Class B Common Stock	1	-	-		(1)	(f)	-
Additional paid-in capital	-	36,285	-		(3,362)	(c)	409,374
					268,142	(e)	
					47,379	(f)	
					60,931	(d)	
Accumulated deficit	(14,009)	(264,151)	-		10,886	(e)	(267,274)
Accumulated other comprehensive income	-	(743)	-		-		(743)
Factorial Treasury stock	-	(34)	-		34	(e)	-
Total stockholders' equity (deficit)	(14,008)	(228,643)	-		384,020		141,368
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	\$ 286,388	\$ 62,391	\$ 1,040		\$ (197,414)		\$ 152,405

The pro forma adjustments to the unaudited condensed combined pro forma balance sheet as of March 31, 2026 consist of the following:

- (a) Reflects Factorial's issuance of additional Convertible Notes in May 2026 for an aggregate \$1,040 face value, which were converted, along with accrued interest, into Factorial Common Stock immediately before the consummation of the Business Combination necessitating inclusion in these pro forma adjustments. Note that Factorial has elected the Fair Value Option for the Convertible Notes in accordance with ASC 825, *Financial Instruments*; however, these pro forma adjustments for the May 2026 transaction herein are not giving effect to any change in fair value of the notes on the date of issuance stemming from such election. Assumptions regarding changes in fair value, including accrued interest, of the Factorial Convertible Notes, are recorded as transaction accounting adjustments in (e).
- (b) Represents the interest earned, based on the Redemption Price of \$10.41593671 per CGC Class A Ordinary Share, on investments held in the Trust Account held by CGC of \$1,611, and the transfer of both CGC's investments held in the Trust Account, and the interest earned to cash and cash equivalents prior to the consideration of Redemptions as outlined in (f). Refer to the below table for the pro forma entries. The interest earned is recorded as income for CGC through accumulated deficit and then reclassified into additional paid-in capital because of the Business Combination as described in (f)(i). Refer to the below table for the pro forma entries:

	Cash and cash equivalents	CGC Investments held in Trust Account	Accumulated deficit
Transfer of CGC's investments held in trust account	287,480	(287,480)	
Interest Earned on Investments Held in Trust Account		1,611	(1,611)
Total	287,480	(285,869)	(1,611)

- (c) Reflects the following pro forma adjustments for transaction costs associated with the Business Combination (refer to below table for pro forma entries):

CGC's transaction expenses of approximately \$8,048 related to the Business Combination, of which \$11 had been paid as of March 31, 2026 and \$8,037 was paid in cash at Closing. The transaction expenses of \$8,048 includes a \$4,311 underwriting fee, and other transaction costs of \$3,737, including \$1,147 incurred and expensed through March 31, 2026 (of which \$11 had been paid as of March 31, 2026), and \$2,590 incurred after March 31, 2026 through the Closing of the Business Combination. The expenses incurred after March 31, 2026, are recorded as expense for CGC through accumulated deficit and then reclassified into additional paid-in capital in consummation of the Business Combination.

The Business Combination will be accounted for as a reverse recapitalization in accordance with U.S. GAAP ASC 805. Under this method of accounting, Factorial is the accounting acquirer, and as a result, qualifying transaction costs incurred by Factorial are treated as deferred offering costs and any balance below the net proceeds from this reverse recapitalization will be charged directly to equity. This recording complies with the requirements of FASB ASC Topic 340-10-S99-1, "Other Assets and Deferred Costs — SEC Materials" ("ASC 340-10-S99") and Commission Staff Accounting Bulletin Topic 5A, "Expenses of Offering". Deferred offering costs consist of legal and other professional expenses incurred through the balance sheet date that are directly related to the Business Combination and are reflected in shareholders' equity (deficit) in these pro formas of the Business Combination with any balance below the net proceeds from this Business Combination.

Factorial's transaction expenses are approximately \$10,259 for transaction expenses related to the Business Combination. The transaction expenses of \$10,259 include a \$5,000 merger underwriting fee paid in both cash and PubCo Series A Common Stock, \$3,468 of other related transaction expenses incurred through March 31, 2026 (of which \$1,263 had been paid as of March 31, 2026), and \$1,791 of other related transaction expenses incurred after March 31, 2026 through the close of the Business Combination. These costs are reflected in additional paid-in capital in these pro formas.

The \$5,000 merger underwriter fee was payable in \$2,500 in cash and the remaining \$2,500 in a combination of cash and publicly traded common equity securities of the post-combination company. The cash portion of this remaining amount equaled (a) a fraction, the numerator of which is the amount by which the total proceeds received by the combined company in connection with any equity financing consummated in connection with the Business Combination and the cash delivered from CGC's trust account at the Closing exceed \$75,000, and the denominator of which is \$50,000, multiplied by (b) \$2,500, with the remainder payable in shares of common equity of the post-combination company. Based on actual redemptions, \$1,853 was payable in cash, and the remaining \$647 was payable in Pubco Series A Common Stock. The adjustment of the \$1,853 payment in PubCo Series A Common Stock is reflected in additional paid-in capital in these pro formas.

	Deferred UW Fee Payable	Accrued Expenses	Deferred Offering Costs	Cash and cash equivalents	Additional paid-in capital
CGC cash payments of transaction expenses and adjustments	(13,140)	(1,147)		(8,037)	6,250
Factorial cash payments of transaction expenses		(2,205)	(3,468)	(8,349)	(9,612)
Total	(13,140)	(3,352)	(3,468)	(16,386)	(3,362)

