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# Q4 Interim report and full year 2024

### Consolidated key figures

KSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net sales	8 150	7 648	20 025	22 310
Operating result	-22 561	-19 364	-90 896	-84 024
Result after financial items	-21 912	-18 382	-89 954	-82 854
Balance sheet total	223 308	254 686	223 308	254 686
Equity ratio	90%	94%	90%	94%
Cash flow for the period	-9 279	-13 029	-17 538	23 052

### Significant events for the period and full year 2024

### Significant events Q4, October-December 2024

- Freemelt received a machine order from a global OEM (Original Equipment Manufacturer) regarding a proof-of-concept project for serial production of orthopedic implants using e-MELT®.
- Freemelt received an order from a UK customer for 3D printed tungsten components.
- Freemelt was accepted for a Vinnova-funded project together with Saab Dynamics and Linköping University to validate Freemelt's technology to produce 3D printed copper parts for the defense industry.
- Freemelt received an order from another global OEM regarding a proof-of-concept project for serial production of orthopedic implants using e<sup>\*</sup>MELT<sup>®</sup>.
- Freemelt received the first order from a customer in Asia (Singapore) to validate Freemelt's technology for production of 3D printed tungsten parts.
- Freemelt entered into a bridge loan agreement at market terms totaling 5 MSEK with shareholder Stiftelsen Industrifonden.
- Key personnel in the US subscribed to 300,000 options as part of a previously approved incentive program.

### Significant events after end of period

- The Board of Directors in Freemelt has resolved on a rights issue of units generating 90 MSEK in additional capital excl. related costs
- Freemelt received an order from The University of Arizona for Freemelt® ONE.
- Freemelt received an order from UKAEA (United Kingdom Atomic Energy Authority) for proof-of-concept of production scalability of tungsten tiles for future fusion reactors.
- Freemelt received an order from Oxford Sigma for tungsten trial components.
- Freemelt received an order from Saab Dynamics regarding a feasibility study to manufacture copper components for application tests in the defense industry.
- Freemelt received an order from UKAEA for an e-MELT® machine.
- Freemelt appointed Karin Stenback as Chief Technology Officer (CTO).

### Significant events Q1-Q3 2024

### Q1, January-March 2024

- Freemelt received an order for Freemelt® ONE from the University of Sheffield.
- Freemelt entered into a strategic partnership with WEAREAM, Italy, aiming to accelerate additive manufacturing for industrial serial production. As a first step an e<sup>\*</sup>MELT<sup>®</sup>-iD was installed at WEAREAM's facilities in Q3 2024.
- Freemelt hosted the Freemelt User Forum in Mölndal.
- Freemelt received an order from Saab Dynamics targeting defense applications.
- The Board of Directors of Freemelt resolved on a fully guaranteed rights issue of approximately SEK 66 million.

### Q2, April-June 2024

- Freemelt received the first e-MELT®-iD order in North America from a prestigious university.
- Freemelt received an order for Freemelt® ONE from the University of North Texas.
- Freemelt received a follow-up order from UKAEA.
- Freemelt entered into a strategic collaboration with Sandvik and Mid Sweden University.
- CEO and CFO subcribe to 2,000,000 warrants.

### Q3, July-September 2024

- Freemelt entered a strategic partnership with 3DMZ (3D Makers Zone), Netherlands.
- Freemelt received an order from a North American customer for a feasibility study targeting tungsten applications for fusion energy.
- Freemelt received an order from a North American defense company for a feasibility study targeting tungsten applications for defense.
- Freemelt received an order from Nuclear AMRC (Nuclear Advanced Manufacturing Research Centre) for 3D
   printed tungsten parts for fusion energy.
- Freemelt received an order for Freemelt® ONE from The University of Birmingham.
- Freemelt received an order for Freemelt® ONE from one of the world's premier research institutes.
- Freemelt established an application center in North America with HAMR Industries LCC.

# Freemelt strengthens its position and conducts large-scale production tests in defense, energy, and MedTech

We have closed an intensive fourth quarter and started the new year with several strategic advancements, bringing us closer to our goal of establishing additive manufacturing as an industrial standard within our three focus segments: defense, energy, and MedTech. During this period, we entered into strategically important agreements of delivering 3D printed components for proof-of-concept projects, strengthening our position and increasing the potential for future industrial volume orders.

2024 marked a year of significant progress for Freemelt as we advanced our strategic vision of combining innovation and commercialization. Over the course of the year, we initiated 28 paid development projects\* with potential industrial customers, where the majority have been feasibility studies within the defense and energy sectors. This marks a clear acceleration compared to 2023, when we only started three feasibility studies with potential industrial customers.

A notable achievement is our collaboration with Saab Dynamics on defense applications, further confirming the value our technology brings to the development of high-performance, complex solutions.

Two years ago, we introduced our industrial concept, e-MELT®, at Formnext, and last summer, we delivered our first machine to an industrial customer in Italy, to accelerate the adoption of 3D printing for serial production of industrial applications. In March 2025, we received our fourth e-MELT® order, this time from UKAEA (The United Kingdom Atomic Energy Authority), valued at approximately SEK 8 million, to print fusion components for the energy sector.

