

Risk Factors Comparison 2025-02-20 to 2024-02-22 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Investing in our Common Stock involves significant risks, some of which are described below. In evaluating our business, investors should carefully consider the following risk factors. These risk factors contain, in addition to historical information, forward- looking statements that involve substantial risks and uncertainties. Our actual results could differ materially from the results discussed in the forward- looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below. The order in which the following risks are presented is not intended to reflect the magnitude of the risks described. The occurrence of any of the following risks could have a material adverse effect on our business, financial condition, results of operations and prospects. In that case, the trading price of our Common Stock could decline, perhaps significantly, and you therefore may lose all or part of your investment.

Risks Related to Our Business and Industry The demand for our products is impacted by a number of factors outside of our control. Our end markets experience constantly changing demand depending on a number of factors that are out of our control. In our fire retardant business, demand is dependent on the occurrence of fires, which are seasonal and dependent on environmental and other factors. Changes in the geographic location, occurrence, severity and duration of fires may change demand for our fire retardant products. ~~For example, in 2019 we experienced the lowest U. S. fire season in 17 years.~~ Seasonality in the fire retardant end market could periodically result in higher or lower levels of revenue and revenue concentration with a single or small number of customers. ~~See “—The seasonal or cyclical nature of our business and severe weather events may cause demand for our products and services to be adversely affected while certain of our fixed costs remain the same, and prior performance is not necessarily indicative of our future results.”~~ If we experience a low fire season, the WUI does not continue to expand or if FFF do not continue to account for a growing percentage of the firefighting foam market in the coming years as we expect, this could materially and adversely affect our business. In our specialty products business, we supply P2S5 which is primarily used in the lubricant additives market to produce a critical compound in lubricating oils. As more electric vehicles emerge on the automobile market, use of the internal combustion engine may decline, thereby lessening demand for **some of** our specialty products. Our inability to offset the volatility of these end markets through diversification into other markets, could materially and adversely affect our business, financial condition and results of operations. A small number of customers represent a significant portion of our revenue, and a loss of one or more of these customers could have a material adverse effect on our business, financial condition and results of operations. A small number of customers represent a significant portion of our revenue. A certain number of contracts with these customers are on an on- demand, as- needed basis, and there are no guaranteed minimums included in such contracts. In other cases, manufacturing disruptions at customer sites can significantly decrease customer demand. Because of the concentrated nature of our customer base and contract terms applicable to such customers, our quarterly revenue and results of operations may fluctuate from quarter to quarter and are difficult to estimate. In addition, any cancellation of orders or any acceleration or delay in anticipated product purchases by our larger customers could materially affect our revenue and results of operations in any quarterly period. We may be unable to sustain or increase our revenue from our larger customers or offset any discontinuation or decrease of purchases by our larger customers with purchases by new or other existing customers. To the extent one or more of our larger customers experience significant financial difficulty, bankruptcy or insolvency, this could have a material adverse effect on our sales and our ability to collect on receivables, which could harm our business, financial condition and results of operations. In addition, certain customers, including some of our larger customers, have negotiated, or may in the future negotiate, volume- based discounts or other more favorable terms from us, which can and have had a negative effect on our gross margins or revenue. We expect that such concentrated purchases will continue to contribute materially to our revenue for the foreseeable future and that our results of operations may fluctuate materially as a result of such larger customers’ buying patterns. **Several competitive position and market share, if we are unable to anticipate evolving trends in the market or the timing and scale of our niche competitors’ activities and initiatives, the demand for our products and services are sold in select markets. There can be no assurance that these markets will not attract additional competitors that could be negatively impacted have greater financial, technological, manufacturing and / or marketing resources.** Select markets for some of our niche products and services may attract additional competitors. We cannot provide any assurances that we will have the financial resources to fund capital improvements to more effectively compete with such competitors or that even if financial resources are available to us, that projected operating results will justify such expenditures. Smaller companies may be more innovative, better able to bring new products to market and better able to quickly exploit and serve niche markets. We are **substantially** dependent on sales to the USDA Forest Service and the state of California, which account for **approximately 36 % a substantial portion** of our revenue related to our Fire Safety segment. Sales to the USDA Forest Service and the state of California represent a substantial portion of our revenues, and this concentration of our sales makes us substantially dependent on those customers. ~~In fiscal year 2023, sales to the USDA Forest Service and the state of California accounted for approximately 36 % of our revenue related to our Fire Safety segment.~~ This customer concentration makes us subject to the risk of nonpayment, nonperformance, re- negotiation of terms or non- renewal by these major customers under our commercial agreements. If the USDA Forest ~~Services- Service~~ and / or the state of California reduce their spend on our fire retardant products, we may experience a reduction in revenue and may not be able to sustain profitability, and our business, financial condition and results of operations would be materially harmed. As a supplier and service provider to the U. S. government, we are subject to certain heightened risks, such as those associated with the government’ s rights to audit and conduct investigations and with its rights to terminate contracts for

convenience or default. As a supplier and service provider to the U. S. government, we are subject to certain heightened risks, such as those associated with the government's rights to audit and conduct investigations and with its rights to terminate contracts for convenience or default. We may in the future be the subject of U. S. government investigations relating to our U. S. government contracts. Such investigations often take years to complete and could result in administrative, civil or criminal liabilities, including repayments, fines, treble and other damages, forfeitures, restitution or penalties, or could lead to suspension or debarment of U. S. government contracting or of export privileges. For instance, if a business unit were charged with wrongdoing in connection with a U. S. government investigation (including fraud, or violation of certain environmental or export laws), the U. S. government could suspend us from bidding on or receiving awards of new U. S. government contracts or subcontracts. If convicted or found liable, the U. S. government could fine and debar us from receiving new awards for a period generally not to exceed three years and could void any contracts found to be tainted by fraud. We also could suffer reputational harm if allegations of impropriety were made against us, even if such allegations are later determined to be unsubstantiated. Some of our sales are to foreign buyers, which exposes us to additional risks such as foreign political, foreign exchange, economic and regulatory risks. We ~~derived~~ **derive** approximately 35% **a substantial portion** of our revenues from customers located in foreign countries ~~in fiscal 2023~~. The amount of **our** foreign sales ~~we make~~ may increase in the future. The additional risks of foreign sales include: • potential adverse fluctuations in foreign currency exchange rates; • higher credit risks; • restrictive trade policies of the U. S. or foreign governments; • currency hyperinflation and weak banking institutions; • changing economic conditions in local markets; • compliance risk related to local rules and regulations; • political and economic instability in foreign markets; • changes in leadership of foreign governments; and • export restrictions due to local states of emergency for disease or illness. Some or all of these risks may negatively impact our business, financial condition and results of operations. **We are subject to risks from changes to trade policies, tariffs and import / export regulations by the U. S. and / or other foreign governments. Changes in the import and export policies, including trade restrictions, new or increased tariffs or quotas, embargoes, sanctions and counter sanctions, safeguards or customs restrictions by the U. S. and / or other foreign governments, could require us to change the way we conduct business and adversely affect our financial condition, results of operations, reputation and our relationships with customers and suppliers. Changes in laws and policies governing foreign trade, manufacturing, development and investment in the countries where we currently conduct business could adversely affect our business.** Our profitability could be negatively impacted by price and inventory risk related to our business, including commodity price exposure. Our realized margins depend on the differential of sales prices over our total supply costs. Our profitability is therefore sensitive to changes in product prices caused by changes in supply, transportation and storage capacity or other market conditions. ~~Generally, we attempt to maintain an inventory position that is substantially balanced between our purchases and sales, including our future delivery obligations. We attempt to obtain a certain margin for our purchases by selling our product to our customers. However, market~~ **Market**, weather or other conditions beyond our control may disrupt our expected supply of product, and we may be required to obtain supply at increased prices that cannot be passed through to our customers. ~~For example, some of our supply contracts follow market prices, which may fluctuate through the year, while our product prices may be fixed on a quarterly or annual basis, and therefore, fluctuations in our supply may not be passed through to our customers and can produce an adverse effect on our margins.~~ There can be no assurance that we will maintain our relationship with, or serve, our customers at current levels. There can be no assurance that we will maintain our relationship with, or serve, our customers at current levels. In addition, there is no assurance that any new agreement we enter into to supply or share services or facilities will have terms as favorable as those contained in current arrangements. Less favorable contract terms and conditions under any customer contract or contract for supply, purchase or shared services or facilities, could have a material adverse effect on our business, financial condition and results of operations. Risks from the improper conduct of, or use of our products by, employees, agents, government contractors, or collaborators could adversely affect our reputation as well as our business, financial condition and results of operations. Unapproved or improper use of our products, or inadequate disclosure of risks or other information relating to the use of our products can lead to injury or other serious adverse events. These events could lead to recalls or safety alerts relating to our products (either voluntary or as required by governmental authorities), and could result, in certain cases, in the removal of a product from the market. A recall could result in significant costs and lost sales and customers, enforcement actions and / or investigations by state and federal governments or other enforcement bodies, as well as negative publicity and damage to our reputation that could reduce future demand for our products. Personal injuries relating to the use of our products can also result in significant product liability claims being brought against us. See “ — Some of the products we produce may cause adverse health consequences **or environmental impacts**, which exposes us to product liability and other claims, and we may, from time to time, be the subject of indemnity claims. Indemnity and insurance coverage could be inadequate or unavailable to cover such product liability and other claims.” We cannot ensure that our compliance controls, policies, and procedures will in every instance protect us from acts committed by our employees, agents, contractors, service providers or collaborators that would violate the laws or regulations of the jurisdictions in which we operate, including, without limitation, employment, foreign corrupt practices, trade restrictions and sanctions, environmental, competition, and privacy laws and regulations. Such improper actions could subject us to civil or criminal investigations, and monetary and injunctive penalties, and could adversely impact our reputation as well as our business, financial condition and results of operations. There is no guarantee that we will be able to continue purchasing products from our suppliers on a long- term basis. There is no guarantee that we will be able to continue purchasing products from our current suppliers on a long- term basis. Some supply contracts are renewable or renew automatically unless notice of termination is given, however there can be no assurance that they will be renewed or that notice of termination will not be given. We also have long- term relationships with certain suppliers, but there are no assurances that such relationships, and related supply, will continue. Finding a new supplier may take a significant amount of time and resources, and once we have identified such new supplier, we would have to ensure that they meet our standards for quality control and have the necessary technical