- (d) At the Merger Effective Time, the Institutional Investor purchased from PubCo an aggregate of 6,340,000 shares of PubCo Series A Common Stock for an aggregate purchase price of \$55,000, pursuant to a stock purchase agreement and the Sponsor Investor purchased from PubCo an aggregate of 1,179,404 shares of PubCo Series A Common Stock, for an aggregate purchase price of \$9,681 pursuant to a stock purchase agreement. The Institutional Investor and the Sponsor Investor satisfied in part their purchase obligations under the stock purchase agreements through purchases of 3,470,764 NRA Shares in the aggregate at market prices. Such shares were subject to Non-Redemption Agreements and the proceeds from CGC's trust account released at Closing reflect non-redemption of such shares. CGC incurred PIPE Financing transactions costs of \$3,750, leading to net PIPE Financing proceeds of \$60,931.
- (e) Reflects the following pro forma adjustments for conversion of historical Factorial instruments associated with the Business Combination and the elimination of CGC accumulated deficit:
- The assumption includes the conversion of the \$15,340 face value of the Factorial Convertible Notes which converted, at fair value, in accordance with the respective agreements resulting in 766,397 shares of Factorial Common Stock. The resulting 766,397 shares of Factorial Common Stock were then exchanged into 2,811,447 shares of PubCo Series A Common Stock with a \$0.0001 par value per share in accordance with the Business Combination. The Company elected the Fair Value Option for the Factorial Convertible Notes in accordance with *ASC 825, Financial Instruments*. The Factorial Convertible Notes issued from issuance respectively through the three months ended March 31, 2026, included an aggregate fair value adjustment of \$10,596 as of March 31, 2026. The pro forma adjustments also give effect to the change in conversion value of the Factorial Convertible Notes issued in May 2026 as a result of the Business Combination representing its carrying value of May 2026 Notes plus assumed interest through June 5, 2026 for pro forma purposes. As such, the estimated carrying value of the Factorial Convertible Notes required an incremental adjustment to accumulated deficit of \$3,123, which consists of incremental value inclusive of the conversion value of interest to adjust the Factorial Convertible Notes to \$29,059 as of the Merger Effective Time.
 - The conversion of 18,349,937 shares of Factorial Preferred Stock into Factorial Common Stock on a one-to-one basis and then exchanged into 67,314,957 shares of PubCo Series A Common Stock with a \$0.0001 par value per share.
 - The cashless exercise of 295,558 Factorial Warrants into 362,625 shares of Factorial Common Stock immediately before the consummation of the Business Combination and then exchanged into 372,907 PubCo Series A Common Stock.
 - The exchange of 839,951 shares of Factorial Common Stock into 3,081,263 shares of PubCo Series A Common Stock with a \$0.0001 par value per share.
 - The exchange of 4,228,739 shares of Factorial Common Stock into 15,512,744 shares of PubCo Series B Common Stock with a \$0.0001 par value per share. This adjustment has no impact on additional paid-in capital.

- vi. The removal of Factorial Treasury Stock into additional paid-in capital immediately prior to the Merger Effective Time by the Company as treasury stock was be automatically cancelled and extinguished, and no consideration was paid with respect thereto.
 - vii. The elimination of historical CGC accumulated deficit of \$14,009, through additional paid-in capital, net of the accumulated deficit impact of the assumed \$3,123 change in fair value on the Factorial Convertible Notes discussed in footnote (e)(i). The income impact of the CGC pro forma interest earned on investments held in Trust of \$1,611 discussed in footnotes (b) and (f)(i) and the accumulated deficit impact of the CGC transaction costs estimated to be incurred after May 31, 2026 of \$2,590 discussed in footnote (c) are reclassified into additional paid-in capital due to the effects of the Business Combination as they represent income and expenses of CGC that are eliminated.
- (f) Reflects the following pro forma adjustments for redemptions associated with the Business Combination (refer to below table for pro forma entries):
- i. 4,548,687 CGC Class A Ordinary shares previously subject to redemption for cash but not redeemed (accreted to the Redemption Price through an adjustment to accumulated deficit of \$1,611 through the adjustment discussed in footnote (b)) and transferred to shareholders' equity at \$0.00001 par value.
 - ii. The conversion of 6,900,000 CGC Class B Shares into 6,900,000 shares of PubCo Series A Common Stock, with a par value \$0.00001 per share. Additionally, both the CGC Private Warrants and CGC Public Warrants survive the Business Combination and convert into PubCo Warrants and therefore result in no pro forma financial statement impact.

	CGC Class A Common Stock Subject to Redemption	CGC Class B Common Stock	Accumulated deficit	PubCo Series A common stock	Additional paid-in capital	Cash and cash equivalents
Redemptions	(285,869)	-	(1,611)	-	47,379	(240,101)
CGC Class B Conversion		(1)		1		
Total	(285,869)	(1)	(1,611)	14	47,379	(240,101)

Unaudited Condensed Combined Pro Forma Statement of Operations
For the Three Months Ended March 31, 2026
(in thousands, except share and per share data)

	Historical		Pro Forma Combined	
	CGCT	Factorial	Transaction Accounting Adjustments	Pro Forma Statement of Operations
Operating expenses:				
Research and development, net	\$ -	\$ 1,942	\$ -	\$ 1,942
Selling, general and administrative	811	4,549	2,590	(a) 7,950
Total operating expense	811	6,491	2,590	9,892
Loss from operations	(811)	(6,491)	(2,590)	(9,892)
Financing costs related to issuance of convertible promissory note	-	(37)	37	(b) -
Change in fair value of warrant liability	-	(106)	106	(b) -
Change in fair value of convertible promissory notes	-	(1,707)	1,707	(b) -
Other income (expense), net	2,492	(234)	(2,492)	(c) (234)
Income (loss) before provision for income taxes	1,680	(8,575)	(3,232)	(10,126)
Income tax expense	-	-	-	-
Net income/(loss)	\$ 1,680	\$ (8,575)	\$ (3,232)	\$ (10,126)
Basic and diluted weighted average shares outstanding, Class A Common Stock Subject to Redemption	27,600,000	-		
Basic and diluted net income per share, Class A Common Stock Subject to Redemption	\$ 0.06	\$ -		
Basic and diluted weighted average common stock outstanding, CGC Class B Common Stock, non-redeemable	6,900,000	-		
Basic net loss per share, CGC Class B Common Stock, non-redeemable	\$ 0.24	\$ -		
Basic and diluted weighted average common stock outstanding		5,056,994		
Basic and diluted net loss per share, common stock		\$ (1.70)		
Basic and diluted pro forma weighted average shares outstanding				107,023,245 (d)
Basic and diluted pro forma net loss per share				\$ (0.09)

The pro forma adjustments to the unaudited condensed combined pro forma statement of operations for the three months ended March 31, 2026 consist of the following:

- (a) Reflects CGC's transaction expenses of approximately \$2,590 (\$3,737 total less \$1,147 expensed by CGC through March 31, 2026) related to the Business Combination, excluding the \$4,311 underwriter fee. Note that this adjustment does not reflect \$10,259 of transaction expenses incurred by Factorial. The \$10,259 of Factorial transaction expenses are presented net within stockholders' equity (deficit) on the unaudited combined pro forma balance sheet as of March 31, 2026 pursuant to applicable accounting principles related to reverse recapitalizations.
- (b) Represents an adjustment to eliminate the financing costs related to Factorial's issuance of Factorial Convertible Notes during the three months ended March 31, 2026, the change in fair value of the Factorial Convertible Notes issued during the three months ended March 31, 2026, and change in the fair value of the Factorial Warrants during the three months ended March 31, 2026, as this pro forma financial information assumes the Business Combination occurred on January 1, 2025 and therefore, includes the exchange of the Factorial Convertible Notes and Factorial Warrants into shares of PubCo Series A Common Stock as of the earliest period presented (i.e., January 1, 2025).
- (c) Represents an adjustment to eliminate interest earned on marketable securities held in the Trust Account associated with the proceeds from CGC's IPO held in Trust for the three months ended March 31, 2026.
- (d) The calculation of weighted average shares outstanding for basic and diluted net loss per share assumes that the Business Combination occurred as of the earliest period presented (January 1, 2025). In addition, as the Business Combination is being reflected as if it had occurred on this date, the calculation of weighted average shares outstanding for basic and diluted net loss per share assumes that the shares have been outstanding for the entire period presented. This calculation is retroactively adjusted to eliminate the number of shares redeemed in the Business Combination for the entire period.