# Strengthened financial position for accelerated growth

During the year, we have strengthened our financial position to accelerate the commercialization of our technology. In April 2024, we completed a rights issue of SEK 66 million before deduction of costs related to the rights issue, providing a strong foundation for further industrialization of our technology. After the year-end, we conducted a second rights issue, securing an additional SEK 90 million before deduction of costs related to the rights issue. The recent capital injection allows us to intensify our efforts in commercialization and industrialization, aligning with our strategy to establish additive manufacturing within the defense, energy, and MedTech sectors.

As part of the recent rights issue, we issued warrants, which, if fully exercised by June 2026, could raise an additional SEK 53 million to the company. This strengthened financial foundation enables us to expand our project portfolio, advance development projects to proof-of-concept, and accelerate toward industrial applications of our technology.

<sup>\*</sup>Collective term of all development projects including feasibility study, proof-of-concept, and serial production.

# Notable achievements in our three focus segments, defense, energy, MedTech

In the defense sector, we have strengthened our collaboration with Saab Dynamics throughout the year, and after the year-end, we received an additional project order to print copper components for application tests in the defense industry. This marks the second phase of a previously conducted feasibility study and aims to qualify our technology for proof-of-concept of scalable production of components for future serial production. In addition to this order, Freemelt collaborates with Saab Dynamics and Linköping University in a Vinnova-funded project to establish additive manufacturing as a robust and sustainable production method for advanced defense applications.

In the energy sector, we have increased our customer engagement, leading to an additional project order from UKAEA in February 2025 for large scale production tests of 3D printed tungsten tiles for fusion reactors. Additionally, UKAEA has ordered an industrial e MELT® machine valued SEK 8 million to manufacture tungsten tiles. These orders confirm the relevance of our technology within a rapidly growing sector, driving significant demand for 3D printed tungsten components. To validate fusion technology, millions of tungsten components are already required for building test reactors.

**In the MedTech sector,** we have entered strategic agreements with two global OEM (Original Equipment Manufacturer) companies to demonstrate serial production of orthopedic implants using our industrial machine, e-MELT®. These collaborations represent

significant commercial breakthroughs and position us as a key player in additive manufacturing of orthopedic implants.

# The defense industry transforms, and fusion emerges in the energy sector

The geopolitical instability is growing, and the European countries need to substantially increase their defense spending, driving demand for advanced defense solutions where high-performance materials and efficient production are crucial. The defense sector is transforming, with additive manufacturing emerging as a key technology to enable faster, more flexible, and local production of critical components, providing reliable supply chain control. Our collaboration with Saab Dynamics is a strong confirmation of the defense industry's interest in adopting additive technology to enhance innovation, improve production efficiency, and meet growing capacity demands.

In parallel, the energy sector is undergoing structural change, with fusion emerging as a central part of future sustainable energy solutions. Investments in fusion reactors are expected to increase during the coming years, and test reactors such as ITER (International Thermonuclear Experimental Reactor) and Tokamak Energy will require millions of tungsten components. Our E-PBF (Electron Beam Powder Bed Fusion) technology has already proven its relevance in this field, and our recent orders from UKAEA further strengthen our position in this expanding market.



### Priorities and outlook for 2025

In 2025, we will continue to strengthen our position by expanding our project portfolio and deepening collaborations with our customers. Our goal is to become the preferred supplier for future serial production in our three focus areas: defense, energy, and MedTech. By advancing several of our ongoing development projects to proof-of-concept for large-scale production, we make tangible progress toward industrial applications.

In parallel, we are increasing our focus on profitability, primarily through growth in the number of paid customer projects and sales of 3D printers with aftermarket and other services. Our operations are designed for growth, providing us with flexibility to quickly adapt if market conditions change. In 2024, we restructured to more extensively utilize internal resources for development work and to increase focus on customer-funded projects, to improve cash flow and cost efficiency in the coming years.

Our strength lies in the trust we earn from the industry. By positioning us as a long-term partner, from concept to future serial production, we are establishing additive manufacturing as an industrial standard and driving the shift toward more flexible and efficient production.

Finally, I want to express my sincere thanks and appreciation to all employees at Freemelt, for your passion, dedication and commitment to achieving our 2030 objectives, and to our loyal shareholders for your trust and support.

Daniel Gidlund CEO Freemelt Holding AB (publ) Gothenburg, March 28, 2025



### **Business** model

Freemelt develops advanced 3D printers for metal components, targeting to become the leading supplier in additive manufacturing utilizing E-PBF (Electron Beam Powder Bed Fusion) technology, with a goal of reaching SEK 1 billion in revenue by 2030. Our revenue is primarily generated through the sale of advanced 3D printers at a fixed price, complemented by support and maintenance services that provide recurring revenue, which is expected to account for 25% of total revenue by 2030. Our solutions primarily support companies in the defense, energy, and MedTech sectors in Europe and U.S., enabling them to drive innovation and enhance production efficiency.

To date, our revenues have come from R&D (Research and Development) printers, sold at a lower price point, which have been instrumental in proving the concept of our technology while also contributing to cash flow during our development phase. As we transition, our focus is shifting to industrial printers, e-MELT®, which are priced up to SEK 13 million and designed for both product development and full-scale serial production. This shift is expected to drive volume sales, with multiple units likely to be sold in each order.

We aim to maintain a total gross margin of 60%, driven by the growth in aftermarket services, despite potential price pressure on 3D printers. As we scale, we will continue to evaluate and optimize this model, ensuring sustainable growth and long-term profitability.