capabilities, responsiveness, high- quality service and financial stability. ~~Further, certain changes in our supply would require requalification with the USDA Forest Service for products on the QPL.~~ If we are unable to efficiently manage our supply chain and / or ensure that our products are available to meet consumer demand, our operating costs could increase and our profit margins could decrease. ~~Any of these factors could impact our ability to supply our products to customers and consumers and may adversely affect our business, financial condition and results of operations.~~ Production interruptions or shutdowns could increase our operating or capital expenditures or negatively impact the supply of products resulting in reduced sales. Manufacturing of our specialty products and fire retardant products is concentrated at certain facilities. In the event of a significant manufacturing difficulty, disruption or delay, we may not be able to develop alternate or secondary manufacturing locations without incurring material additional costs and substantial delays. Furthermore, these risks could materially and adversely affect our business if our facilities are impacted by a natural disaster or other interruption at a particular location. Transferring manufacturing to another location may result in significant delays in the availability of our products. As a result, protracted regional crises, **or** issues with manufacturing facilities, ~~or the COVID-19 pandemic,~~ could lead to eventual shortages of necessary components. It could be difficult or impossible, costly and time consuming to obtain alternative sources for these components, or to change products to make use of alternative components. In addition, difficulties in transitioning from an existing supplier to a new supplier could create delays in component availability that would have a significant impact on our ability to fulfill orders for our products. The operation of manufacturing plants involves many risks, including suspension of operations and increased costs or requirements stemming from new government statutes, regulations, guidelines and policies, including evolving environmental regulations. The operation of manufacturing plants involves many risks, including suspension of operations and increased costs or requirements stemming from new government statutes, regulations, guidelines and policies, including evolving environmental regulations. We need environmental and operational registrations, licenses, permits, inspections and other approvals to operate. The loss or delay in receiving a significant permit or license or the inability to renew it and any loss or interruption of the operations of our facilities may harm our business, financial condition and results of operations. We rely on third- party logistics suppliers for the distribution, storage and transportation of raw materials, operating supplies and products. We rely on third- party logistics suppliers for the distribution, storage and transportation of raw materials, operating supplies and products. Delays or disruptions in the supply chain may adversely impact our ability to manufacture and distribute products thus impacting business financials. Any failure to properly store our products may similarly impact our manufacturing and distribution capabilities, impacting business financials. If we were to lose a supplier it could result in interruption of product shipments, cancellation of orders by customers and termination of relationships. This, along with the damage to our reputation, could have a material adverse effect on our revenues and, consequently, our business, financial condition and results of operations. In addition, actions by a third- party logistics supplier that fail to comply with contract terms or applicable laws and regulations could result in such third- party logistics supplier exposing us to claims for damages, financial penalties and reputational harm, any of which could have a material adverse effect in our business, financial condition and results of operations. Raw materials necessary for the production of our products and with limited sources of supply are susceptible to supply cost increases which we may not be able to pass onto customers, disruptions to the supply chain, and supply changes, any of which could disrupt our supply chain and could lead to us not meeting our contractual requirements. All of the raw materials that go into manufacturing our fire retardant and specialty products are sourced from third- party suppliers. Some of the key raw materials used to manufacture our products come from limited or sole sources of supply. We are therefore subject to the risk of shortages and long lead times in the supply of these raw materials and the risk that our suppliers discontinue or modify raw materials used in our products. We have a global supply chain, and geopolitical conflicts, ~~including the ongoing conflicts in the Middle East, heightened tensions in the Red Sea, the disruption of the Suez Canal shipping channels, and the drought in the Panama Canal,~~ may cause delays in the global supply chain, decreased shipping capacity and a reduction in overall shipping resources, resulting in longer lead times for key raw materials to be transported to our facilities. In addition, the lead times associated with certain raw materials are lengthy and preclude rapid changes in quantities and delivery schedules. We ~~have in the past experienced and may in the future~~ experience raw materials shortages and price fluctuations of certain key raw materials and materials, and the predictability of the availability and pricing of these raw materials may be limited. Raw materials shortages or pricing fluctuations could be material in the future. In the event of a raw materials shortage, supply interruption or material pricing change from suppliers of these raw materials, we may not be able to develop alternate sources in a timely manner or at all in the case of sole or limited sources. Developing alternate sources of supply for these raw materials is time- consuming, difficult, and costly as they require extensive qualifications and testing, and we may not be able to source these raw materials on terms that are acceptable to us, or at all, which may undermine our ability to meet our requirements or to fill customer orders in a timely manner. Any interruption or delay in the supply of any of these raw materials, or the inability to obtain these raw materials from alternate sources at acceptable prices and within a reasonable amount of time, would adversely affect our ability to meet our scheduled product deliveries to our customers. This could adversely affect our relationships with our customers and could cause delays in shipment of our products and adversely affect our business, financial condition and results of operations. In addition, increased raw materials costs could result in lower gross margins. ~~For example, our business uses phosphorus as a key raw material. The price of this raw material may fluctuate in the future. If the price for this raw material increases, our profit margin could decrease for certain business lines.~~ Even where we are able to pass increased raw materials costs along to our customers, there may be a lapse of time before we are able to do so such that we must absorb the increased cost. If we are unable to buy these raw materials in quantities sufficient to meet our requirements on a timely basis, we will not be able to deliver products to our customers, which may result in such customers using competitive products instead of our products. The industries in which we operate and which we intend to operate in the future are subject to change. If we fail to continuously innovate and to provide products that gain market acceptance, we may be unable to attract new customers or retain existing customers, and hence our business, financial condition and results of operations may be adversely affected. The

industries in which we operate and intend to operate in the future are subject to change, including shifts in customer demands and regulatory requirements and emergence of new industry standards and practices and new competitors. Thus, our success will depend, in part, on our ability to respond to these changes in a cost-effective and timely manner. We need to anticipate the emergence of new technologies and assess their market acceptance. We also need to invest significant resources in research and development in order to keep our products competitive in the market. However, research and development activities are inherently uncertain, and we might encounter practical difficulties in commercializing our research and development results, which could result in excessive research and development expenses or delays. If we are unable to keep up with the technological developments and anticipate market trends, or if new technologies render our products obsolete, customers may no longer be attracted to our products. As a result, our business, financial condition and results of operations would be materially and adversely affected. **Our operating revenues of our fire retardant..... and services could be negatively impacted.** If new products are introduced into the market that are lower in cost, have enhanced performance characteristics or are considered preferable for environmental or other reasons, demand for some of our products could be reduced or eliminated. New fire retardants based on different chemistry or raw materials may be introduced by competitors in the future. These products may be lower in cost or have enhanced performance characteristics compared to our existing products, and our customers may find them preferable. Replacement of one or more of our products in significant volumes could have a material adverse effect on our business, financial condition and results of operations. Our businesses depend upon many proprietary technologies, including patents, licenses, trademarks and trade secrets. Our competitive position could be adversely affected if we fail to protect our patents, trade secrets or other intellectual property rights, if our patents expire or if we become subject to claims that we are infringing upon the rights of others. Our intellectual property is of particular importance for a number of the ~~specialty~~ specialty products that we manufacture and sell. The trademarks and patents that we own may be challenged, and because of such challenges, we could eventually lose our exclusive rights to use and enforce such patented technologies and trademarks, which could adversely affect our competitive position, business, financial condition and results of operations. We are licensed to use certain patents and technology owned by other companies to manufacture products complementary to our own products. We pay royalties for these licenses in amounts not considered material, in the aggregate, to our consolidated results. We also rely on unpatented proprietary know-how and continuing technological innovation and other trade secrets in all regions to develop and maintain our competitive position. Although it is our policy to enter into confidentiality agreements with our employees and third parties to restrict the use and disclosure of trade secrets and proprietary know-how, those confidentiality agreements may be breached. Additionally, adequate remedies may not be available in the event of an unauthorized use or disclosure of such trade secrets and know-how, and others could obtain knowledge of such trade secrets through independent development or other access by legal means. The failure of our patents, trademarks or confidentiality agreements to protect our processes, technology, trade secrets or proprietary know-how and the brands under which we market and sell our products could have a material adverse effect on our business, financial condition and results of operations. Our patents may not provide full protection against competing manufacturers in the United States, or in countries outside of the United States, including members of the European Union and certain other countries, and patent terms may also be inadequate to protect our products for an adequate amount of time. Weaker protection may adversely impact our sales, business, financial condition and results of operations. In some of the countries in which we operate, the laws protecting patent holders are significantly weaker than in the United States, countries in the European Union and certain other countries. Weaker protection may assist competing manufacturers in becoming more competitive in markets in which they might not have otherwise been able to introduce competing products for a number of years. As a result, we tend to rely more heavily upon trade secret and know-how protection in these regions, as applicable, rather than patents and this may adversely impact our sales, business, financial condition and results of operations. Our commercial success will depend in part on our success in obtaining and maintaining issued patents and other intellectual property rights in the United States and elsewhere. If we do not adequately protect our intellectual property, competitors may be able to use our processes and erode or negate any competitive advantage we may have, which could harm our business. We cannot provide any assurances that any of our patents have, or that any of our pending patent applications that mature into issued patents will include, claims with a scope sufficient to protect our products, any additional features we develop or any new products. Patents, if issued, may be challenged, deemed unenforceable, invalidated or circumvented. We also cannot provide any assurances that any of our pending patent applications will be approved and a rejection of a patent application could have a materially adverse effect on our ability to protect our intellectual property from competitors. Furthermore, though an issued patent is presumed valid and enforceable, its issuance is not conclusive as to its validity or its enforceability and it may not provide us with adequate proprietary protection or competitive advantages against competitors with similar products. Competitors may also be able to design around our patents. Other parties may develop and obtain patent protection for more effective technologies, designs or methods. We may not be able to prevent the unauthorized disclosure or use of our knowledge or trade secrets by consultants, suppliers, vendors, former employees and current employees. The laws of some foreign countries do not protect our proprietary rights to the same extent as the laws of the United States, and we may encounter significant problems in protecting our proprietary rights in these countries. Such claims and proceedings can also distract and divert management and key personnel from other tasks important to the success of our business. In addition, intellectual property litigation or claims could force us to do one or more of the following: • cease selling products that contain asserted intellectual property; • pay substantial damages for past use of the asserted intellectual property; • obtain a license from the holder of the asserted intellectual property, which may not be available on reasonable terms; and • redesign or rename, in the case of trademark claims, our products to avoid infringing the rights of third parties. Such requirements could adversely affect our revenue, increase costs, and harm our business, financial condition and results of operations. **Several of our niche products and services..... quickly exploit and serve niche markets.** There are other risks that are inherent in our global operations. A portion of our revenues and earnings are generated by non-U.S. operations. Risks inherent in our global operations include: • the potential for changes in socio-