Net Loss per Share

Net loss per share was calculated using the historical weighted average shares outstanding, and the issuance of additional shares in connection with the Business Combination, assuming the shares were outstanding since January 1, 2025.

The following unaudited pro forma condensed combined financial information has been prepared to present the actual impact of redemptions of ordinary shares by Public Shareholders at the time of the Business Combination for the three months ended March 31, 2026. Calculation of pro forma net loss per share excludes the following securities: (a) 20,600,000 shares of PubCo Series A Common Stock issuable upon the exercise of 13,800,000 CGC Public Warrants and 6,800,000 CGC Private Warrants; (b) 24,755,591 shares of PubCo Series A Common Stock that will be issuable upon the exercise or settlement of 19,639,374 Factorial Options, with a weighted average exercise price of \$1.09 and of which 16,524,075 shares are exercisable based on shares outstanding as of the Merger Effective Time, and 5,116,217 Factorial RSUs, of which none are vested as of the Merger Effective Time; and (c) any shares of PubCo Series A Common Stock that will initially be available for issuance under the PubCo Incentive Plan and ESPP.

Further, under the Business Combination Agreement, the converted Factorial Options and Factorial RSUs retained substantially the same terms, including vesting conditions and other substantive provisions, as were applicable immediately prior to the Business Combination, with only equitable adjustments to the number of underlying shares and, for options, the exercise price to reflect the consideration ratio. As a result, the Business Combination did not in itself cause these awards to vest nor is it expected to result in incremental stock-based compensation expense solely from the conversion of such awards. Therefore, the impact of Factorial Options and Factorial RSUs has been excluded from these unaudited condensed pro forma financial statements as such awards remained as outstanding equity awards and not PubCo Series A Common Stock immediately following the Business Combination.

	Pro Forma Combined
For the three months ended March 31, 2026	
Pro forma net loss	\$ (10,126)
Pro forma basic and diluted net loss per share	\$ (0.09)
Number of shares of PubCo Common Stock	
CGC's Public Shareholders	4,548,687
Sponsor and DirectorCo	5,810,000
PIPE Institutional Investor	6,340,000
PIPE Sponsor Investor	1,179,404
Factorial Shareholders	89,083,036
Cantor Advisory Fee	62,118
Total shares outstanding	107,023,245

Unaudited Condensed Combined Pro Forma Statement of Operations
For the Year Ended December 31, 2025
(in thousands, except share and per share data)

	Historical		Pro Forma Combined		
	CGCT	Factorial	Transaction Accounting Adjustments	Notes	Pro Forma Statement of Operations
Operating expenses:					
Research and development, net	\$ -	\$ 24,323	\$ -		\$ 24,323
Selling, general and administrative	1,158	22,202	3,061	(a)	26,421
Loss and impairment on lease termination	-	17,063	-		17,063
Total operating expense	1,158	63,588	3,061		67,807
Loss from operations	(1,158)	(63,588)	(3,061)		(67,807)
Financing costs related to issuance of convertible promissory note	-	(4,608)	4,608	(b)	-
Change in fair value of warrant liability	-	(2,230)	2,230	(b)	-
Change in fair value of convertible promissory notes	-	(4,389)	4,389	(b)	-
Other income (expense), net	7,377	970	(7,377)	(c)	970
Income (loss) before provision for income taxes	6,219	(73,845)	789		(66,837)
Income tax expense	-	-	-		-
Net income/(loss)	<u>\$ 6,219</u>	<u>\$ (73,845)</u>	<u>\$ 789</u>		<u>\$ (66,837)</u>
Basic and diluted weighted average shares outstanding, Class A Common Stock Subject to Redemption	18,197,802	-			
Basic and diluted net income per share, Class A Common Stock Subject to Redemption	<u>\$ 0.25</u>	<u>\$ -</u>			
Basic weighted average common stock outstanding, CGC Class B Common Stock, non-redeemable	6,593,407	-			
Basic net loss per share, CGC Class B Common Stock, non-redeemable	<u>\$ 0.25</u>	<u>\$ -</u>			
Diluted weighted average common stock outstanding, CGC Class B Common Stock, non-redeemable	6,900,000	-			
Diluted net loss per share, CGC Class B Common Stock, non-redeemable	<u>\$ 0.25</u>	<u>\$ -</u>			
Basic and diluted weighted average common stock outstanding		5,026,704			
Basic and diluted net loss per share, common stock		<u>\$ (14.69)</u>			
Basic and diluted pro forma weighted average shares outstanding					107,023,245 (d)
Basic and diluted pro forma net loss per share					<u>\$ (0.62)</u>

The pro forma adjustments to the unaudited condensed combined pro forma statement of operations for the year ended December 31, 2025 consist of the following:

- (a) Reflects CGC's transaction expenses of approximately \$3,061 (\$3,737 total less \$676 expensed by CGC through December 31, 2025) related to the Business Combination, excluding the \$4,311 underwriter fee. Note that this adjustment does not reflect \$10,259 of transaction expenses incurred by Factorial. The \$10,259 of Factorial transaction expenses are presented net within stockholders' equity (deficit) on the unaudited combined pro forma balance sheet as of March 31, 2026 pursuant to applicable accounting principles related to reverse recapitalizations.
- (b) Represents an adjustment to eliminate the financing costs related to Factorial's issuance of Factorial Convertible Notes during the year ended December 31, 2025, the change in fair value of the Factorial Convertible Notes issued during the year ended December 31, 2025, and change in the fair value of the Factorial Warrants during the year ended December 31, 2025, as this pro forma financial information assumes the Business Combination occurred on January 1, 2025 and therefore, includes the exchange of the Factorial Convertible Notes and Factorial Warrants into shares of PubCo Series A Common Stock as of the earliest period presented (i.e., January 1, 2025).
- (c) Represents an adjustment to eliminate interest earned on marketable securities held in the Trust Account associated with the proceeds from CGC's IPO held in Trust for the year ended December 31, 2025.
- (d) The calculation of weighted average shares outstanding for basic and diluted net loss per share assumes that the Business Combination occurred as of the earliest period presented (January 1, 2025). In addition, as the Business Combination is being reflected as if it had occurred on this date, the calculation of weighted average shares outstanding for basic and diluted net loss per share assumes that the shares have been outstanding for the entire period presented. This calculation is retroactively adjusted to eliminate the number of shares redeemed in the Business Combination for the entire period.