### Value proposition

We offer three 3D printers based on E-PBF technology, where two printers are designed for industrial production (e-MELT®) and one (Freemelt® ONE) is targeting research institutes and universities. The modular industrial printers, e-MELT® deliver significantly higher efficiency compared to other machines on the market while maintaining flexibility in

metal selection. Through our complete product and service offering, we are positioned as a market leading productivity partner, providing the most efficient printer per square meter for industrial serial production. To maximize customer flexibility, we use an open source software solution. Our focus materials are tungsten, titanium and copper, since they are particularly well-suited for the E-PBF technology. Tungsten with its extreme melting point is ideal for MedTech, semiconductor manufacturing, energy production, and the defense industry, among other areas. Titanium is perfect for orthopedic implants, and the aviation industry, and copper is well suited for various applications, such as defense and energy.

### **Development and sales strategy**

Our strategic focus is to collaborate with research institutes and universities to drive innovation, while engaging directly with industrial manufacturers to meet production demands. These collaborations help advance applications from concept to serial production, where larger order volumes and revenue opportunities exist. By supporting the customers' journey towards and through additive manufacturing, we position ourselves as a long-term partner, ensuring smooth transitions and faster time-to-market for industrial end-users in sectors like defense, energy, and MedTech. We support the full development journey from concept to serial production through three key stages:

### 1) Feasibility study

Focuses on qualifying selected materials for industrial standards and conducting application testing (material qualification and application testing).

### 2) Proof-of-concept

Involves testing of printed parts and validating business cases for specific industrial applications (prototype printing and production scalability).

### 3) Serial production

Once the application is certified for industrial production, we install printers to enable large-scale manufacturing (industrialization).

Our three 3D printers support each stage of the process:

### Freemelt® ONE

Primarily used for feasibility studies.

### e-MELT®-iD

Supports both feasibility studies and proof-of-concept.

### e-MELT®-iM

Designed specifically for serial production.

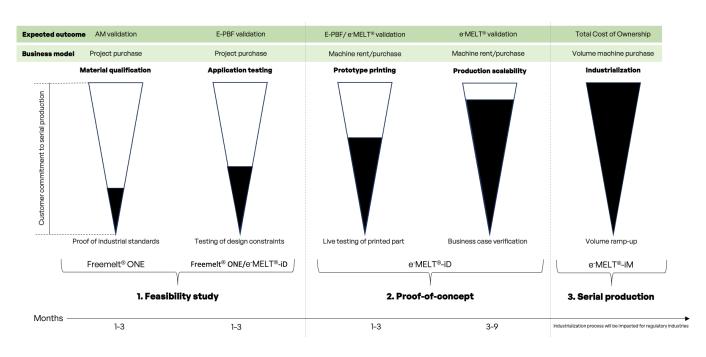
### Challenges and risk mitigation

As we continue to develop and grow our business, securing necessary capital will be crucial, which makes us dependent on the capital markets and potentially subject to macroeconomic fluctuations. Tungsten applications offer significant potential, but they represent an untested market, where we are the leading supplier but face inherent risks in adoption. Balancing the demand across both Europe and the U.S. simultaneously within parallel strategic directions also presents operational challenges.

To mitigate these risks, we maintain a cost conscious approach, supported by strong strategic owners. While tungsten applications represent significant future potential, we also have a presence in the more established titanium-based implant market. The market for 3D printed implants is expected to grow from USD 1.7 billion in 2023 to USD 6.6 billion 2032. This provides us with dual tracks for growth, ensuring both traction and revenue stability in the near term.

Our experienced leadership team, combined with deep technical expertise, positions us well to continue delivering efficient solutions internationally and meet the demands of industrial customers. This operational strength helps us navigate the challenges ahead while focusing on sustainable growth.

 $<sup>{\</sup>it l. Business Research Insight, https://www.businessresearchinsights.com/market-reports/3d-printed-orthopedic-implants-market-104621.}$ 



### Market potential

3D printing is a collective term for manufacturing technologies that produce components by successively adding material, usually layer by layer. The industry term for 3D printing is additive manufacturing (AM). The term refers to the additive nature of the technology, where materials are gradually added to form parts, as opposed to traditional manufacturing methods where material is gradually removed from larger blocks to create objects.

Additive manufacturing offers several advantages compared to traditionally manufacturing methods used in industrial production. Firstly, the additive manufacturing process enables the production of geometries that are difficult or impossible to create with traditional manufacturing methods.

Secondly, the use of additive manufacturing in industrial machine production meets the need for flexibility in an industry that is constantly evolving. Producing metallic prototypes of machine parts using additive manufacturing allows iterations, concepts, and manufacturing methods to be tested in a cost-effective way before scaling to full serial production.

Thirdly, supply chains can be optimized and stream-lined when additive manufacturing methods are used. The need to outsource parts of a manufacturing process is reduced, and local production of components is made possible, which also reduce environmental impact and mitigate risks associated with supply chains.

Lastly, the expected performance and quality advantages of additive manufacturing methods compared to traditional manufacturing should be mentioned. Well-developed additive manufacturing systems can surpass traditional methods in terms of topology optimization, functional integration possibilities, and overall efficiency.