economic conditions, laws and regulations, including antitrust, import, export, labor and environmental laws, and monetary and fiscal policies; • unsettled or unstable political conditions; • government- imposed plant or other operational shutdowns; • corruption; • natural and man- made disasters, • hazards and losses; and • violence, civil and labor unrest, and possible terrorist attacks. There can be no assurance that any or all of these events will not have a material adverse effect on our business, financial condition and results of operations. We may ~~be required to take write- downs or write- offs, or we may be subject to restructuring, impairment or other charges that could have a significant negative effect on our business, financial condition and results of operations as well as the price of our Ordinary Shares, which could cause you to lose some or all of your investment.~~ Even though extensive due diligence has been conducted on Perimeter, we cannot assure you that this diligence identified all material issues that may be present, that it would be possible to uncover all material issues through a customary amount of due diligence, or that factors outside of our control will not later arise. As a result of these factors, we may be forced to later write- down or write- off assets, restructure our operations, or incur impairment or other charges that could result in our reporting losses. Even if our due diligence successfully identified certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with our preliminary risk analysis. Even though these charges may be non- cash items and not have an immediate impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about our securities or us. In addition, charges of this nature may cause us to violate net worth or other covenants to which we may be subject as a result of assuming pre- existing debt held by us or by virtue of our obtaining post- combination debt financing. Accordingly, any shareholder or warrant holder who chooses to remain a shareholder or warrant holder, respectively, following our initial business combination could suffer a reduction in the value of their securities. Such shareholders and warrant holders are unlikely to have a remedy for such reduction in value. We may need to recognize impairment charges related to goodwill, identified intangible assets and fixed assets. We are required to test goodwill, identified intangible assets and fixed assets for possible impairment and on an interim basis if there are indicators of a possible impairment. There is significant judgment required in the analysis of a potential impairment of goodwill, identified intangible assets and fixed assets. If, as a result of a general economic slowdown or deterioration in one or more of the industries in which we operate or in our financial performance or future outlook, or if the estimated fair value of our long- lived assets decreases, we may determine that one or more of our long- lived assets is impaired. An impairment charge would be determined based on the estimated fair value of the assets and any such impairment charge could have a material adverse effect on our results of operations and financial position. ~~We concluded that the estimated fair value of our Fire Safety and Specialty Products reporting units on October 1, 2023, the date of our annual impairment assessment, was consistent with estimated fair value of our Fire Safety and Specialty Products reporting units as calculated on September 30, 2023, as a result, there was no indication of goodwill, identified intangible assets and fixed assets impairment on October 1, 2023.~~ Our substantial indebtedness may adversely affect our cash flow and our ability to operate our business and fulfill our obligations under our indebtedness. ~~As of December 31, 2023, we had \$ 675. 0 million in senior notes outstanding and no borrowings outstanding under our revolving credit facility.~~ Our substantial indebtedness could have significant effects on our operations. For example, it may: • require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, dividends, research and development efforts and other general corporate purposes; • increase the amount of our interest expense, because while our senior notes incur fixed interest expense, our borrowings under our revolving credit facility, if any, are at variable rates of interest, which, if interest rates increase, would result in higher interest expense; • cause credit rating agencies to view our debt level negatively; • increase our vulnerability to general adverse economic and industry conditions; • limit our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate; • limit our ability to make strategic acquisitions, introduce new technologies or exploit business opportunities; and • place us at a competitive disadvantage compared to our competitors that have less indebtedness. The terms of our indebtedness may limit our ability to borrow additional funds or capitalize on business opportunities, and our future debt level may limit our future financial and operating flexibility. Our ability to access capital markets to raise capital on favorable terms will be affected by our debt level, our operating and financial performance, the amount of our current maturities and debt maturing in the next several years, and by prevailing credit market conditions. Moreover, if lenders or any future credit rating agency downgrade our credit rating, then we could experience increases in our borrowing costs, face difficulty accessing capital markets or incurring additional indebtedness, be unable to receive open credit from our suppliers and trade counterparties, be unable to benefit from swings in market prices and shifts in market structure during periods of volatility in the commodity markets or suffer a reduction in the market price of our ~~Ordinary Shares~~ **Common Stock**. If we are unable to access the capital markets on favorable terms at the time a debt obligation becomes due in the future. The price and terms upon which we might receive such extensions or additional bank credit, if at all, could be more onerous than those contained in existing debt agreements. Any such arrangements could, in turn, increase the risk that our leverage may adversely affect our future financial and operating flexibility and thereby impact our ability to pay cash distributions at expected rates. We may incur substantial additional indebtedness, which could further exacerbate the risks that we may face. Subject to the restrictions in the agreements that govern our revolving credit facility, we may incur substantial additional indebtedness (including secured indebtedness) in the future. These restrictions are subject to waiver and a number of significant qualifications and exceptions, and indebtedness incurred in compliance with these restrictions could be substantial. Any material increase in our level of indebtedness will have several important effects on our future operations, including, without limitation: • we would have additional cash requirements in order to support the payment of interest on our outstanding indebtedness; • increases in our outstanding indebtedness and leverage would increase its vulnerability to adverse changes in general economic and industry conditions, as well as to competitive pressure; and • depending on the levels of our outstanding indebtedness, our ability to obtain additional financing for working capital, capital expenditures and general corporate purposes could be limited. An increase in interest rates would increase the interest costs on our revolving credit facility and on our variable rate indebtedness

and could impact adversely our ability to refinance existing indebtedness or to sell assets. Interest payments for borrowings under our revolving credit facility are based on variable rates. As a result, an increase in interest rates will reduce our cash flow available for other corporate purposes. Rising interest rates also could limit our ability to refinance existing indebtedness when it matures and increase interest costs on any indebtedness that is refinanced. We may enter into agreements such as floating- to-fixed interest rate swaps, caps, floors and other hedging contracts in order to fully or partially hedge against the cash flow effects of changes in interest rates for floating rate debt. ~~At the end of 2021, the ICE Benchmark Administration, the administrator for London Interbank Offered Rate (“LIBOR”), ceased publishing one-week and two-month U. S. dollar LIBOR ceased publishing all remaining U. S. dollar LIBOR tenors after June 2023. The U. S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, recommended replacing U. S. dollar LIBOR with a new index that measures the cost of borrowing cash overnight, backed by U. S. Treasury securities, referred to as the Secured Overnight Financing Rate (“SOFR”). The switch in the reference rates from LIBOR to SOFR, under our revolving credit facility, occurred as of June 30, 2023. We~~ **intend** ~~did not have any outstanding borrowings under the revolving credit facility, accordingly, the switch in the reference rates from LIBOR to~~ **pursue acquisitions** ~~SOFR did not have a material impact on our consolidated financial statements. Our business may be negatively impacted as a result of Russian actions in Ukraine. The current military conflict between Russia and Ukraine, and related sanctions, export controls or other actions that may be initiated by nations, including the United States, the European Union or Russia (e. g., potential cyberattacks, disruption of energy flows, etc.) could adversely affect~~ **affected** ~~our business and / or our supply chain. Although we currently maintain alternative sources for raw materials, if we are~~ **cannot consummate acquisitions on satisfactory terms, or if we cannot effectively integrate acquired operations. Any future growth through acquisitions will be partially dependent upon the continued availability of suitable acquisition candidates at favorable prices and upon advantageous terms and conditions. We intend to pursue acquisitions that we believe will present opportunities consistent with our overall business strategy. However, we may not be able to find suitable acquisition candidates to purchase or may be** ~~unable to source acquire desired businesses our- or products assets on economically acceptable terms or may be unable to receive necessary regulatory approvals or support. In addition, we may not be able to raise the capital necessary to fund future acquisitions. We may encounter unforeseen expenses, complications and delays, including regulatory complications or difficulties in employing sufficient staff and maintaining operational and management oversight. We may engage in discussions with respect to potential acquisition and investment opportunities. If we consummate an acquisition, our capitalization and results of operations may change significantly. Future acquisitions could result in margin dilution and further likely result in additional debt and contingent liabilities and an increase in interest and amortization expenses or periodic impairment charges related to goodwill and other intangible assets as well as significant charges relating to integration costs. Acquisitions involve risks that the businesses acquired will not perform in accordance with expectations and that business judgments concerning the value, strengths and weaknesses of businesses acquired will prove incorrect. In addition, we may not be able to successfully integrate any business we acquire into our existing business. The successful integration of new businesses depends on our ability to manage these new businesses and cut excess costs. The successful integration of future acquisitions may also require substantial attention~~ **from our senior management and** ~~the countries where we wish to purchase them-~~ **the management** ~~;~~ **either because of the occurrence or threat of wars or other-- **the acquired** ~~conflicts, regulatory changes or for any other reason, or if the cost of doing so increases, it could have a material adverse effect on our business ; financial condition and results of operations. Disruptions in the supply of raw materials and components could temporarily impair our ability to manufacture our products for our customers or require us to pay higher prices to obtain these raw materials or components from other sources-, which could~~ **decrease the time that they** ~~have a material adverse effect on-~~ **to service, attract customers and develop new products and services our- or attend to other acquisition opportunities business and our results of operations-. Risks Related to Regulatory and Legal Matters We are the subject of litigation by customers, suppliers and other third parties and may be the subject of such litigation in the future. We are the subject of litigation by customers, suppliers and other third parties and may be the subject of such litigation in the future. From time to time, such lawsuits are filed against us and the outcome of any litigation, particularly class or collective action lawsuits and regulatory actions, is difficult to assess or quantify. Plaintiffs in these types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. The cost to defend any such lawsuits may be significant and may negatively affect our operating results if changes to our business operations are required. There may also be negative publicity associated with litigation that could decrease customer acceptance of our products, regardless of whether the allegations are valid or whether we are ultimately found liable. A significant judgment against us, the loss and / or expiration of a significant permit, license or other approval, or a significant fine, penalty or contractual dispute could have a material adverse effect on our business, financial condition and results of operations. **Certain of our products are provided to..... proceedings including governmental audits and investigations.** Legal proceedings, in general, and class action and multi- district litigation, in particular, can be expensive and disruptive, and may not be insured or exceed any applicable insurance coverage. Additionally, defending against these lawsuits and proceedings may involve significant expense and diversion of management’ s attention and resources. Some of these suits may purport or may be determined to be class actions and / or involve parties seeking large and / or indeterminate amounts, including punitive or exemplary damages, and may remain unresolved for several years. For example, we are a defendant in a multi- district litigation pending in the United States District Court for the District of South Carolina (“ MDL ”) relating to the manufacture, sale, and distribution of AFFF. The cases allege, among other things, groundwater contamination, drinking water contamination, damages to natural resources, and bodily injuries from exposure to PFAS chemicals in AFFF. There are over **6-8**, 000 cases currently pending in the MDL. The plaintiffs include, among others, individual firefighters, municipalities and corporate water providers, and state attorneys general. The lead defendants include 3M Company, Tyco Fire Products LP / Chemguard, and****