Net Loss per Share

Net loss per share was calculated using the historical weighted average shares outstanding, and the issuance of additional shares in connection with the Business Combination, assuming the shares were outstanding since January 1, 2025.

The following unaudited pro forma condensed combined financial information has been prepared to present the actual impact of redemptions of ordinary shares by Public Shareholders at the time of the Business Combination for the year ended December 31, 2025. Calculation of pro forma net loss per share excludes the following securities: (a) 20,600,000 shares of PubCo Series A Common Stock issuable upon the exercise of 13,800,000 CGC Public Warrants and 6,800,000 CGC Private Warrants; (b) 24,755,591 shares of PubCo Series A Common Stock that will be issuable upon the exercise or settlement of 19,639,374 Factorial Options, with a weighted average exercise price of \$1.09 and of which 16,524,075 shares are exercisable based on shares outstanding as of the Merger Effective Time, and 5,116,217 Factorial RSUs, of which none are vested as of the Merger Effective Time; and (c) any shares of PubCo Series A Common Stock that will initially be available for issuance under the PubCo Incentive Plan and ESPP.

Further, under the Business Combination Agreement, the converted Factorial Options and Factorial RSUs retained substantially the same terms, including vesting conditions and other substantive provisions, as were applicable immediately prior to the Business Combination, with only equitable adjustments to the number of underlying shares and, for options, the exercise price to reflect the consideration ratio. As a result, the Business Combination did not in itself cause these awards to vest nor is it expected to result in incremental stock-based compensation expense solely from the conversion of such awards. Therefore, the impact of Factorial Options and Factorial RSUs has been excluded from these unaudited condensed pro forma financial statements as such awards remained as outstanding equity awards and not PubCo Series A Common Stock immediately following the Business Combination.

	Pro Forma Combined
For the three months ended March 31, 2026	
Pro forma net loss	\$ (66,837)
Pro forma basic and diluted net loss per share	\$ (0.62)
Number of shares of PubCo Common Stock	
CGC's Public Shareholders	4,548,687
Sponsor and DirectorCo	5,810,000
PIPE Institutional Investor	6,340,000
PIPE Sponsor Investor	1,179,404
Factorial Shareholders	89,083,036
Cantor Advisory Fee	62,118
Total shares outstanding	107,023,245

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF FACTORIAL

Capitalized terms used but not defined in this Exhibit 99.3 shall have the meanings ascribed to them in the Current Report on Form 8-K (“Form 8-K”) filed with the Securities and Exchange Commission (the “SEC”) on June 10, 2026 and, if not defined in the Form 8-K, capitalized terms used but not defined in this Exhibit 99.2 shall have the meanings ascribed to them in the definitive proxy statement/prospectus filed by Cartesian Growth Corporation III with the SEC on May 6, 2026, prior to the consummation of the business combination (the “Proxy Statement/Prospectus”).

The following discussion and analysis of financial condition and results of operations of Factorial Inc. (for purposes of this section, “Factorial,” “Company,” “we,” “our” or “us”) should be read together with Factorial’s audited financial statements for the years ended December 31, 2025 and 2024 included in the Proxy Statement/Prospectus beginning on Page F-25, Factorial’s unaudited condensed financial statements for the three months ended March 31, 2026 and 2025, and related notes included in Exhibit 99.1 to this Form 8-K, as well as the unaudited pro forma condensed combined financial information included in Exhibit 99.2 to this Form 8-K. This discussion contains forward-looking statements reflecting our current expectations, estimates, and assumptions concerning events and financial trends that may affect our future operating results or financial position. Our actual results and the timing of events could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the sections entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” included in the Proxy Statement/Prospectus.

Overview

Factorial, a US-based leader in solid-state battery technology, develops next generation battery technology for planned use by drone, mobile robots, roadgoing vehicles, energy storage, and other demanding applications. Our FEST[®] cells are designed to meet the demands of the high-power market and, relative to conventional Li-ion batteries, deliver lighter weight, smaller size, longer life, and faster charging, in each case meeting or exceeding conventional batteries in each of these key parameters we believe are valued by end users.

Factorial is a development stage company with no revenue to date that has incurred a net loss of approximately \$8.6 million, with cash used in operations of \$6.1 million, for the three months ended March 31, 2026 and an accumulated deficit of approximately \$264.2 million as of March 31, 2026.

The Business Combination

Factorial entered into the Business Combination Agreement with CGC on December 17, 2025. Pursuant to the Business Combination Agreement, and after CGC’s shareholders voted to approve it, Merger Sub, a newly formed subsidiary of CGC, merged with and into Factorial. Upon the Closing, the separate corporate existence of Merger Sub ceased to exist, and Factorial survived and became a wholly-owned subsidiary of CGC. In connection with the consummation of the Business Combination, CGC changed its corporate name to Factorial Energy Inc. The Business Combination was accounted for as a reverse recapitalization. Factorial was deemed the accounting acquirer and the combined entity is the successor SEC registrant, meaning that Factorial’s financial statements for previous periods will be disclosed in the registrant’s future periodic reports filed with the SEC. Under this method of accounting, CGC was treated as the acquired company for financial statement reporting purposes. As a result of the closing of the Business Combination, the most significant change in Factorial’s financial position and results is a \$92.0 million net increase in cash and cash equivalents (as compared to Factorial’s consolidated balance sheet at March 31, 2026), which includes \$112.1 million in gross proceeds from the PIPE Financing (inclusive of the proceeds from the trust account resulting from NRA Shares acquired by PIPE Investors to satisfy their obligations under the applicable Investor Stock Purchase Agreement) that was received at the Closing offset by the transaction expenses, which occurred on June 5, 2026. Transaction expenses paid at closing for the Business Combination and PIPE Financing were approximately \$21.1 million. See the section entitled “*Unaudited Pro Forma Condensed Combined Financial Information*.”

As a result of the Business Combination, Factorial became the successor to an SEC-registered and Nasdaq-listed company, which will require Factorial to hire additional personnel and implement procedures and processes to address public company regulatory requirements and customary practices. Factorial expects to incur additional annual expenses as a public company for, among other things, directors’ and officers’ liability insurance, director fees, and additional internal and external accounting, legal, and administrative resources, including increased personnel costs, audit and other professional service fees.