AM as a manufacturing method is currently growing rapidly, and Freemelt operates specifically in the market for metal 3D printing (also known as metallic additive manufacturing).

In 2023, the global market for metal additive manufacturing was valued at approximately EUR 3 billion.<sup>1</sup>

The estimate includes the value of sales of 3D printers, powder and services. The market for metal additive manufacturing is expected to grow at a CAGR (compound annual growth rate) of approximately 20% through 2028.<sup>2</sup>

Metal additive manufacturing creates new opportunities, especially in industries such as defense, energy and MedTech, where complex and highperformance components are in demand. Tungsten, which is still in an early stage of the transition to AM, has great growth potential due to its unique properties, such as its extremely high melting point. This makes tungsten particularly suitable for applications in the energy and defense industries. Tungsten applications are less regulated, and competition is still relatively undeveloped. As more industrial players discover the possibilities of 3D printed tungsten, the market is expected to grow rapidly in the coming years.

### **Defense**

The defense industry has high demands on material properties since products are subject to extreme stress. Current manufacturing processes for defense materials often rely on global supply chains, including imports from suppliers and subcontractors located in countries that, for geopolitical reasons, are now considered unsuitable to be part of the supply chain. As a result, there is a growing trend in the market to turn to companies established in nearby countries for outsourcing and supplier relationships, a practice known as "near-shoring."

The global defense industry is expected to grow from USD 491 billion in 2024 to USD 677 billion in 2029, with a CAGR of approximately 6.4%. The use of additive manufacturing in the defense industry is increasing rapidly, with an adoption rate expected to reach 19% by 2035. The U.S. Department of Defense is expected to invest approximately USD 414 million in research for additive manufacturing in 2025. Copper and tungsten are important materials in the defense industry due to properties such as high heat resistance and penetration capability. Freemelt has several collaborations within the defense industry, with companies including Saab Dynamics and industrial companies in the U.S.

### Renewable energy

The market for additive manufacturing is currently experiencing increased demand from the energy sector. The increase is primarily driven by the development of fossil-free energy, a trend expected to continue the coming years. A driving force behind the demand is the energy sector's need for heat- and radiation resistant applications. Additive manufacturing enables geometries that could not previously be made from materials with properties suited for exposure to extreme temperatures. This is of great importance to the energy sector, which use advanced technologies and systems. Fusion is a technology currently undergoing significant development. Test reactors are built, and tungsten has proven to be a highly interesting material due to its heat- and radiation resistant properties. The expectations are that fusion will help address the Earth's climate challenges, why large investments are made in several countries to validate the technology.6

The fusion energy market is expected to increase from USD 300 billion in 2023 to USD 500 billion in 2030, with a CAGR of 7.4%.<sup>7</sup> Furthermore, total investments in fusion energy in 2024 amounted to USD 7.1 billion.<sup>8</sup> The development has been mainly driven by large projects in fusion research, but also by larger investments made by private players such as Commonwealth Fusion Systems.

Freemelt's research machine, Freemelt® ONE, is designed for research and development, offering flexibility across various metals and applications. Most of the machines sold are used for tungsten development. Freemelt has established collaborations in

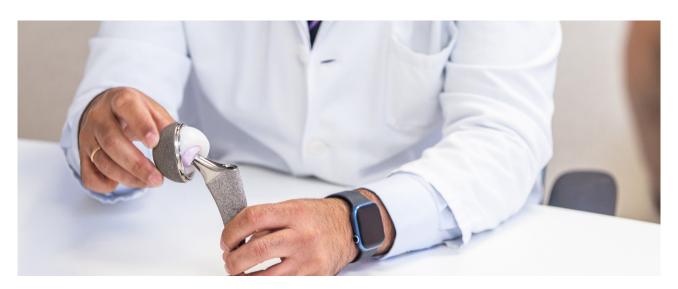
tungsten and fusion energy with leading institutions, including the University of Wisconsin, UKAEA, Idaho National Laboratory, University of Birmingham, and University of Sheffield, along with several other partners and customers in the field.

### **MedTech**

Additive manufacturing has been used in the MedTech industry for over a decade, making it the sector with the highest adoption rate of AM for serial production. One application that already is serial produced through AM is orthopedic implants made of titanium. Additive manufacturing is often used for such production as it enables additive production of materials that mimic the connective tissue in the human bone structure.

The global market of orthopedic implants is expected to grow from USD 55 billion in 2024 to USD 86 billion in 2032, with a CAGR of 5%. The market for 3D printed implants is expected to grow from USD 1.7 billion in 2023 to USD 6.6 billion in 2032. The global market for orthopedic implants is one of the major target markets for Freemelt, and demand for AM produced products is expected to increase. Freemelt has established collaborations with two global manufacturers of orthopedic implants (Original Equipment Manufacturers, "OEM").

With a complete product and service offering, Freemelt is well positioned to meet the increased demand in its focus segments, defense, energy and MedTech.



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### Freemelt's history

# 2017

- Freemelt AB was founded by a team with extensive experience in metal additive manufacturing.
- First investment round with the founders and four investors.

# 2018

- One order received for Freemelt® ONE from a German university.
- Second investment round with the existing shareholders and three new investors.
- The first patent applications were submitted.