DuPont de Nemours, Inc. / The Chemours Company, and approximately 10 to 15 other defendants including, among others, Amerex Corporation (“ Amerex ”). Amerex has been named as a defendant in approximately half to two thirds of these AFFF lawsuits based on its prior ownership of The Solberg Company (“ Solberg ”), which Perimeter acquired from Amerex on January 1, 2019. Although Amerex retained certain pre- closing liabilities for Solberg, there are approximately 430 indemnity claims that Amerex noticed to Perimeter prior to the expiration of a contractual indemnity period, and some potential direct claims, that have been made against Perimeter on the basis of the Company’ s ownership of Solberg after January 1, 2019. Amerex is barred from making new, third- party indemnity claims against Perimeter after December 31, 2021. There are also AFFF cases pending against Perimeter in the MDL on the basis of its manufacturing, distribution, and sale of non- Solberg products, including Phos- Chek. There are currently no AFFF cases against Perimeter pending in state court. We cannot predict with certainty the outcomes of these legal proceedings and other contingencies, and the costs incurred in litigation can be substantial, regardless of the outcome. Proceedings that we believe are insignificant may develop into material proceedings and subject us to unforeseen outcomes or expenses. Additionally, the actions of certain participants in our industry may encourage legal proceedings against us or cause us to reconsider our litigation strategies. As a result, we could from time to time incur judgments, enter into settlements or revise our expectations regarding the outcome of certain matters, and such developments could harm our reputation and have a material adverse effect on our business, financial condition and results of operations. ~~in retarding fires,there is no guarantee such products will be able to stop all fires due to their unpredictability and variation in size and / or speed in which a fire is burning.~~In addition,fires need to be fought with the cooperation and assistance of local fire authorities as well as the additional tools and resources that they bring. Therefore,while we recognize the importance of the role our products play in these critical efforts,our products are not the only factor in fighting fires and therefore we cannot guarantee that our products will always be able to protect life and property.Any failure to do so could have an adverse effect on our business. Some of the products we produce may cause adverse health consequences **or environmental impacts** ,which exposes us to product liability and other possible claims including indemnity claims by our distributors pursuant to the terms of our distributor arrangements. **Our products contain innovative combinations of materials.While there is data available with respect to the environmental impacts of our fire retardant products that are conducted by governmental agencies,this data is limited to certain locations and periods and therefore,may not capture all the possible environmental impacts and side effects of use or repeated use of our fire retardant products.Similarly,there have been toxicological studies conducted on the impact of our products on certain fish and mammalian species,however,this is limited in scope and therefore,does not present all the potential side effects and / or the products’ interaction with animal biochemistry.As a result,our products could have certain impact on the environment or the animal population that is currently unknown by the Company.** A successful class action proceeding or one or a series of claims related to degradation of natural resources,product liability or exposure from usage of a product that exceeds our insurance or indemnity coverage could have a material adverse effect on our business,financial condition and results of operations.Such litigation and indemnity claim resolution is expensive,time consuming and may divert management’ s attention away from the operation of the business.The outcome of litigation and disputes can never be predicted with certainty and not resolving such matters favorably could have a material adverse effect on our business,financial condition,results of operations and / or reputation,as they may require us to pay substantial damages or make substantial indemnification payments,among other consequences.We manufacture,among other things,products used to extinguish fires.The products that we manufacture are typically used in applications and situations that involve high levels of risk of personal injury.Failure to use our products for their intended purposes,failure to use our products properly or the malfunction of our products could result in serious bodily injury or death of the user.In such cases,we may be subject to product liability claims arising from the design,manufacture or sale of our products.If these claims are decided against us,and we are found to be liable,we may be required to pay substantial damages,and our insurance costs may increase significantly as a result.We cannot assure you that our indemnity and insurance coverage would be sufficient to cover the payment of any potential claim.In addition,we cannot assure you that this or any other indemnity or insurance coverage will continue to be available or,if available,that we will be able to obtain insurance at a reasonable cost.Any material uninsured loss could have a material adverse effect on our business,financial condition and results of operations. ~~We are exposed to risks related to litigation,including multi- district litigation and other legal proceedings~~A failure to comply with export control or economic sanctions laws and regulations could have a material adverse impact on our business, financial condition and results of operations. We may be unable to ensure that our distributors comply with applicable sanctions and export control laws. We operate on a global basis, with ~~35%~~ **a substantial portion** of our revenues ~~in fiscal 2023~~ made to destinations outside the United States. We face several risks inherent in conducting business internationally, including compliance with applicable economic sanctions laws and regulations, such as laws and regulations administered by U. S. Department of Treasury’ s Office of Foreign Assets Control, the U. S. Department of State and the U. S. Department of Commerce. We must also comply with all applicable export control laws and regulations of the United States, the EU and other countries. Violations of these laws or regulations could result in significant additional sanctions including criminal or civil fines or penalties, more onerous compliance requirements, more extensive debarments from export privileges or loss of authorizations needed to conduct aspects of our international business. In certain countries, we may engage third party agents or intermediaries, such as customs agents, to act on our behalf and if these third- party agents or intermediaries violate applicable laws, their actions may result in criminal or civil fines or penalties, or other sanctions being assessed against us. We take certain measures designed to ensure our compliance with U. S. export and economic sanctions law and we believe that we have never sold our products to Crimea, Cuba, Iran, North Korea or Syria through third party agents or intermediaries or made any effort to attract business from any of these countries. We also take steps to prevent our products from being sold, without the necessary legal authorization, to individuals or entities that are the subject or target of U. S. export and economic sanctions laws. However, it is possible that some of our products were sold or will be sold to distributors or other parties that, without our knowledge or consent, re-

exported or will re-export such products to these countries or sanctioned persons. Although none of our non-U.S. distributors are located in, or to our knowledge, conduct business with Crimea, Cuba, Iran, North Korea or Syria, we may not be successful in ensuring compliance with limitations or restrictions on business with these or other countries subject to economic sanctions. We may be exposed to compliance-related risks with export control or economic sanctions laws and regulations in the future. Any such violation could result in significant criminal or civil fines, penalties or other sanctions and repercussions, including reputational harm that could have a material adverse impact on our business, financial condition and results of operations. Because of our international operations, we could be materially adversely affected by violations of the U.S. FCPA and similar anticorruption, anti-bribery and anti-kickback laws. Our business operations and sales in countries outside the United States are subject to anti-corruption, anti-bribery and anti-kickback laws and regulations, including restrictions imposed by the FCPA, as well as the United Kingdom Bribery Act of 2010 (the "UK Bribery Act"). The FCPA, UK Bribery Act, and similar anti-corruption, anti-bribery and anti-kickback laws in other jurisdictions generally prohibit companies, their employees, their intermediaries and their agents from providing anything of value to government officials or any other persons for the purpose of improperly obtaining or retaining business. We operate and sell our products in many parts of the world that have experienced governmental corruption to some degree and, in certain circumstances, strict compliance with anti-corruption, anti-bribery and anti-kickback laws may conflict with local customs and practices. We have policies in place that prohibit employees from making improper payments on our behalf. We continue to implement internal controls and procedures designed to promote compliance with anti-corruption, anti-bribery and anti-kickback laws, rules and regulations as well as mitigate and protect against corruption risks. We cannot provide assurance that our internal controls and procedures will protect us from reckless, criminal or other acts committed by our employees or third parties with whom we work. If we are found to be liable for violations of the FCPA or similar anti-corruption, anti-bribery and anti-kickback laws in international jurisdictions, either due to our own acts or omissions, or out of inadvertence, or due to the acts or inadvertence of others, we could suffer criminal or civil fines or penalties or other repercussions, including reputational harm, which could have a material adverse effect on our business, financial condition and results of operations. Our **contracts with the U.S. condition and results of operations. Our** products are subject to extensive government scrutiny and regulation, including the USDA Forest Service qualification process. There can be no assurance that such regulations will not change and that our products will continue to be approved for usage. We are subject to regulation by federal, state, local and foreign government authorities. In some cases, for example, for our firefighting products, we need to pass the USDA Forest Service qualification process, which is a rigorous process that requires the product passing several tests and standards, including toxicity, corrosion and stability. The USDA Forest Service also requires a lengthy field evaluation, which adds to the difficulty of meeting USDA Forest Service standards. In addition to meeting the USDA Forest Service standards, the agency may be required to consult with various government agencies, for example, the Environmental Protection Agency, to meet additional requirements and regulations. We are also subject to ongoing reviews of our products, manufacturing processes and facilities by government authorities, and such agencies may at times be involved in challenges by outside groups, and as a result, the Company may be required to must also produce product data and comply with detailed regulatory requirements. **We provide** products and services, directly and indirectly, to a variety of government entities. **We In fiscal 2023, we derived - derive approximately 31% - a substantial portion** of our revenue from multiple contracts with agencies of the U.S. federal government. As such, we must comply with and are affected by laws and regulations relating to the award, administration and performance of U.S. government contracts. Government contract laws and regulations affect how we do business with our customers and impose certain risks and costs on our business. Risks associated with selling products and services to government entities include extended sales and collection cycles, varying governmental budgeting processes, and adherence to complex procurement regulations and other government-specific contractual requirements. We may be subject to audits and investigations relating to our government contracts and any violations could result in civil and criminal penalties and administrative sanctions, including termination of contracts, payment of fines, and suspension or debarment from future government business, as well as harm to our business, financial condition and results of **operations**. The Registration, Evaluation and Authorization of Chemicals ("REACH") legislation may affect our ability to manufacture and sell certain products in the EU: REACH requires chemical manufacturers and importers in the EU to prove the safety of their products. We were required to pre-register certain products and file comprehensive reports, including testing data, on each chemical substance, and perform chemical safety assessments. Additionally, substances of high concern are subject to an authorization process. Authorization may result in restrictions on certain uses of products or even prohibitions on the manufacture or importation of products. The full registration requirements of REACH have been phased in over several years, and we have incurred additional expense to cause the registration of our products under these regulations. REACH may affect our ability to import, manufacture and sell certain products in the EU. In addition, other countries and regions of the world already have or may adopt legislation similar to REACH that affect our business, affect our ability to import, manufacture or sell certain products in these jurisdictions, and have required or will require us to incur increased costs. The Frank R. Lautenberg Chemical Safety for the 21st Century Act modified the Toxic Control Substances Act ("TSCA"), by requiring the Environmental Protection Agency ("EPA"), to prioritize and evaluate the environmental and health risks of existing chemicals and provided the EPA with greater authority to regulate chemicals posing unreasonable risks. According to this statute, the EPA is required to make an affirmative finding that a new chemical will not pose an unreasonable risk before such chemical can go into production. As a result, TSCA now operates in a similar fashion to the REACH legislation in Europe. These laws and regulations, among others, increase the complexity and costs of transporting our products from the country in which they are manufactured to our customers. Further changes to these and similar regulations could restrict our ability to expand, build or acquire new facilities, require us to acquire costly control equipment, cause us to incur expenses associated with remediation of contamination, cause us to modify our manufacturing or shipping processes or otherwise increase our cost of doing business and have a negative impact on our business, financial condition and results of operations. In addition, the adoption of new laws, rules