Key Trends, Opportunities and Uncertainties

Factorial is a pre-revenue company. We believe that our performance and future success depend on several factors that present significant opportunities for us but also pose risks and challenges, including those in the sections of the Proxy Statement/Prospectus titled “*Business — Our Competitive Strengths*”, “*Business — Our Growth Strategy*”, “*Business — Manufacturing and Supply*”, “*Business — Research and Development*”, “*Business — Competitive Landscape*”, “*Business — Government Regulation and Compliance*” and “*Risk Factors*.”

We identified a material weakness in our internal control over financial reporting relating to inadequate resources to ensure proper system access and segregation of duties, timely and accurate preparation of reconciliations of accounts, and timely and accurate assessment, review and documentation of various transactions to ensure accurate recording of accounts in our financial statements in a timely manner. This material weakness led to a conclusion that our internal control over financial reporting and disclosure controls and procedures were not effective as of March 31, 2026.

Since December 2025, Factorial has added additional headcount to its finance team, including a chief financial officer, an accounting manager, and a staff accountant. The Company plans to increase staffing of its technical accounting and internal audit function during 2026 and will engage outside consultants to advise on improvements surrounding its controls over financial reporting. As of the date of this filing, management has taken remediation actions during 2026 and expects to complete the remediation actions related to Factorial’s material weakness over financial reporting during 2027 and expects to incur approximately \$0.8 million in associated costs.

Basis of Presentation

Factorial currently conducts its business through one operating segment. As a pre-revenue company with no commercial operations, Factorial’s activities to date have been limited and were conducted primarily in the United States and Korea and its historical results are reported under U.S. GAAP and in U.S. dollars. Factorial’s Korean subsidiary’s functional currency is the Korean Won. Upon commencement of commercial operations, Factorial expects to expand its global operations substantially, including in the United States, Asia, and the European Union, and as a result Factorial expects its future results to be sensitive to foreign currency transaction and translation risks and other financial risks that are not reflected in its historical financial statements. As a result, Factorial expects that the financial results it reports for periods after it begins commercial operations will not be comparable to the financial results included in the Proxy Statement/Prospectus.

Components of Results of Operations

Factorial is a research and development stage company, and its historical results may not be indicative of its future results for reasons that may be difficult to anticipate. Accordingly, the drivers of Factorial’s future financial results, as well as the components of such results, may not be comparable to Factorial’s historical or projected results of operations.

Research and Development Expense

To date, Factorial’s research and development expenses have consisted primarily of personnel-related expenses for scientists, experienced engineers and technicians as well as costs associated with the expansion and ramp up of our engineering facility in the United States and Cheonan, South Korea, including the material and supplies to support the product development and process engineering efforts. As Factorial ramps up its engineering operations to complete the development of its solid-state, lithium-metal batteries and required process engineering to meet automotive cost targets, Factorial anticipates that research and development expenses will increase significantly for the foreseeable future as Factorial expands its hiring of scientists, engineers, and technicians and continues to invest in additional plant and equipment for product development (e.g. multi-layer cell stacking, packaging and engineering), building prototypes, and testing of battery cells as the team works to meet the full set of Original Equipment Manufacturers (“OEMs”) product requirements.

General and Administrative Expense

General and administrative expenses consist mainly of personnel-related expenses for Factorial’s executive, sales and marketing and other administrative functions and expenses for outside professional services, including legal, accounting and other advisory services. Factorial is expanding its headcount in anticipation of planning for and ramping up commercial manufacturing operations and to meet public company financial and compliance requirements. Accordingly, in addition to the non-recurring transaction costs discussed above, Factorial expects its general and administrative expenses to increase significantly in the near term and for the foreseeable future. Upon commencement of commercial operations, Factorial also expects general and administrative expenses to include sales, marketing and advertising costs.

Financing Costs Related to Issuance of Convertible Promissory Notes – Related Parties

Financing costs related to issuance of convertible promissory notes to related parties represents the excess of the fair value of the convertible promissory notes over the proceeds received, if any, as well as direct financing costs paid in cash at issuance.

Financing Costs Related to Issuance of Convertible Promissory Notes

Financing costs related to issuance of convertible promissory notes represents the excess of the fair value of the convertible promissory notes over the proceeds received, if any, as well as direct financing costs paid in cash at issuance.

Change in Fair Value of Convertible Promissory Notes – Related Parties

Change in fair value of convertible promissory notes to related parties represents the fair value adjustment to mark the convertible promissory note liability to fair value.

Change in Fair Value of Convertible Promissory Notes

Change in fair value of convertible promissory notes represents the fair value adjustment to mark the convertible promissory note liability to fair value.

Change in Fair Value of Warrant Liabilities

Change in fair value of warrant liabilities represents the fair value adjustment to mark the warrant liabilities to fair value based on changes in the underlying equity valuation.

Other (Expenses) Income, Net

Factorial's other income (expense) consists of interest income from interest-bearing accounts, interest expense, and the effects of foreign currency.

Provision for Income Taxes

Factorial's income tax provision consists of an estimate for U.S. federal and state income taxes based on enacted rates, as adjusted for allowable credits, deductions, uncertain tax positions, changes in deferred tax assets and liabilities, and changes in the tax law. Factorial maintains a valuation allowance against the full value of its U.S. and state net deferred tax assets because Factorial believes the recoverability of the tax assets is not more likely than not.

Results of Operations

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

The following table sets forth Factorial's historical operating results for the periods indicated:

	Three Months Ended March 31,		\$	%
	2026	2025	Change	Change
	(in thousands, except Share and per Share Amounts)			
Operating expenses:				
Research and development	\$ (1,942)	\$ (6,754)	\$ (4,812)	(71.2)%
General and administrative	(4,549)	(6,368)	(1,819)	(28.6)%
Total operating expenses	(6,491)	(13,122)	(6,631)	(50.5)%
Loss from operations	(6,491)	(13,122)	(6,631)	(50.5)%
Other income (expense):				
Financing costs related to issuance of convertible promissory notes	(37)	—	37	N/M ⁽¹⁾
Change in fair value of convertible promissory notes – related parties	(1,407)	—	1,407	N/M
Change in fair value of convertible promissory notes	(300)	—	300	N/M
Change in fair value of warrant liabilities	(106)	—	106	N/M
Other income (expense), net	(234)	252	(486)	N/M
Total other income (expense), net	(2,084)	252	(2,336)	N/M
Net loss	(8,575)	(12,870)	(4,295)	(33.4)%
Net loss attributable to common stockholders	\$ (8,575)	\$ (12,870)	\$ (4,295)	(33.4)%
Net loss	\$ (8,575)	\$ (12,870)	\$ (4,295)	(33.4)%
Other comprehensive income (loss):				
Foreign currency translation adjustments and other	(298)	8	306	N/M
Total comprehensive loss	(8,873)	(12,862)	(3,989)	(31.0)%
Comprehensive loss attributable to common stockholders	\$ (8,873)	\$ (12,862)	\$ (3,989)	(31.0)%
Basic and Diluted net loss per share	\$ (1.70)	\$ (2.57)	(0.87)	(33.9)%
Basic and Diluted weighted-average common shares outstanding	5,056,994	5,016,149	40,845	0.1%