# 2019

- Ulric Ljungblad appointed as CEO.
- Issue of shares, SEK 15 million led by Industrifonden.
- Four orders received for Freemelt® ONE from research and industrial customers in Europe.
- First Freemelt® ONE machine delivered.

# 2020

- Three orders received for Freemelt® ONE.
- Freemelt on Ny Teknik 33 list of innovative and promising Swedish startup companies.
- ProHeat®, Freemelt's innovative patent pending concept for preheating of powder, was announced.

- Four orders received for Freemelt® ONE, including a first order from the U.S.
- An investment round before the IPO of SEK 85 million.
- Freemelt listed on Nasdaq First North Growth Market.
- Freemelt received it's first patent.
- The company opened production facilities in Linköping and a local office in Germany.
- Development of the industrial machine e-MELT® started.



# 2022

- Eight orders received for Freemelt® ONE.
- Freemelt launched Pixelmelt®, a new software for faster materials development and more productive additive manufacturing.
- Daniel Gidlund appointed as CEO.

# 2023

- Three orders received for Freemelt® ONE
- Freemelt was granted a patent in the U.S, Japan and China for pioneering solutions in additive manfacturing.
- Issue of shares, SEK 66 million.
- Established an U.S subsidiary.
- Signed a breakthrough agreement with a global leading Fortune 500 technology company for the industrial product, e-MELT®.
- Launched e-MELT®-iD.

# 2024

- Four orders received for Freemelt® ONE.
- Freemelt entered into a strategic partnership with WEAREAM and installed the first industrial machine e-MELT®-iD.
- Rights Issue, SEK 66 million.
- Freemelt received the first e-MELT®-iD order in U.S.
- Freemelt established an application center in North America.
- Breaktrough order within serial production of orthopedic implants.

# 2025

- The Board of Directors resolved on a rights issue of units.

# Freemelt Holding AB (publ)

### **BACKGROUND**

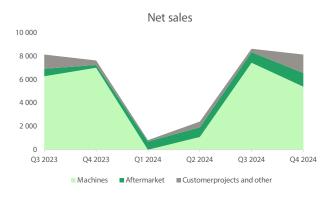
The Freemelt group originates from 2021-06-17 when Freemelt Holding AB (publ) acquired Freemelt AB. Freemelt AB in turn has two subsidiaries: Freemelt-Americas, Inc in the US and Freemelt Deutschland GmbH in Germany.

In the following financial commentary, figures within parethesis represent the same period previous year.

### THE GROUP OCTOBER - DECEMBER

### Income

Net sales in the fourth quarter totalled 8 150 KSEK (7 648 KSEK). A Freemelt® ONE was delivered to one of the world's premier research institutes targeting material research and application development within energy applications. Machine income represented 66% of net sales in the quarter and aftermarket 14%. Income from customer projects together with other sales totalled 20% of net sales.



In the quarter, other operating income totalled 1 453 KSEK (207 KSEK) of which 677 KSEK (0 KSEK) refers to external soft funding for a postdoctor assignment and a Vinnova project tied to defense applications. Other operating income also include currency gains of 653 KSEK (207 KSEK). Currency losses are booked as other operating expenses.

Freemelt has since start until year end 2024 received 26 machine orders for Freemelt® ONE and three machine orders for e-MELT®.



The orderbook at guarter end amounted to 12 388 KSEK (1824 KSEK). The figure represents customer orders not yet invoiced.

### **Operating expenses**

Operating expenses in the fourth quarter decreased to 36 303 KSEK (38 304 KSEK). The largest expense was depreciation amounting to 13 824 KSEK (12 837 KSEK). Other external costs totalling 7 870 KSEK (12 689 KSEK) include recurring costs related to group operations and development costs, including e-MELT®. Trade goods of 2 433 KSEK (3 697 KSEK) represent purchases for goods sold or consumed during the period.

Personnel costs in the fourth quarter totalled 11 976 KSEK (8 509 KSEK). The increase is explained by an increase in number of employees and one-off items. The group had 40 employees at quarter end.

### **Currency effects**

During the fourth quarter, the group recorded currency gains of 653 KSEK (207 KSEK) and currency losses of 200 KSEK (572 KSEK). These are booked as other operating income and other operating expenses respectively.

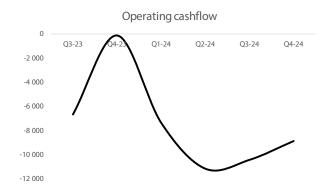
### **Result**

The fourth quarter operating result came in at -22 561 KSEK (-19 364 KSEK) and the result after financial items was -21 912 KSEK (-18 382 KSEK). Financial items provided a positive contribution of 649 KSEK (982 KSEK) representing interest earned on bank balances.

The negative result is explained by the current growth and commercialization phase the company is undergoing where costs are higher than income.

### **Cash flow**

Cash flow in the fourth quarter was -9 279 KSEK (-13 029 KSEK). Excluding investments and financing, the operating cash flow was -8 861 KSEK (-128 KSEK).



### **Financial position**

As of December 31st 2024, group equity totalled 201717 KSEK (239 518 KSEK). Current liabilities totalled 21 591 KSEK (15 168 KSEK). These include a short term loan of 5 000 KSEK and the remainder include liabilities relating to regular business activities. The group does not carry any external long term debt.