or regulations related to climate change poses risks that could harm our results of operations or affect the way we conduct our businesses. For example, new or modified regulations could require us to make substantial expenditures to enhance our environmental compliance efforts. New or stricter laws and regulations may be introduced that could result in additional compliance costs and prevent or inhibit the development, manufacture, distribution and sale of our products. For example, certain PFAS in firefighting foam may become regulated as hazardous substances, phased out or banned. The USDA Forest Service may also change its qualification process or determine that our products no longer qualify under existing requirements. Such outcomes could adversely impact our business, financial condition and results of operations. Environmental laws and regulations may subject us to significant liabilities. Changes to existing EHS requirements or the adoption of new EHS requirements, changes to the enforcement of EHS requirements, and the discovery of additional or unknown conditions at facilities owned, operated or used by us or at or near which our products were, are, or will be used, to the extent not covered by indemnity, insurance or a covenant not to sue, could have a material adverse effect on our business, financial condition and results of operations. We operate in jurisdictions where legislative initiatives relating to greenhouse gas (“GHG”) emissions are being considered or adopted. For example, the SEC has proposed a mandatory **Mandatory** climate change reporting **framework frameworks may** that, if implemented, is likely to materially increase the amount of time, monitoring and reporting costs related to these matters. There has been no material effect on any of our facilities to date, and we continue to follow developments closely. **We** Although it is difficult to know what final regulations may be passed in the jurisdictions where our manufacturing facilities are located, we could face increased capital and operating costs to comply with GHG emissions regulations and these costs could be material. The potential impact of current and proposed environmental laws and regulations is uncertain. We cannot predict the nature of these requirements and the impact on our business, but proposed regulations or failure to comply with current and proposed regulations could have a material adverse impact on our business, financial condition and results of operations by substantially increasing capital expenditures and compliance costs, affecting our ability to meet our financial obligations. It may also lead to the modification or cancellation of operating licenses and permits, penalties and other corrective actions. The regulatory environment in which we operate is subject to change, and new regulations and new or existing claims, such as those related to certain PFAS substances could have a material adverse effect on our business, financial condition and results of operations or make aspects of our business as currently conducted no longer possible. In addition, we are and, in the future may be, subject to claims related to substances such PFAS, including for degradation of natural resources from such PFAS and personal injury or product liability claims as a result of human exposure to such PFAS. Our operations are subject to extensive environmental regulation in each of the countries in which we maintain facilities. For example, U. S. (federal, state and local), and other countries’ environmental laws applicable to the Company include statutes and regulations intended to impose certain obligations with respect to the manufacture, sale and distribution of firefighting foam that contains intentionally added PFAS chemicals. In addition, certain regulations also impose restrictions on the discharge of PFAS chemicals in wastewater, and may require allocating the cost of investigating, monitoring and remediating soil and groundwater contamination to a party operating the site, as well as to prevent future soil and groundwater contamination; imposing air ambient standards and, in some cases, emission standards, for air pollutants which present a risk to public health, welfare or the natural environment; governing the handling, management, treatment, storage and disposal of hazardous wastes and substances; regulating the chemical content of products; and regulating the discharge of pollutants into waterways. With regards to our specialty products business, our use of hazardous substances in our manufacturing processes and the generation of hazardous wastes not only by us, but by prior occupants of our facilities, suggest that hazardous substances may be present at or near certain of our facilities or may come to be located there in the future. Consequently, we are required to closely monitor our compliance under all the various environmental laws and regulations applicable to us. Under certain environmental laws, we may be responsible for remediation costs or other liabilities as a result of the use, release or disposal of hazardous substances at or from any property currently or formerly owned or operated or to which we sent waste for treatment or disposal. Liability under these laws may be imposed without regard to whether we were aware of, or caused, the contamination and, in some cases, liability may be joint or several. Our facilities are subject to increasingly more stringent federal, state and local environmental laws and regulations. Some of these laws and regulations relate to what are frequently called “emerging contaminants,” such as PFAS. Some of the Company’s products use fluorine as a raw material, which is considered a PFAS chemical. We and some of our competitors have been, are, and in the future may be the target of lawsuits and state enforcement actions because of the alleged discharge of PFAS into the environment, including for degradation of natural resources from such PFAS and personal injury or product liability claims as a result of human exposure to such PFAS. See “~~We are exposed to risks related to litigation, including multi-district litigation and other legal proceedings.~~” We obtain Phase I or similar environmental site assessments for most of the manufacturing facilities we own or lease at the time we either acquire or lease such facilities. These assessments typically include general inspections. These assessments may not reveal all potential environmental liabilities and current assessments are not available for all facilities. Consequently, there may be material environmental liabilities of which we are not aware. In addition, ongoing cleanup and containment operations may not be adequate for purposes of future laws and regulations. The conditions of our properties could also be affected in the future by neighboring operations or the conditions of the land in the vicinity of our properties. These developments and others, such as increasingly stringent environmental laws and regulations, increasingly strict enforcement of environmental laws and regulations, or claims for damage to property or injury to persons resulting from the environmental, health or safety impact of our operations, may cause us to incur significant costs and liabilities that could have a material adverse effect. Our facilities are required to maintain numerous environmental permits and governmental approvals for our operations. Some of the environmental permits and governmental approvals that have been issued to us or to our facilities contain conditions and restrictions, including restrictions or limits on emissions and discharges of pollutants and contaminants, or may have limited terms. Maintaining these permits and complying with their terms as well as environmental laws and regulations applicable to our business could require us to incur material costs. If we fail to satisfy these

conditions or to comply with these restrictions or with applicable environmental laws and regulations, we may become subject to enforcement actions and the operation of the relevant facilities could be adversely affected. We may also be subject to fines, penalties, claims for injunctive relief or additional costs. We may not be able to renew, maintain or obtain all environmental permits and governmental approvals required for the continued operation or further development of our facilities, as a result of which the operation of our facilities may be limited or suspended. Because our specialty products segment manufactures and uses materials that are known to be hazardous, highly combustible and difficult to transport, we are subject to, or affected by, certain product and manufacturing regulations, for which compliance can be costly and time consuming. In addition, we may be subject to personal injury or product liability claims as a result of human exposure to such hazardous materials. We produce hazardous, highly combustible and difficult to transport chemicals, which subject us to regulation by many U. S. and non- U. S. national, supra- national, state and local governmental authorities. In some circumstances, these authorities must review and, in some cases approve, our products and / or manufacturing processes and facilities before we may manufacture and sell some of these chemicals. To be able to manufacture and sell certain new chemical products, we may be required, among other things, to demonstrate to the relevant authority that the product does not pose an unreasonable risk during its intended uses and / or that we are capable of manufacturing the product in compliance with current regulations. The process of seeking any necessary approvals can be costly, time consuming and subject to unanticipated and significant delays. Approvals may not be granted to us on a timely basis, or at all. Any delay in obtaining, or any failure to obtain or maintain these approvals would adversely affect our ability to introduce new products and to generate revenue from those products. New laws and regulations may be introduced in the future that could result in additional compliance costs, bans on product sales or use, seizures, confiscation, recall or monetary fines, any of which could prevent or inhibit the development, distribution or sale of our products and could increase our customers' efforts to find less hazardous substitutes for our products. We are subject to ongoing reviews of our products and manufacturing processes. P2S5 is transported through a combination of ground and sea. These materials are highly combustible and difficult to transport, so they must be handled carefully and in accordance with applicable laws and regulations. An incident in the transportation of our materials or our failure to comply with laws and regulations applicable to the transfer of such products could lead to human injuries or significant property damage, regulatory repercussions or could make it difficult to fulfill our obligations to our customers, any of which could have a material adverse effect on our business, financial condition and results of operations. Products we have made or used could be the focus of legal claims based upon allegations of harm to human health. We cannot predict the outcome of suits and claims, and an unfavorable outcome in these litigation matters could exceed reserves or have a material adverse effect on our business, financial condition and results of operations and cause our reputation to decline. ~~Our products or facilities could have environmental impacts and side effects. If the products we sell do not have the intended effects, our business may suffer and it may be subject to products liability or other legal actions. Our products contain innovative combinations of materials. While there is data available with respect to the environmental impacts of our fire retardant products that are conducted by governmental agencies, this data is limited to certain locations and periods and therefore, may not capture all the possible environmental impacts and side effects of use or repeated use of our fire retardant products. Similarly, there have been toxicological studies conducted on the impact of our products on certain fish and mammalian species, however, this is limited in scope and therefore, does not present all the potential side effects and / or the products' interaction with animal biochemistry. As a result, our products could have certain impact on the environment or the animal population that is currently unknown by the Company. Legal and regulatory claims, investigations and proceedings may be initiated against us in the ordinary course of business. The outcomes and the amounts of any damages awarded, or fines or penalties assessed, cannot be predicted, and could have a material adverse effect on our reputation as well as our business, financial condition and results of operations. We may be the subject of litigation by customers, suppliers and other third parties. A significant judgment against us, the loss of a significant permit, license or other approval, or a significant fine, penalty or contractual dispute could have a material adverse effect on our business, financial condition and results of operations. Some of the products we produce may cause adverse health consequences, which exposes us to product liability claims. See "Some of the products we produce may cause adverse health consequences, which exposes us to product liability and other claims, and we may, from time to time, be the subject of indemnity claims." Litigation is expensive, time consuming and may divert management's attention away from the operation of the business. The outcome of litigation can never be predicted with certainty and an adverse outcome in any of these matters could have a material adverse effect on our reputation as well as our business, financial condition and results of operations.~~

Risks Related to Operating as a Public Company and Our Corporate Structure

Our share price could be adversely affected if ~~The requirements of being a public company may strain our resources and divert management's attention. As a public company, we are subject~~ **unable** ~~to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act and the NYSE rules. The requirements of these rules and regulations will impact our legal, accounting and compliance expenses, make some activities more difficult, time-consuming or costly and place strain on our personnel, systems and resources. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure~~ **internal** ~~controls and procedures and~~ **. The accuracy of our financial reporting is dependent on the effectiveness of our internal controls. We are required to provide a report from management to our stockholders on our** ~~internal control over financial reporting~~ **internal** ~~Internal control over financial and accounting~~ **reporting has inherent limitations, including human error, the possibility that** ~~controls and procedures in place is a costly and time-consuming effort that needs to be re-evaluated frequently. The Company currently outsources its internal audit function and we may need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge. Implementing any appropriate changes to our internal controls may require specific compliance training for our directors, officers and employees, entail substantial costs, and take a significant period of time to complete. Such changes may not, however, be effective in maintaining the adequacy of our internal controls and any failure to maintain that adequacy, or consequent inability to produce accurate~~