(1) Not Meaningful ("N/M")

Research and Development

Research and development expenses decreased by \$4.8 million, or 71.2%, from \$6.7 million for the three months ended March 31, 2025 to \$1.9 million for the three months ended March 31, 2026. The decline primarily resulted from receipts of \$3.4 million from joint development partners for the three months ended March 31, 2026, compared to \$0.03 million for the three months ended March 31, 2025, which are recorded net in research and development expenses. The decrease was further attributable to the absence of occupancy and depreciation costs that had previously been allocated to research and development, following the exit of the Methuen, Massachusetts facility in October 2025.

General and Administrative

General and administrative expenses decreased by \$1.8 million, or 28.6%, from \$6.3 million for the three months ended March 31, 2025 to \$4.5 million for the three months ended March 31, 2026, primarily due to a decline in stock-based compensation expense. General and administrative stock-based compensation expense decreased by \$2.2 million, or 63%, from \$3.5 million for the three months ended March 31, 2025, to \$1.3 million for the three months ended March 31, 2026. The decrease was further attributable to the absence of occupancy and depreciation costs that had previously been allocated to general and administrative expenses, following the exit of the Methuen, Massachusetts facility in October 2025. These decreases were partially offset by increases in professional services expenses including legal, audit, and advisory fees.

Financing Costs Related to Issuance of Convertible Promissory Notes

In January 2026, we issued convertible promissory notes under which we could receive aggregate proceeds of up to \$5.4 million. During the three months ended March 31, 2026, we received proceeds of \$4.3 million. We incurred issuance costs of \$0.04 million, which was recorded as a financing cost.

Change in Fair Value of Convertible Promissory Notes – Related Parties

The fair value of our convertible promissory notes to related parties increased by \$1.4 million for the three months ended March 31, 2026. These notes were issued in 2025. Changes in fair value of convertible promissory notes to related parties are non-cash and are included in net loss.

Change in Fair Value of Convertible Promissory Notes

The fair value of our convertible promissory notes increased by \$0.3 million for the three months ended March 31, 2026. These notes were issued in January 2026. Changes in fair value of convertible promissory notes are non-cash and are included in net loss.

Change in Fair Value of Warrant Liabilities

The change in fair value of our warrant liabilities increased by \$0.1 million for the three months ended March 31, 2026. There was no change in fair value of our warrant liabilities for the three months ended March 31, 2025. Changes in fair value of warrant liabilities are non-cash and are included in net loss.

Other Income (Expense), Net

Other income (expense), net reflected an expense of \$0.2 million for the three months ended March 31, 2026, compared to income of \$0.3 million for the three months ended March 31, 2025, a change of \$0.5 million. The change is due to fluctuations in the effects of foreign exchange offset by a reduction interest income.

Provision for Income Taxes

The Company did not record an income tax provision for the three months ended March 31, 2026 or 2025 due to losses incurred and the establishment of a full valuation allowance against deferred tax assets.

Liquidity and Capital Resources

Since inception, we have financed our operations primarily from the sales of preferred and convertible preferred stock, and equity-linked securities. As of March 31, 2026, our principal sources of liquidity were our cash and cash equivalents in the amount of \$25.5 million. Our cash equivalents are invested primarily in U.S. Treasury money market funds.

As of the date of this filing, Factorial has yet to generate any revenue from its business operations. To date, Factorial has funded its capital expenditure and working capital requirements through equity as further discussed below. Factorial's ability to successfully develop its products, commence commercial operations and expand its business will depend on many factors, including its working capital needs, the availability of equity or debt financing and, over time, its ability to generate cash flows from operations.

As of March 31, 2026, Factorial's cash and cash equivalents amounted to \$25.5 million. As a result of the closing of the Business Combination, Factorial's cash and cash equivalents have increased to approximately \$116.6 million on June 10, 2026. In January 2026, Factorial entered into agreements with new investors to issue convertible notes where Factorial can receive proceeds up to \$5.4 million. Upon the Closing the convertible notes were converted into shares issued by Factorial in conjunction with the Business Combination and exchanged for shares of PubCo Series A Common Stock in the Business Combination. As of June 10, 2026, Factorial has received proceeds of \$5.4 million.

Factorial expects its capital expenditures and working capital requirements to increase materially in the near future, as it seeks to accelerate its research and development efforts and scale up the production operations with its OEM partners. As described in “Information about Factorial” section of the Proxy Statement/Prospectus, Factorial expects to satisfy early demand for its solid-state battery products by expanding its existing fabrication line operations in South Korea and the United States, to support initial commercial production. During the three months ended March 31, 2026, Factorial paid capital expenditures for such expansion of approximately \$0.5 million and expects to incur capital expenditures of approximately \$7.5 million during the remainder of 2026. The expansion is expected to be completed by the end of 2027. Beyond the initial investment to expand our existing fabrication line operations in South Korea and the United States, we do not plan to build or acquire additional manufacturing facilities or incur substantial capital expenditures for the expansion of our existing facilities. Instead, as demand grows, including incremental high spec applications and gigawatt-scale ramp-up in the automotive market, we expect to scale primarily through a partner manufacturing approach.

Factorial believes that its cash on hand, including the net proceeds from CGC’s cash in trust post redemption and the PIPE Financing, will be sufficient to meet its working capital and capital expenditure requirements for a period of at least twelve months from the date of this filing and sufficient to fund its operations until it commences commercial production of the Factorial solid-state battery, assuming Factorial is able to do so as currently contemplated. Factorial may, however, need additional cash resources due to changed business conditions or other developments, including unanticipated delays in negotiations with OEMs and tier-one automotive suppliers or other suppliers, supply chain challenges, competitive pressures, and regulatory developments, among other developments. To the extent that Factorial’s current resources are insufficient to satisfy its cash requirements, Factorial may need to seek additional equity or debt financing. If the financing is not available, or if the terms of financing are less desirable than Factorial expects, Factorial may be forced to decrease its level of investment in product development or scale back its operations, which could have an adverse impact on its business and financial prospects.