Group assets totalled 223 308 KSEK (254 686 KSEK) consist mostly of intangible assets including goodwill, balanced development work and patents totalling 170 685 KSEK (193 993 KSEK). Tangible assets consist of machines and installations used in the group's application centers, development organization and production unit.

Inventory of trade goods was 13 707 KSEK (7 969 KSEK). Inventory build-up relates to purchases for upcoming machine deliveries of Freemelt® ONE and e-MELT®.



Cash at bank end of period was 16 625 KSEK (34 070 KSEK).

### **Investments**

Investments in intangible assets mainly relate to balanced development work of the industrial machine e-MELT®. Freemelt also balances costs related to patents.

### **Equity ratio**

Equity ratio at quarter end was 90% (94%).

### PARENT COMPANY OCTOBER - DECEMBER

Net sales in the quarter totalled 170 KSEK (243 KSEK). The income refer to a Management fee for services rendered during the period which Freemelt Holding AB (publ) invoiced the subsidiary Freemelt AB.

The parent company's other external costs of 891 KSEK (717 KSEK) in Q4 are mainly related to being a public company. Costs include advisors, investor relations, stock exchange fees and common group related expenses. Personnel costs of 212 KSEK (222 KSEK) represent wages to the Board of Directors.

The operating result totalled -935 KSEK (-696 KSEK) and the result after financial items totalled 48 KSEK (427 KSEK). Interest income relates to intra-group loans from the parent to the subsidiary Freemelt AB.

### THE GROUP JANUARY - DECEMBER

### Income

Net sales in 2024 totalled 20 025 KSEK (22 310 KSEK). Six Freemelt® ONE machines were delivered during the year. Other operating income totalled 3 100 KSEK (864 KSEK) of which 1502 KSEK (21 KSEK) refers to external soft funding and 1409 KSEK (582 KSEK) refers to currency gains. Currency losses are booked as other operating expenses.

### **Operating expenses**

2024 operating expenses increased to 141 589 KSEK (128 110 KSEK) primarily driven by other external costs and personnel costs. Other external costs totalling 37 437 KSEK (30 595 KSEK) include recurring costs related to group operations and development costs for e-MELT®. Trade goods decreased to 5 984 KSEK (8 181 KSEK) contributing to improved margins. The line item represent purchases for goods sold or consumed during the period. Personnel costs totalled 42 914 KSEK (34 627 KSEK). The group had an average of 39 employees in 2024, an increase from 34 the previous year.

### **Currency effects**

During 2024, the group recorded currency gains of 1 409 KSEK (582 KSEK) and currency losses of 885 KSEK (1999 KSEK). These are booked as other operating income and other operating expenses respectively.

### Result

The 2024 operating result came in at -90 896 KSEK (-84 024 KSEK) and the result after financial items was -89 954 KSEK (-82 854 KSEK). Financial items provided a positive contribution of 942 KSEK (1170 KSEK) representing interest earned on bank balances.

The negative result is explained by the current growth and commercialization phase the company is undergoing where costs are higher than income.

### **Cash flow**

Full year cash flow was -17 538 KSEK (23 052 KSEK). Excluding investments and financing, the operating cash flow was -37 782 KSEK (-16 553 KSEK).

### PARENT COMPANY JANUARY - DECEMBER

Net sales in 2024 totalled 704 KSEK (808 KSEK). The income refer to a Management fee for services rendered during the period which Freemelt Holding AB (publ) invoiced the subsidiary Freemelt AB.

The parent company's 2024 operating expenses decreased to 3 508 KSEK (3 837 KSEK) driven by lower other external costs of 2 673 KSEK (3 076 KSEK) which includes advisors, investor relations, stock exchange fees and common group related expenses. Personnel costs of 833 KSEK (761 KSEK) represent wages to the Board of Directors.

The 2024 operating result totalled -2 804 KSEK (-3 029 KSEK) and the result after financial items totalled 412 KSEK (-425 KSEK). Interest income relates to intra-group loans from the parent to the subsidiary Freemelt AB.

### **PROFIT DISTRIBUTION**

The Board of Directors propose not to pay any dividend for the financial year.

# Key figures and the share

## Consolidated key figures

	Oct-Dec	Oct-Dec	Full year	Full year
KSEK	2024	2023	2024	2023
Net sales	8 150	7 648	20 025	22 310
Operating result	-22 561	-19 364	-90 896	-84 024
Result after financial items	-21 912	-18 382	-89 954	-82 854
Balance sheet total	223 308	254 686	223 308	254 686
Equity ratio *	90%	94%	90%	94%
Cash flow for the period	-9 279	-13 029	-17 538	23 052
Number of shares on the balance sheet date	68 755 555	47 600 000	68 755 555	47 600 000
Average number of shares before dilution	68 755 555	47 600 000	61 819 308	45 831 342
Average number of shares after dilution	74 989 425	50 461 654	67 607 354	48 428 868
Earnings per share before dilution (SEK)	-0.32	-0.39	-1.46	-1.81
Earnings per share after dilution (SEK)	-0.29	-0.36	-1.33	-1.71

<sup>\*</sup> Equity ratio indicates what proportion of the assets are financed with equity capital, adjusted equity as a percentage of balance sheet total.