financial statements on a timely basis, could increase **be circumvented** our **or become inadequate because of changed conditions** operating costs and could materially impair our ability to operate our business. Moreover, effective internal controls are necessary for us to produce reliable financial reports and are important to help prevent fraud. **Because of** The various rules and regulations applicable to public companies make it more difficult and more expensive for us to maintain directors' and officers' liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to maintain coverage. If we are unable to maintain adequate directors' and officers' insurance, our ability to recruit and retain qualified officers and directors will be significantly curtailed. We expect that the rules and regulations applicable to public companies will result in us incurring substantial additional legal and financial compliance costs. These **these inherent limitations**, costs will decrease our net income or increase our net loss and may require us to reduce costs in other areas of our business. We have previously identified material weaknesses in our internal control over financial reporting **might not prevent or detect all misstatements or fraud**. If we **cannot** experience additional material weaknesses in the future or otherwise fail to maintain an **and execute adequate** effective system of internal controls in the future, we may not be able to accurately or timely report our financial condition or results of operations. As of December 31, 2023, we have remediated the previously identified material weaknesses in internal control over financial reporting, however, we may in the future discover additional material weaknesses in our **or system implement required new controls that provide reasonable assurance** of internal **the reliability of the financial reporting and preparation** accounting controls and procedures that could result from additional material misstatements of our financial statements **for**. Our internal **external control over financial use, we could suffer harm to our reputation, fail to meet our public** reporting **requirements on a timely basis** will not prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected. If we identify additional material weaknesses, we may be unable to provide **properly report on our business and our results of operations, or be** required **to restate** financial information in a timely and reliable manner and we may incorrectly report financial information. Likewise, if our financial statements, **and our results of operations, our** are **share price** not filed on a timely basis, we could be subject to sanctions or investigations by the stock exchange on which our Ordinary Shares are listed, the SEC or other regulatory authorities. The existence of material **materially** weaknesses in internal control over financial reporting could adversely affect **affected** our reputation or investor perceptions of us, which could have a negative effect on the trading price of our Ordinary Shares. If we fail to maintain an effective system of internal controls over financial reporting there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis, which could result in a loss of investor confidence and negatively impact our business, results of operations, financial condition and stock price. Effective internal controls are necessary for us to provide reliable and accurate financial statements and to effectively prevent fraud. However, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. There can be no assurance that all control issues or fraud will be detected. As we continue to grow our business, our internal controls continue to become more complex and require more resources. Further, some of our employees work remotely and could introduce potential vulnerabilities to our financial reporting systems and our internal control environment and the effectiveness of our internal controls over financial reporting. Any failure to maintain effective controls could prevent us from timely and reliably reporting financial results and may harm our operating results. In addition, if we are unable to conclude that we have effective internal control over financial reporting, or if our independent registered public accounting firm is unable to provide an unqualified report as to the effectiveness of our internal control over financial reporting, as of each fiscal year end, we may be exposed to negative publicity, which could cause investors to lose confidence in our reported financial information. Any failure to maintain effective internal controls and any such resulting negative publicity may negatively affect our business and stock price. Additionally, the existence of any material weaknesses or significant deficiencies would require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations and cause stockholders to lose confidence in our reported financial information, all of which could materially and adversely affect us and the market price of our common stock. A market for our securities may not continue, which would adversely affect the liquidity and price of our securities. The price of our Ordinary Shares and Warrants may fluctuate significantly due to general market and economic conditions. An active trading market for our Ordinary Shares and Warrants may never develop or, if developed, it may not be sustained. In addition, the price of our Ordinary Shares and Warrants can vary due to general economic conditions and forecasts, our general business condition and the release of our financial reports. If our Ordinary Shares become delisted from the NYSE for any reason, and are quoted on the OTC Bulletin Board, an inter-dealer automated quotation system for equity securities that is not a national securities exchange, the liquidity and price of our Ordinary Shares may be more limited than if it were quoted or listed on the NYSE or another national securities exchange. You may be unable to sell your Company securities unless a market can be established or sustained. If securities or industry analysts do not publish or cease publishing research or reports about us, our business, or our market, or if they change their recommendations regarding our Ordinary Shares adversely, then the price and trading volume of our Ordinary Shares or Warrants could decline. The trading market for our Ordinary Shares and Warrants will be influenced by the research and reports that industry or securities analysts may publish about us, our business, our market, or our competitors. If any of the analysts who cover us change their recommendation regarding our Ordinary Shares and Warrants adversely, or provide more favorable relative recommendations about our competitors, the price of our Ordinary Shares and Warrants would likely decline. Risks for any holders of our Warrants. We

may redeem our Warrants prior to their exercise at a time that is disadvantageous to you, thereby significantly impairing the value of such Warrants. We will have the ability to redeem outstanding Warrants at any time after they become exercisable and prior to their expiration, at a price of \$ 0. 01 per Warrant, provided that the closing price of our Ordinary Shares equals or exceeds \$ 18. 00 per share (as adjusted for share sub- divisions, share capitalizations, reorganizations, recapitalizations and the like) for any 10 consecutive trading days. Redemption of the outstanding Warrants could force you (i) to exercise your Warrants and pay the exercise price therefor at a time when it may be disadvantageous for you to do so, (ii) to sell your Warrants at the then- current market price when you might otherwise wish to hold your Warrants, or (iii) to accept the nominal redemption price which, at the time the outstanding Warrants are called for redemption, is likely to be substantially less than the market value of your Warrants. The EverArc Founders, all of whom are directors in our company, have interests that are different, or in addition to the interests of our shareholders. As a result of the Founder Advisory Agreement entered into by EverArc and the EverArc Founder Entity (and assumed by us upon the Merger) to provide incentives to the EverArc Founders to achieve EverArc' s, and following the Merger, the Company' s, objectives, the EverArc Founders have interests that are different and in addition to your interests as a **of our shareholder shareholders and / or warrant holder** generally. Specifically, under the Founder Advisory Agreement, as consideration for services provided to the Company by the EverArc Founder Entity, including strategic and capital allocation advice, the Company will pay the EverArc Founder Entity: • a fixed advisory amount (the “ Fixed Annual Advisory Amount ”) and a variable advisory amount which variable amount is earned solely based upon appreciation of the market price of our **Ordinary Shares-Common Stock** (the “ Variable Annual Advisory Amount, ” each an “ Advisory Amount ” and collectively, the “ Advisory Amounts ”) as follows: • a Fixed Annual Advisory Amount equal to 1. 5 % of 157, 137, 410 **Ordinary Shares- shares of Common Stock** outstanding on the Closing Date (in each case, payable in our **Ordinary Shares-Common Stock** or partly in cash, at the election of the EverArc Founder Entity provided that at least 50 % of such amounts are paid in our **Ordinary Shares-Common Stock**); and • a Variable Annual Advisory Amount based on the appreciation of the market price of our **Ordinary Shares-Common Stock** if such market price exceeds certain trading price minimums (in each case, payable in our **Ordinary Shares-Common Stock** or partly in cash, at the election of the EverArc Founder Entity provided that at least 50 % of such amounts are paid in our **Ordinary Shares-Common Stock**). With respect to the Fixed Annual Advisory Amount, the EverArc Founder Entity will earn such advisory fee even if our shareholders earn a negative return following the consummation of the **initial Business Combination with EverArc**. Pursuant to the Founder Advisory Agreement, we may be required to pay significant fees to the EverArc Founder Entity, which could reduce cash available for investment in the business, working capital and distribution to shareholders. We are required to pay the EverArc Founder Entity a Fixed Annual Advisory Amount and, if earned, a Variable Annual Advisory Amount each year until the years ending December 31, 2027 and December 31, 2031, respectively, pursuant to the Founder Advisory Agreement. Under the Founder Advisory Agreement, at the election of the EverArc Founder Entity, at least 50 % of the total fees will be paid in **Ordinary Shares-Common Stock** and the remainder in cash. If the EverArc Founder Entity elects to receive a portion of the future fees in cash, we may need to use cash from operations, borrowings or other sources to make the payment, which will reduce cash available for investing activities, working capital and / or distribution to shareholders. **For additional information about the Founder Advisory Agreement, refer to Item 7, “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Founder Advisory Agreement ” and Note 13, “ Related Parties, ” in the notes to the consolidated financial statements included in this Annual Report.** Our shareholders will experience dilution as a consequence of the issuance of our **Ordinary Shares-Common Stock** as payment for the Advisory Amounts payable to the EverArc Founder Entity. We will be obligated to pay the Advisory Amounts to the EverArc Founder Entity until the years ending December 31, 2027 and 2031, respectively. The portion of the Advisory Amounts payable in our **Ordinary Shares- shares of our Common Stock** will reduce the percentage shareholdings for those shareholders holding our **Ordinary Shares-Common Stock**. Pursuant to the Founder Advisory Agreement, we will be required to make a termination payment if the Founder Advisory Agreement is terminated under certain circumstances. In the event the Founder Advisory Agreement is terminated by us upon the Company ceasing to be traded on the NYSE or by the Company upon a sale of us we will pay the EverArc Founders a termination payment in cash. This termination payment may be substantial and will be immediately due and payable on the date of termination of the Founder Advisory Agreement. **Risks Related to Investment Taxes and the Redomiciliation Transaction Anti- takeover provisions in the a Luxembourg Company We are organized’ s Organizational Documents could make an acquisition of us more difficult and limit attempts by our shareholders to replace or remove our current management. In addition to protections afforded under the laws of DGCL, the Company’ s Organizational Documents contain anti- takeover provisions that could have the effect of delaying or preventing changes in control or changes in management or our Board. The Company’ s Organizational Documents, which were effective upon completion of the Redomiciliation Transaction, include the following anti- takeover provisions: • no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • the exclusive right of our Board to establish the size of the board of directors Grand- and Duchy to appoint a director to fill a vacancy, however occurring, including by expanding our Board; • the ability of Luxembourg. It may our Board to authorize the issuance of additional series of preferred stock and to determine the price and other terms of those shares, including voting or other rights or preferences, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquiror; • advance notice procedures that stockholders must comply with in order to nominate candidates to our Board or to propose matters to be acted upon at a stockholders’ meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror’ s own slate of directors or otherwise attempting to obtain control of us; and • the limitation of liability of, and provision of indemnification to, our directors and officers. These anti- takeover provisions may frustrate or prevent any attempts by our shareholders to replace or remove our current management by making it more difficult for you shareholders to replace obtain or enforce judgments or bring original actions against us or**