Based on its current operating plan, the Company estimates that its cash and cash equivalents as of the date of this filing will be sufficient to fund its operating expenses and capital expenditure requirements into the first quarter of 2028. The Company has based this estimate on assumptions that may prove to be wrong and could deplete its liquid resources sooner than it currently expects.

Cash Flows

The following table provides a summary of Factorial’s cash flow data for the periods indicated:

	Three Months Ended March 31,		\$	%
	2026	2025	Change	Change
<i>Amount in thousands</i>				
Net cash provided (used in) operating activities	\$ (6,120)	\$ (6,103)	\$ 17	0.3%
Net cash provided (used in) investing activities	(487)	(172)	\$ 315	183.1%
Net cash provided (used in) financing activities	3,302	(205)	\$ 3,507	N/M

Cash Flows from Operating Activities

Factorial’s cash flows used in operating activities to date have been primarily comprised of payroll, material and supplies, facilities expense, and professional services related to research and development and general and administrative activities. As Factorial continues to ramp up hiring for technical headcounts to accelerate its developmental efforts, Factorial expects its cash used in operating activities to increase significantly before it starts to generate any material cash flows from its business.

Net cash used in operating activities was \$6.1 million for the three months ended March 31, 2026, and 2025 and primarily represents payments on employee compensation and benefits, R&D materials, facilities, and professional fees. The payments were offset by an increase in receivables under collaboration agreements of \$2.2 million during the three months ended March 31, 2026. Receivables under collaboration agreements decreased by \$0.5 million during the three months ended March 31, 2025.

Cash Flows from Investing Activities

Factorial’s cash flows used in investing activities, to date, have been comprised of purchases of property and equipment and purchases and disposals of equipment. Factorial expects the costs to acquire property and equipment to increase in the near future as it builds pilot and sample production lines for its FEST Silicon and Solstice programs.

Net cash used from investing activities was \$0.5 million and \$0.2 million for the three months ended March 31, 2026, and 2025, respectively, which was used for property and equipment purchases. The 2026 purchases were entirely to support production in Korea.

Cash Flows from Financing Activities

Through March 31, 2026, Factorial has financed its operations primarily through the sale of equity and equity-linked securities. In addition, in January 2026, Factorial entered into agreements with new investors to issue convertible notes where Factorial can receive proceeds up to \$5.4 million

Net cash from financing activities was \$3.3 million for the three months ended March 31, 2026, and primarily represents proceeds from issuance of convertible notes, offset by the payment of deferred transaction costs. Net cash used in financing activities was \$.2 million for the three months ended March 31, 2025, and primarily represents principal payments on the Company's former finance lease for the Methuen, Massachusetts facility.

Contractual Obligations and Commitments

Factorial leases its headquarters space in Billerica, Massachusetts (the "Billerica Sublease") under a single sublease classified as an operating lease expiring on October 30th, 2032. The Billerica Sublease does not contain any provision for an extension. Factorial also leased laboratory and office space in Tallahassee, Florida (the "Tallahassee Lease") under a single lease classified as an operating lease that expired at the end of its term on February 28th, 2025. Additionally, Factorial leases laboratory and storage space, which includes offices, in Woburn, Massachusetts (the "Woburn Lease") under a single lease classified as an operating lease expiring on April 30, 2028. The Woburn Lease does not contain any provision for extension. Finally, Factorial leased laboratory and manufacturing space, which included offices, in Methuen, Massachusetts (the "Methuen Lease") under a single lease classified as a financing lease. The Methuen Lease was terminated on October 18, 2025. Factorial has not commenced negotiations with respect to extending the Billerica Sublease or the related lease between the applicable sublessor from whom the Company subleases such property and the ultimate lessor, but intends to do so prior to the expiration thereof.

In January 2026, Factorial entered into agreements with new investors to issue convertible notes where Factorial can receive proceeds up to \$5.4 million. Upon the Closing the notes were converted into shares issued by Factorial in conjunction with the Business Combination and exchanged for shares of PubCo Series A Common Stock in the Business Combination. As of June 10, 2026, Factorial has received proceeds of \$5.4 million.

Off-Balance Sheet Arrangements

Factorial is not a party to any off-balance sheet arrangements, as defined under SEC rules.

Critical Accounting Policies

Factorial's financial statements have been prepared in accordance with GAAP. In the preparation of these financial statements, Factorial is required to use judgment in making estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, as well as the reported expenses incurred during the reporting periods. There have been no significant changes to our critical accounting policies in the preparation of our condensed consolidated financial statements during the three months ended March 31, 2026 compared to those disclosed in our audited annual consolidated financial statements for the year ended December 31, 2025, included in the Proxy Statement/Prospectus.

Critical Accounting Estimates

There have been no significant changes to our critical accounting estimates in the preparation of our condensed consolidated financial statements during the three months ended March 31, 2026 compared to those disclosed in our audited annual consolidated financial statements for the year ended December 31, 2025, included in the Proxy Statement/Prospectus.

Emerging Growth Company Status

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can choose not to take advantage of the extended transition period and comply with the requirements that apply to non-emerging growth companies, and any such election to not take advantage of the extended transition period is irrevocable.

Each of Factorial and CGC is an “emerging growth company” as defined in Section 2(a) of the Securities Act and has elected to take advantage of the benefits of the extended transition period for new or revised financial accounting standards. This may make it difficult or impossible to compare Factorial’s 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 because of the potential differences in accounting standards used. PubCo may continue to qualify as an “emerging growth company” after the Business Combination until the earliest of (i) such time as of which it is a “large accelerated filer”, (ii) its annual gross revenues exceed \$1.235 billion, (iii) it issues more than \$1 billion of non-convertible debt securities during a three-year period or (iv) the end of the fifth fiscal year after CGC’s IPO, which occurred in 2025.

Recent Accounting Pronouncements

See Note 2 to the audited consolidated financial statements included in the Proxy Statement/Prospectus for more information about recent accounting pronouncements, the timing of their adoption, and Factorial’s assessment, to the extent it has made one, of their potential impact on Factorial’s financial condition and its results of operations and cash flows.

Quantitative and Qualitative Disclosures About Market Risk

Factorial is exposed to a variety of markets and other risks including the effects of change in interest rates, inflation and foreign currency translation and transaction risks as well as risks to the availability of funding sources, hazard events and specific asset risks.