### The share

		Ch	ange in number	Total number	Subscription	Change in	Total
SEK	Date	Quota	of shares	of shares	price	share capital	share capital
Company founded	2017-03	0,05	1000000	1000000	0,05	50 000	50 000
Share issue	2021-04	0,05	705 000	1705 000	0,05	35 250	85 250
Share issue	2021-04	0,05	500 000	2 205 000	10	25 000	110 250
Share issue	2021-06	0,05	8 000 000	10 205 000	10	400 000	510 250
Share issue	2021-06	0,05	26 395 000	36 600 000	10	1 319 750	1830 000
Share issue	2023-02	0,05	10 155 000	46 755 000	6	507 750	2 337 750
Share issue	2023-04	0,05	845 000	47 600 000	6	42 250	2 380 000
Share issue	2024-04	0,05	21 155 555	68 755 555	3,1	1 057 778	3 437 778

 $Free melt\ Holding\ AB\ (publ),\ 559105-2922, is\ listed\ on\ the\ Nasdaq\ First\ North\ Growth\ Market\ since\ July\ 7th,\ 2021.$ 

The company is traded under the short name "FREEM" with ISIN code SE0011167170.

The company's operations mainly take place through the subsidiary Freemelt AB, which was acquired by Freemelt Holding AB (publ)on June 7th, 2021.

# Consolidated income statement Summary

KSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Income				
Net sales	8 150	7 648	20 025	22 310
Activated work for own account	4 139	11 085	27 568	20 912
Other operating income	1453	207	3 100	864
Sum income	13 742	18 940	50 693	44 086
Operating expenses				
Trade goods	-2 433	-3 697	-5 984	-8 181
Other external costs	-7 870	-12 689	-37 437	-30 595
Personnel costs	-11 976	-8 509	-42 914	-34 627
Depreciation tangible and intagible assets	-13 824	-12 837	-54 369	-52 708
Other operating expenses	-200	-572	-885	-1 999
Sum operating expenses	-36 303	-38 304	-141 589	-128 110
Operating result	-22 561	-19 364	-90 896	-84 024
Result from financial items				
Interest income and similar items	656	982	960	1 194
Interest expense and similar items	-7	0	-18	-24
Sum financial items	649	982	942	1170
Result after financial items	-21 912	-18 382	-89 954	-82 854
Tax on the period's results	4	-9	4	-9
RESULT FOR THE PERIOD	-21 908	-18 391	-89 950	-82 863

# Consolidated balance sheet Summary

KSEK	2024-12-31	2023-12-31
ASSETS		
Non-current assets		
Intangible assets		
Goodwill *	82 043	129 566
Balanced development work	85 105	61 902
Patents	3 537	2 525
Total intangible assets	170 685	193 993
Tangible assets		
Machinery and other technical facilities	9 533	3 907
Equipment, tools and installations	1149	1026
Total tangible assets	10 682	4 933
Financial assets		
Deferred tax claim **	5 230	5 230
Total non-current assets	186 597	204 156
Current assets		
Inventory, etc		
Raw materials, consumables, trade goods	13 707	7 969
Total current assets	13 707	7 969
Receivables		
Accounts receivable	1190	3 986
Other receivables	1455	2 935
Prepaid expenses and accrued income	3 734	1570
Total receivables	6 379	8 491
Cash and bank balances	16 625	34 070
Total current assets	36 711	50 530
TOTAL ASSETS	223 308	254 686
EQUITY AND LIABILITIES		
Equity		
Share capital	3 438	2380
Other capital contributed	461 966	411 373
Other equity including this year's result	-263 687	-174 235
Total equity	201717	239 518
Non-current liabilities		
Other liabilities	-	-
Current liabilities		
Accounts payables	3 069	6 071
Tax liabilities	685	574
Other liabilities	6 469	1044
Accrued costs and prepaid income	11 368	7 479
Total current liabilities	21 591	15 168
TOTAL EQUITY AND LIABILITIES	223 308	254 686

<sup>\*</sup> The Group's Goodwill arose when Freemelt Holding AB acquired Freemelt AB on 2021-06-17. The value of the acquired company then exceeded the acquired equity by approximately MSEK 238. The group depreciates goodwill over 5 years.

 $<sup>{}^{\</sup>star\star} \ \text{Considering the uncertainty about future profitability, the group has not recognized deferred tax claims after year 2021.}$ 

# Consolidated statement of cash flows Summary

KSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Cash flow from operating activities				
Result after financial items	-21 912	-18 382	-89 954	-82 854
Adjustments for items not affecting cash flow	13 824	12 837	54 369	52 708
Cash flow from operating activities before	-8 088	-5 545	-35 585	-30 146
changes in working capital				
Increase (-)/Decrease (+) Inventory	-1 988	1536	-5 738	724
Increase (-)/Decrease (+) Receivables	3 893	1 671	2 112	8 769
Increase (+)/Decrease (-) Payables	-2 678	2 210	1429	4 100
Net cash from operating activities	-8 861	-128	-37 782	-16 553
Cash flow from investing activities				
Investments in intangible assets	-4 528	-11 478	-29 110	-22 438
Investments in tangible assets	-913	-1 445	-7 629	-2 696
Net cash from investing activities	-5 441	-12 923	-36 739	-25 134
Cash flow from financing activities				
Share issue	0	0	51 651	64 718
Employee stock options	23	22	332	22
Short term liabilities	5 000	0	5 000	0
Cash flow from financing activities	5 023	22	56 983	64 740
Cash flow for the period	-9 279	-13 029	-17 538	23 052
Cash and cash equivalents at beg. of period	25 797	47 134	34 070	10 923
Exchange rate diff. in cash and cash equivalents	107	-35	93	94
CASH AND CASH EQUIVALENTS END OF PERIOD	16 625	34 070	16 625	34 070