the members of our Board in the U. S. We are organized under the laws of the Grand Duchy of Luxembourg. In addition, some of **which will be responsible for appointing** the members of our **management** Board and officers reside outside the U. S. Investors may not be able to effect service of process within the U. S. upon us or these persons or enforce judgments obtained against us or these persons in U. S. courts, including judgments in actions predicated upon the civil liability provisions of the U. S. federal securities laws. Likewise, it also may be difficult for an **and may discourage** investor to enforce in U. S. courts judgments obtained against us or these persons in courts located in jurisdictions outside the U. S., **delay** including judgments predicated upon the civil liability provisions of the U. S. federal securities laws. Awards of punitive damages in actions brought in the U. S. or elsewhere are generally not enforceable in Luxembourg. As there is no treaty in force on the reciprocal recognition and enforcement of judgments in civil and commercial matters between the U. S. and Luxembourg, courts in Luxembourg will not automatically recognize and enforce a final judgment rendered by a U. S. court. Pursuant to the general provisions of Luxembourg law for **or prevent** the enforcement of foreign judgments and in particular, but not limited to, article 678 of the Luxembourg New Code of Civil Procedure, a **transaction involving** party who obtains a final judgment from a court of competent jurisdiction in the U. S. may initiate enforcement proceedings in Luxembourg (exequatur) and the District Court (Tribunal d' Arrondissement) may authorize the enforcement in Luxembourg of the U. S. judgment without re-examination of the merits, if it is satisfied that the following conditions are met (which conditions may change): • the judgment of the U. S. court is final and enforceable (exécutoire) in **control** the U. S.; • the U. S. court had jurisdiction over the subject matter leading to the judgment according to the Luxembourg conflict of **the Company** jurisdictions rules (that is, its jurisdiction was in compliance both with Luxembourg private international law rules and with **the best interest of our minority shareholders**. **Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of the Common Stock if shareholders view the them** applicable domestic U. S. **discouraging future takeover attempts**. **The Company's Organizational Documents designate** U. S. federal or state jurisdictional rules); • the U. S. court **applied to of Chancery of the State of Delaware as** the substantive law **sole and exclusive forum for certain types of actions and proceedings** that **may be initiated** would have been applied by **stockholders** Luxembourg courts (based on recent case law and legal doctrine, **which** it is not certain that this condition would **could** still be required **limit stockholders' ability to obtain a favorable judicial forum for disputes** an exequatur to be granted by a Luxembourg court); • the judgment was granted following proceedings where the counterparty had the opportunity to appear and, if it appeared, to present a defense, and the decision of the foreign court must not have been obtained by fraud, but with the procedural rules of the jurisdiction in which the judgment was rendered, in particular, in compliance with the rights of the defendant; • the U. S. court acted in accordance with its own procedural laws; and • the decisions and the considerations of the U. S. court must not be contrary to Luxembourg international public policy rules or have been given in proceedings of a tax or criminal nature or rendered subsequent to an evasion of Luxembourg law (fraude à la loi). Awards of damages made under civil liabilities provisions of the U. S. federal securities laws, or other laws, which are classified by Luxembourg courts as being of a penal or punitive nature (for example, fines or punitive damages), might not be recognized by Luxembourg courts. Ordinarily, an award of monetary damages would not be considered as a penalty, but if the monetary damages include punitive damages, such punitive damages may be considered a penalty. In addition, actions brought in a Luxembourg court against us, the members of our Board, or our officers to enforce liabilities based on U. S. federal securities laws may be subject to certain restrictions. In particular, Luxembourg courts generally do not award punitive damages. Litigation in Luxembourg also is subject to rules of procedure that differ from the U. S. rules, including, with respect to the taking and admissibility of evidence, the conduct of the proceedings and the allocation of costs. Proceedings in Luxembourg would have to be conducted in the Luxembourgish, French or German language, and all documents submitted to the court would, in principle, have to be translated into Luxembourgish, French or German. For these reasons, it may be difficult for a U. S. investor to bring an original action in a Luxembourg court predicated upon the civil liability provisions of the U. S. federal securities laws against us, the members of our Board, or our officers. In addition, even if a judgment against us, the non-U. S. members of our Board, or our officers based on the civil liability provisions of the U. S. federal securities laws is obtained, a U. S. investor may not be able to enforce it in U. S. or Luxembourg courts. Our directors and officers have entered into, or will enter into, indemnification agreements with us **or our**. Under such agreements, the directors and **or officers** **or other matters pertaining to our internal affairs. Our Organizational Documents provide that, subject to limited exceptions and unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be entitled** the exclusive forum for (i) any derivative action, suit or proceeding brought on behalf of the Company, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, or stockholders **to indemnification the Company or to its stockholders**, (iii) any action, suit or proceeding arising pursuant to any provision of the DGCL or the Company's Organizational Documents (as either may be amended **from us (time to time)**) or (iv) any action, suit or proceeding asserting a claim against the Company governed by the internal affairs doctrine. The forum selection provision in the **Company's Organizational Documents does not apply to establish the Court of Chancery of the State of Delaware as the forum for actions or proceedings brought to enforce a duty or liability created by the Securities Act or the Exchange Act. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all claims brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder and our Organizational Documents will provide that the federal district courts of the United States of America will, to the fullest extent permitted by Luxembourg law against liability, be the sole and exclusive forum** expenses reasonably incurred **or for resolving** paid by him or her in connection with any claim, **complaint asserting a cause of action arising under**, suit, or proceeding in which he **the Securities Act. While** or she would be involved by virtue of his or her being or having been a director or officer and against amounts paid or incurred by him or her in the settlement thereof -- **there can be no assurance that federal** Luxembourg law permits us to keep directors indemnified against any expenses, judgments, fines and amounts

paid in connection with liability of a director towards us or a third party for **or state** management errors i. e., for wrongful acts committed during the execution of the mandate (mandat) granted to the director by us, except in connection with criminal offenses, gross negligence or fraud. The rights to and obligations of indemnification among or between us and any of our current or former directors and officers are generally governed by the laws of Luxembourg and subject to the jurisdiction of the Luxembourg courts **will**, unless such rights or obligations do not relate to or arise out of such persons' capacities listed above. Although there is doubt as to whether U. S. courts would enforce this indemnification provision in an action brought in the U. S. under U. S. federal or state securities laws, this provision could make it more difficult to obtain judgments outside Luxembourg or from non-Luxembourg jurisdictions that would apply Luxembourg law against our assets in Luxembourg. Luxembourg and European insolvency and bankruptcy laws are substantially different from U. S. insolvency and bankruptcy laws and may offer our shareholders less protection than they would have under U. S. insolvency and bankruptcy laws. As a company organized under the laws of the Grand Duchy of Luxembourg and with our registered office in Luxembourg, we are subject to Luxembourg insolvency and bankruptcy laws in the event any insolvency proceedings are initiated against us including, among other things, Council and European Parliament Regulation (EU) 2015 / 848 of 20 May 2015 on insolvency proceedings (recast). Should courts in another European country determine that the insolvency and bankruptcy laws **our federal forum provision should be enforced in a particular case, application of our federal forum provision means** that country apply **suits brought by our stockholders to enforce any duty or liability created by us in accordance with and subject to such EU regulations, the Securities Act must be brought in federal courts- court and cannot be brought in that country could have state court. Section 27 of the Exchange Act creates exclusive federal** jurisdiction over **all claims brought to enforce** the insolvency proceedings initiated against us. Insolvency and bankruptcy laws in Luxembourg or the relevant other European country, if any **duty**, may offer our **or** shareholders less protection than they would have under U. S. insolvency and bankruptcy laws and make it more difficult for them to recover the amount they could expect to recover in a liquidation under U. S. insolvency and bankruptcy laws. The rights of our shareholders may differ from the rights they would have as shareholders of a U. S. corporation, which could adversely impact trading in our Ordinary Shares and our ability **liability created** to conduct equity financings. Our corporate affairs are governed by **the Exchange Act our- or** articles of association and the **rules and regulations thereunder and our** laws **Bylaws will provide** of Luxembourg, including the Luxembourg Company Law (loi du 10 août 1915 sur les sociétés commerciales, telle que modifiée). The rights of our shareholders and the responsibilities of our directors and officers under Luxembourg law are different from those applicable to a corporation incorporated in the U. S. For example, under Delaware law, the Board of a Delaware corporation bears the ultimate responsibility for managing the business and affairs of a corporation. In discharging this function, directors of a Delaware corporation owe fiduciary duties of care and loyalty to the corporation and its shareholders. Luxembourg law imposes, among others, a duty on directors of a Luxembourg company to: (i) act in good faith with a view to the best interests of a company; and (ii) exercise the care, diligence, and skill that a reasonably prudent person would exercise in a similar position and under comparable circumstances. Additionally, under Delaware law, a shareholder may bring a derivative action on behalf of a company to enforce a company's rights. Under Luxembourg law, the Board has sole authority to decide whether to initiate legal action to enforce a company's rights (other than, in certain circumstances, an action against members of our Board, which may be initiated by the general meeting of the shareholders, or, subject to certain conditions, by minority shareholders holding together at least 10% of the voting rights in the company). Further, under Luxembourg law, there may be less publicly available information about us than is regularly published by or about U. S. issuers. In addition, Luxembourg laws governing the securities of Luxembourg companies may not be as extensive as those in effect in the U. S., and Luxembourg laws and regulations in respect of corporate governance matters might not be as protective of minority shareholders as are state corporation laws in the U. S. Therefore, our shareholders may have more difficulty in protecting their interests in connection with actions taken by our directors, officers or principal shareholders than they would as shareholders of a corporation incorporated in the United States. As a result of these differences, our shareholders may have more difficulty protecting their interests than they would as shareholders of a U. S. issuer. Our shareholders may be required to bring certain actions asserting claims arising under the Securities Act in the federal district courts of the United States. Pursuant to our articles of **America** association, unless we consent in writing to an alternative forum, the U. S. federal district courts will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for **resolving any complaint asserting a cause of** action asserting a claim arising under the **Securities Exchange Act. Accordingly, actions by our stockholders to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder must be brought in federal court. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations promulgated thereunder. Any person or entity purchasing, otherwise acquiring or holding any interest in shares of our capital stock will be deemed to have notice of, and consented to, these forum selection provisions. However, stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. Additionally, our stockholders cannot waive compliance with the federal securities laws and the rules and regulations thereunder. This choice of forum provision prevents may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us our- or** shareholders from bringing our directors, officers or other matters pertaining to our internal affairs, and may discourage lawsuits with **respect to such** claims arising under the Securities Act in a Luxembourg court, which court our shareholders may view as more convenient, cost effective or advantageous to the claims made in such action and therefore may discourage such actions. **Alternatively, if** The Securities Act forum provision is not intended by us to limit the forum available to our shareholders for actions or proceedings asserting claims arising under the Exchange Act. The validity and enforceability of such exclusive forum clause cannot be confirmed under Luxembourg law. If a court were to find the **these** exclusive forum clause to be **provisions of the Company's Organizational Documents** inapplicable **to,** or unenforceable in an **respect of, one or more of the specified types of action actions or proceedings**, we may incur additional costs associated with resolving such action **matters** in other