Interest Rate Risk

The market interest risk in Factorial’s financial instruments and financial positions represents the potential loss arising from adverse changes in interest rates. As of March 31, 2026, we had cash and cash equivalents of \$25.4 million and restricted cash of \$0.9 million, substantially all of which was held in interest-bearing accounts for which the fair market value would be affected by change in the general level of U.S. interest rates. However, due to the short-term maturities and the low-risk profile of our investments, an immediate 10% change in the interest rate would not have a material effect on the fair market value of our cash and cash equivalents.

A significant change in interest rates may also have an impact on the valuation of our equity and equity-linked instruments, as discussed in “Equity Valuations.” This could cause a material change in the carrying value of our equity and equity-linked instruments.

Foreign Currency Risk

Factorial’s U.S. entities and certain foreign subsidiaries have the U.S. dollar as their functional currency, while Factorial’s South Korea entity has the Korean Won as their functional currency. Factorial’s current and potential future subsidiaries could be expected to have other functional currencies, reflecting their principal operating markets. Once Factorial starts commercialization, it expects to be exposed to both additional currency transaction and translation risk. To date, Factorial has not hedged such exposure, although it may do so in the future.

**Factorial Lists on Nasdaq,
Bringing Solid-State Batteries From Validation to Scale**

Leading American solid-state battery innovator, backed by global automakers and rapidly expanding into defense & aerospace, robotics, and hyperscale data centers, enters public markets with \$1.3 billion equity value

BOSTON. — June 08, 2026 (GLOBE NEWSWIRE) — Factorial Inc. (“Factorial”), a U.S. developer of solid-state battery technology, announced today that it has completed its previously announced business combination with Cartesian Growth Corporation III, a publicly traded special purpose acquisition company. The combined company will operate as Factorial Energy Inc., and its Series A common stock and warrants are expected to begin trading on the Nasdaq Stock Market (“Nasdaq”) under the ticker symbols “FAC” and “FACWW”, respectively, on June 8, 2026.

The transaction implies an equity value of approximately \$1.3 billion and provides more than \$100 million in gross proceeds to support continued commercialization of Factorial’s next generation batteries for defense & aerospace, hyperscale data centers, and e-mobility.

Factorial enters the public markets with a track record few battery companies match – support from the U.S. national security investment community, real world vehicle integrations, expansion into high-performance drones, and progress toward the first U.S. solid-state production program for passenger vehicles. Factorial’s capital-light commercialization model, built on joint manufacturing partnerships, is designed for rapid, scalable deployment.

“We built Factorial to solve one of the hardest problems in energy – making solid-state real at scale,” said Siyu Huang, CEO of Factorial. “The automotive industry is the most demanding proving ground in the world, and we’ve shown our technology can perform in real cars on real roads. That foundation positions us to scale, providing power to drones, robotics, and next generation energy systems. Listing on Nasdaq gives us the platform to accelerate that work and deliver solid-state technology where it matters most.”

“The team at Factorial is dedicated not just to powering the next generation of drones, robots, e-mobility and energy storage, but to creating long-term shareholder value,” noted Peter Yu, Chairman & CEO of Cartesian Growth Corporation III. “We are proud to anchor the common-equity PIPE and even more excited to open Factorial’s cap table to investors seeking to participate in the company’s brilliant future.”

Factorial’s continuing leadership in solid-state batteries is most recently demonstrated by:

- Partnerships with top drone integrators across three continents (KULR Technology Group, Inc., Tulip Tech B.V and JRES) to advance next-generation battery integration for electric aviation systems – **Q2 2026**
-

- Strategic investment from IQT supporting expansion into drones and robotics, alongside strategic supply chain partners POSCO Future M and Philenergy – **Q1 2026**
- Karma Automotive and Factorial Announce First Solid-State Battery Production Program in the U.S. for Passenger Vehicles – **Q1 2026**
- Mercedes-Benz integrated Factorial's FEST® cells into a lightly modified EQS test vehicle and completed a 1,205 km journey from Stuttgart, Germany to Malmö, Sweden on a single charge – **Q3 2025**
- Key technology milestone achieved to unlock demonstration fleet with Stellantis – **Q3 2025**
- First to launch a 100Ah+ lithium metal solid-state battery – **Q1 2023**

Factorial's visionary management and board have deep knowledge in battery and automotive industries, including a founding team with extensive experience in battery material manufacturing, Executive Chairman Joe Taylor, Former Chairman and CEO of Panasonic North America, and Dieter Zetsche, Former Chairman of the Board of Daimler and Head of Mercedes-Benz Cars.

To commemorate the closing, Factorial will ring the Nasdaq Opening Bell at 9:30 a.m. ET on June 17, 2026. A livestream and replay will be available at <https://www.nasdaq.com/marketsite/bell-ringing-ceremony>.

Demonstration vehicles and battery cells will be exhibited outside Nasdaq on June 17th from 10:00 a.m. to 11:30 a.m. ET; the vehicles are for display purposes and may not represent final Factorial equipped configurations. Members of the public are invited to attend.

Advisors

Cantor Fitzgerald & Co. served as exclusive financial advisor to Factorial and sole placement agent for the PIPE. Goodwin Procter LLP served as legal advisor to Factorial. Greenberg Traurig, LLP served as legal advisor to Cartesian Growth Corporation III. Thompson Coburn LLP served as legal advisor to Cantor Fitzgerald. The Blueshirt Group served as investor relations advisor to Factorial.

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About Factorial Energy

Factorial Energy (Nasdaq: FAC) is a leading American solid-state battery innovator backed by In-Q-Tel – the not-for-profit strategic investor for the U.S. national security community and America's allies – and Mercedes-Benz, Stellantis, Hyundai, and Kia. Through its proprietary FEST® and Solstice™ platforms, engineered for scalable manufacturing, Factorial delivers industry-leading performance across defense, space, and energy storage applications. Mercedes-Benz' real-world road testing in a lightly modified test vehicle achieved over 1,200 km of range on a single charge, while Stellantis-lab testing verified 77 Ah cells demonstrating high energy density, fast-charging, and robust use for energy and power performance across temperature extremes. For more information, visit www.factorialenergy.com.

Forward-Looking Statements

Certain statements in this communication may be considered “forward-looking statements.” Forward-looking statements herein generally relate to future events or the future financial or operating performance of Factorial. For example, Factorial’s expectations regarding future financial performance, manufacturing capabilities and operations, Factorial’s business plans, and other projections concerning key performance metrics or milestones are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “expect,” “intend,” “will,” “estimate,” “anticipate,” “believe,” “predict,” “project,” “target,” “plan,” or “potentially” or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. While Factorial may elect to update such forward-looking statements in the future, it disclaims any obligation to do so.

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