# Consolidated statement of changes in equity Summary

KSEK	Share capital	Other capital contributed	Retained earnings incl. this period's results	Total equity
Opening balance 2024-01-01	2 380	411 373	-174 235	239 518
Share issue	1058	50 593		51 651
Conversion difference			166	166
Employee stock options			332	332
Result for the period			-89 950	-89 950
Closing balance 2024-12-31	3 438	461 966	-263 687	201 717
Opening balance 2023-01-01	1830	347 205	-91 479	257 556
Share issue	550	64 168		64 718
Conversion difference			85	85
Employee stock options			22	22
Result for the period			-82 863	-82 863
Closing balance 2023-12-31	2 380	411 373	-174 235	239 518

### Income statement Parent company Freemelt Holding AB (publ) Summary

KSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Income				
Net sales	170	243	704	808
Sum income	170	243	704	808
Operating expenses				
Other external expenses	-891	-717	-2 673	-3 076
Personnel costs	-212	-222	-833	-761
Other operating expenses	-2	0	-2	0
Sum operating expenses	-1 105	-939	-3 508	-3 837
Operating result	-935	-696	-2 804	-3 029
Result from financial items				
Interest income and similar items	983	1123	3 216	2 604
Result after financial items	48	427	412	-425
Tax on the period's results	0	0	0	0
RESULT FOR THE PERIOD	48	427	412	-425

### Balance sheet Parent company Freemelt Holding AB (publ) Summary

KSEK	2024-12-31	2023-12-31	
ASSETS			
Non-current assets			
Financial fixed assets			
Shares in subsidiaries	380 565	328 971	
Receivables from group companies	79 492	51 325	
Total non-current assets	460 057	380 296	
Current assets			
Current receivables			
Receivables from group companies	212	297	
Other receivables	95	156	
Prepayments and accrued income	242	324	
	549	777	
Cash and bank balances	5 935	27 777	
Total current assets	6 484	28 554	
TOTAL ASSETS	466 541	408 850	
EQUITY AND LIABILITIES			
Equity			
Share capital	3 438	2 380	
Other capital contributed	461 966	411 373	
Balanced profit or loss	-5 649	-5 224	
Employee stock options	355	22	
Result for the period	412	-425	
Total equity	460 522	408 126	
Current liabilities			
Account payables	299	83	
Other liabilities	5 000	0	
Accrued costs and prepaid income	720	641	
Total current liabilities	6 019	724	
TOTAL EQUITY AND LIABILITIES	466 541	408 850	

# Statement of changes in equity Parent company Freemelt Holding AB (publ)

			Retained earnings	
		Other capital	incl. this period's	Total
KSEK	Share capital	contributed	result	equity
Opening balance 2024-01-01	2 380	411 373	-5 627	408 126
Share issue	1058	50 593		51 651
Employee stock options			333	333
Result for the period			412	412
Closing balance 2024-12-31	3 438	461 966	-4 882	460 522
Opening balance 2023-01-01	1830	347 205	-5 224	343 811
Share issue	550	64 168		64 718
Employee stock options			22	22
Result for the period			-425	-425
Cloasing balance 2023-12-31	2 380	411 373	-5 627	408 126

# Additional information

### **Risks and uncertainties**

Freemelt is in a growth and development phase where costs exceed net sales. This is the main reason for the company's negative result and cash flow.

Risks and uncertainties are described in more detail in the group's annual report 2023 and the upcoming annual report 2024.

### **Accouting principles**

The group and parent company apply the Annual Accounts Act and BFNAR 2012:1 Annual Accounts and Group accounting rules (K3).

### **Options**

The group has outstanding warrants and employee stock options. Maximum dilution from all programs as of year end amount to approximately 8.6% based on the number of shares after full subscription.

### The share

Freemelt Holding AB (publ) has been listed on the Nasdaq First North Growth Market since July 7, 2021. The company is traded under the short name "FREEM" with ISIN code SE0011167170. Eminova Fondkommission is Freemelt Holding's Certified Adviser.

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### **Financial reports**

Financial reports are available on the company's website, www.freemelt.com, on the same day as they are published.

### **Audit**

The present report has not been subject to review by the company's auditor.

# The Board's assurance

The Board and the Managing Director hereby certify that the quarterly report provides a fair overview of the parent company and the group's operations, financial position and results.

Gothenburg on 28 March, 2025 Freemelt Holding AB (publ).

### Carl Palmstierna

Chairman of the Board

**Lottie Saks** Mikael Wahlsten Cecilia Jinert Johansson Board member Board member Board member

Per Anell Johannes Henrich Schleifenbaum **Daniel Gidlund** Board member Board member Managing Director & CEO



# Other information

### Financial calender

Annual report 2024, April 30, 2025 Annual General Meeting May 21, 2025

Q1 2025 Interim report May 6, 2025 Q2 2025 Interim report August 5, 2025 Q3 2025 Interim report November 4, 2025 Q4 2025 Interim report February 19, 2026

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