jurisdictions, which could harm our business, financial condition, or operating results and financial condition. **The expected benefits of the Redomiciliation Transaction may not be realized** Risks Related to Taxes If we are or become a passive foreign investment company, or PFIC, for U. **There can be no assurance that** S. federal income tax purposes for any taxable year, U. S. Holders of our **or all** Ordinary Shares or Warrants could be subject to adverse U. S. federal income tax consequences. A PFIC is any foreign (i. e., non-U. S.) corporation with respect to which either: (i) 75% or more of the **anticipated benefits** gross income for a taxable year constitutes passive income for purposes of the **Redomiciliation Transaction will** PFIC rules, or (ii) 50% or more of such foreign corporation's assets in any taxable year (generally based on the quarterly average of the value of its assets during such year) is attributable to assets that produce passive income or are held for the production of passive income. Passive income generally includes dividends, interest, certain royalties and rents, annuities, net gains from the sale or exchange of property producing such income and net foreign currency gains. If we are or become a PFIC for any taxable year or any portion thereof during which a United States person holds our Ordinary Shares or Warrants (such person, a "U. S. Holder"), certain adverse U. S. federal income tax consequences may apply to such U. S. Holder. As of the date of this annual report on Form 10-K, we have not made a determination as to our PFIC status for our current or preceding taxable year. Whether we are treated as a PFIC for any taxable year is a factual determination that can only be made after **achieved. Achieving** the close **anticipated benefits of the Redomiciliation Transaction** such taxable year and, thus, is subject to significant **a number of risks and uncertainty-uncertainties** and change. Accordingly, there can be no assurances with respect to our status as a PFIC for any taxable year. U. S. Holders are urged to consult their own tax advisors regarding the possible application of the PFIC rules to their investment in our Ordinary Shares or Warrants. If a United States person is treated as owning at least 10% of our Ordinary Shares, such person may be subject to adverse U. S. federal income tax consequences. If a United States person is treated as owning (directly, indirectly or constructively) at least 10% of the value or voting power of our Ordinary Shares, such person may be treated as a "United States shareholder" with respect to each of PSSA and our direct and indirect subsidiaries ("PSSA Group") that is a controlled foreign corporation ("CFC") for U. S. federal income tax purposes. If the PSSA Group includes one or more U. S. subsidiaries, certain of our non-U. S. subsidiaries could be treated as CFCs regardless of whether we are treated as a CFC. The PSSA Group currently includes a U. S. subsidiary. A United States shareholder of a CFC may be subject to adverse income inclusion **including factors** and reporting requirements. Failure to comply with these reporting obligations (or related tax payment obligations) may subject such United States shareholder to significant monetary penalties and may prevent the statute of limitations with respect to such United States shareholder's U. S. federal income tax return for the year for which reporting or payment of tax was due from starting. We cannot provide any assurances that we **do not** will assist holders in determining whether any of its non-U. S. subsidiaries is treated as a CFC or whether any holder is treated as a United States shareholder with respect to any of such CFCs or furnish to any holder information that may be necessary to comply with reporting and tax paying obligations **cannot control. In addition, if the expected benefits of the Redomiciliation Transaction do not meet expectations of investors or securities analysts, the price of the Common Stock following completion of the Redomiciliation Transaction may decline.** Additional taxes could adversely affect our financial results. Our tax filings are subject to audits by tax authorities in the various jurisdictions in which we do business. These audits may result in assessments of additional taxes that are subsequently resolved with the taxing authorities or through the courts. Currently, we believe there are no outstanding assessments whose resolution would result in a material adverse financial result. However, we cannot offer assurances that unasserted or potential future assessments would not have a material adverse effect on our financial condition or results of operations. Changes in tax laws may materially adversely affect our business, prospects, financial condition and operating results. New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could adversely affect our business, prospects, financial condition and operating results. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us. **For example, the Inflation Reduction Act ("IRA") was enacted in the United States on August 16, 2022. Among other provisions, the IRA included a new corporate alternative minimum tax on adjusted financial statement income and an excise tax on certain corporate share repurchases. While we do not currently anticipate that the IRA will have a material effect on our financial performance, we will continue to monitor its potential impact as new information and guidance becomes available.** General Risk Factors Cybersecurity attack, acts of cyber- terrorism, failure of technology systems and other disruptions to our information technology systems could compromise our information, disrupt our operations, and expose us to liability, which may adversely impact our business, financial condition and results of operations. In the ordinary course of our business, we store sensitive data, including intellectual property, our proprietary business information and that of our customers, suppliers and business partners, and personally identifiable information of our employees in our information technology systems, including in our data servers and on our networks. The secure processing, maintenance and transmission of this data is critical to our operations. Despite our security measures, our information technology systems may be vulnerable to attacks by hackers or breached or disrupted due to employee error, malfeasance or other disruptions. Any such attack, breach or disruption could compromise our information technology systems and the information stored in them could be accessed, publicly disclosed, lost or stolen and our business operations could be disrupted. Any such access, disclosure or other loss of information or business disruption could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, and damage to our reputation, which could adversely impact our business, financial condition and results of operations. To the extent that such disruptions occur and our business continuity plans do not effectively address these disruptions in a timely manner, they may cause delays in the manufacture or shipment of our products and the cancellation of customer orders and, as a result, our business, operating results and financial condition could be materially and adversely affected. Our insurance may not fully cover all of our operational risks, including, but not limited to, environmental risks, and changes in the cost of insurance or the availability of insurance could materially increase our insurance costs or result in a decrease in our insurance coverage. We have a significant concentration of our manufacturing facilities. Natural disasters and

severe weather events (such as hurricanes, earthquakes, fires, floods, landslides and wind or hailstorms) or other extraordinary events subject us to property loss and business interruption. Illegal or unethical conduct by employees, customers, vendors and unaffiliated third parties can also impact our business. Other potential liabilities arising out of our operations may involve claims by employees, customers or third parties for personal injury, product liability or property damage and potential fines and penalties in connection with alleged violations of regulatory requirements. In certain instances, our insurance may not fully cover an insured loss depending on the magnitude and nature of the claim. Accordingly, we cannot assure you that we will not be exposed to uninsured or underinsured losses that could have a material adverse effect on our business, financial condition and results of operations. Additionally, changes in the cost of insurance or the availability of insurance in the future could substantially increase our costs to maintain our current level of coverage or could cause us to reduce our insurance coverage. Inflation could adversely affect our business and results of operations. ~~During 2022 and 2023, the economy in the United States and global markets continued to experience a material increase in the level of inflation. The impact of COVID-19, geopolitical developments such as the ongoing conflicts between Russia and Ukraine or Israel and Hamas and global supply chain disruptions continue to increase uncertainty in the outlook of near-term and long-term economic activity, including whether inflation will continue and how long, and at what rate.~~ Increases in inflation raise our costs for commodities, labor, materials and services and other costs required to grow and operate our business, and failure to secure these on reasonable terms may adversely impact our financial condition. Additionally, increases in inflation, along with geopolitical developments and global supply chain disruptions, have caused, and may in the future cause, global economic uncertainty and uncertainty about the interest rate environment, which may make it more difficult, costly or dilutive for us to secure additional financing. A failure to adequately respond to these risks could have a material adverse impact on our financial condition, results of operations or cash flows. We are subject to general governmental regulation and other legal obligations, including those related to privacy, data protection and information security, and our actual or perceived failure to comply with such obligations could harm our business. Compliance with such laws could also impair our efforts to maintain and expand our customer base, and thereby decrease our revenue. We receive, store and process personal information and other data from and about customers in addition to our employees and services providers. Our handling of data is subject to a variety of laws and regulations, including regulation by various government agencies, such as the U. S. Federal Trade Commission (the “FTC”) and various state, local and foreign agencies. Our data handling also is subject to contractual obligations and industry standards. The U. S. federal and various state governments have adopted or proposed limitations on the collection, distribution, use, storage and security of data relating to individuals, including the use of contact information and other data for marketing, advertising and other communications with individuals and businesses. ~~For example, the California Consumer Privacy Act of 2018 (the “CCPA”) became effective January 1, 2020. The CCPA requires covered businesses to, among other things, make new disclosures to consumers about their data collection, use, and sharing practices, and allows consumers to opt out of certain data sharing with third parties. The CCPA also provides a new private cause of action for certain data breaches. The California Privacy Rights Act (the “CPRA”) which will become effective on January 1, 2023, will significantly modify the CCPA, and also create a new state agency that will be vested with authority to implement and enforce the CCPA and the CPRA. The effects of the CCPA and the CPRA are potentially significant and may require us to incur substantial costs and expenses in an effort to comply and increase our potential exposure to regulatory enforcement and / or litigation. States such as Virginia have enacted and we expect additional states may also enact legislation similar to the CCPA and CPRA.~~ Additionally, the FTC and many state attorneys general are interpreting federal and state consumer protection laws as imposing standards for the online collection, use, dissemination and security of data. Several foreign countries and governmental bodies, including the European Union, have laws and regulations dealing with the handling and processing of personal information obtained from their residents, which in certain cases are more restrictive than those in the United States, and we expect additional jurisdictions may enact similar regulations. Laws and regulations in these jurisdictions apply broadly to the collection, use, storage, disclosure and security of various types of data, including data that identifies or may be used to identify an individual, such as names, email addresses and in some jurisdictions, Internet Protocol addresses. Within the European Union, legislators have adopted the General Data Protection Regulation (the “GDPR”) which became effective in May 2018. The GDPR includes more stringent operational requirements for processors and controllers of personal data than previous EU data protection laws and imposes significant penalties for non-compliance. These domestic and foreign laws and regulations relating to privacy and data security are evolving, can be subject to significant change and may result in ever-increasing regulatory and public scrutiny and escalating levels of enforcement and sanctions. Interpretation of certain requirements remains unclear and may evolve, in particular for regulations that have recently been enacted. Application of laws may be inconsistent or may conflict among jurisdictions resulting in additional complexity and increased legal risk. In addition, these regulations have increased our compliance costs and may impair our ability to grow our business or offer our service in some locations, may subject us to liability for non-compliance, may require us to modify our data processing and transferring practices and policies and may strain our technical capabilities. We also handle credit card and other personal information. Due to the sensitive nature of such information, we have implemented procedures in an effort to preserve and protect our data and our customers’ data against loss, misuse, corruption, misappropriation caused by systems failures, unauthorized access or misuse. Notwithstanding these procedures, we could be subject to liability claims by individuals and customers whose data resides in our databases for the misuse of that information. If we fail to meet appropriate compliance levels, this could negatively impact our ability to utilize credit cards as a method of payment, and / or collect and store credit card information, which could disrupt our business. We may be subject to rules of the FTC, the Federal Communications Commission (the “FCC”) and potentially other federal agencies and state laws related to commercial electronic mail and other messages. Compliance with these provisions may limit our ability to send certain types of messages. If we were found to have violated such rules and regulations, we may face enforcement actions by the FTC or FCC or face civil penalties, either of which could adversely affect our business. Any failure or perceived failure by us to comply with laws, regulations, policies, legal or

contractual obligations, industry standards, or regulatory guidance relating to privacy or data security, may result in governmental investigations and enforcement actions, litigation, fines and penalties or adverse publicity, and could cause our customers and partners to lose trust in us, which could have an adverse effect on our reputation and business. We expect that there will continue to be new proposed laws, regulations and industry standards relating to privacy, data protection, marketing, consumer communications, information security and local data residency in the United States, the European Union and other jurisdictions, and we cannot determine the impact such future laws, regulations and standards may have on our business, financial condition and results of operations. The loss of key personnel or our inability to attract and retain new qualified personnel could hurt our business and inhibit our ability to operate and grow successfully. Our success depends on the continuing services of certain members of the current management team. Our executive team are incentivized by share-based compensation grants that align the interests of investors with the executive team and certain executives have employment agreements. The loss of key management, employees or third-party contractors could have a material and adverse effect on our business, financial condition and results of operations. Additionally, the success of our operations will largely depend upon our ability to successfully attract and maintain competent and qualified key management personnel. As with any company with limited resources, there can be no guarantee that we will be able to attract such individuals or that the presence of such individuals will necessarily translate into profitability for our company. If we are successful in attracting and retaining such individuals, it is likely that our payroll costs and related expenses will increase significantly and that there will be additional dilution to existing shareholders as a result of equity incentives that may need to be issued to such management personnel. Our inability to attract and retain key personnel may materially and adversely affect our business operations. Any failure by our management to effectively anticipate, implement, and manage personnel required to sustain our growth would have a material adverse effect on our business, financial condition and results of operations. In addition, even if we are able to attract and retain personnel, we may not have adequate personnel with the appropriate level of knowledge, experience, and training in the accounting policies, practices or internal controls over financial reporting required of public companies in the U. S. The development and implementation of the standards and controls necessary for us to achieve the level of accounting standards required of a public company in the U. S. may require costs greater than expected. It is possible that we will be required to expand our employee base and hire additional employees to support our operations as a public company, which will increase our operating costs in future periods.