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

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: **001-34611**

CELSIUS HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Nevada	**20-2745790**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2424 N Federal Highway, Suite 208, Boca Raton, Florida	**33431**
(Address of principal executive offices)	(Zip Code)

(561) 276-2239
(Registrant's telephone number, including area code)

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.001 par value	CELH	Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 30, 2024, the registrant had 233,067,644 shares of its common stock, $0.001 par value per share, outstanding.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Celsius Holdings, Inc.
Consolidated Balance Sheets
(In thousands, except share and per share amounts) (Unaudited)

	June 30, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 903,210	$ 755,981
Accounts receivable-net	262,920	183,703
Note receivable-current-net	1,166	2,318
Inventories-net	180,669	229,275
Deferred other costs-current	14,124	14,124
Prepaid expenses and other current assets	22,900	19,503
Total current assets	1,384,989	1,204,904
Property and equipment-net	36,282	24,868
Deferred tax assets	22,727	29,518
Right of use assets-operating leases	1,507	1,957
Right of use assets-finance leases	233	208
Deferred other costs-non-current	241,276	248,338
Intangibles-net	11,491	12,139
Goodwill	13,730	14,173
Other long-term assets	6,653	291
Total Assets	**$ 1,718,888**	**$ 1,536,396**
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 47,423	$ 42,840
Accrued expenses	79,633	62,120
Income taxes payable	5,374	50,424
Accrued promotional allowance	156,479	99,787
Lease liability obligation-operating leases-current	729	980
Lease liability obligation-finance leases	61	59
Deferred revenue-current	9,513	9,513
Other current liabilities	13,772	10,890
Total current liabilities	312,984	276,613
Lease liability obligation-operating leases-non-current	762	955
Lease liability obligation-finance leases-non-current	228	193
Deferred tax liabilities	2,201	2,880
Deferred revenue-non-current	162,471	167,227
Total Liabilities	**478,646**	**447,868**
Commitments and contingencies (Note 15)		
Mezzanine Equity:		
Series A convertible preferred stock, $0.001 par value per share, 5% cumulative dividends; 1,466,666 shares issued and outstanding at each of June 30, 2024 and December 31, 2023, aggregate liquidation preference of $550,000 as of both June 30, 2024 and December 31, 2023	824,488	824,488
Stockholders' Equity:		
Common stock, $0.001 par value per share; 300,000,000 shares authorized, 233,344,377 and 231,787,482 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively	78	77
Additional paid-in capital	286,173	276,717
Accumulated other comprehensive loss	(2,363)	(701)
Retained earnings (accumulated deficit)	131,866	(12,053)
Total Stockholders' Equity	415,754	264,040
Total Liabilities, Mezzanine Equity and Stockholders' Equity	**$ 1,718,888**	**$ 1,536,396**

The accompanying notes are an integral part of these unaudited consolidated financial statements

Celsius Holdings, Inc.
Consolidated Statements of Operations and Comprehensive Income
(In thousands, except per share amounts)
(Unaudited)

	For The Three Months Ended June 30,		For The Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Revenue	$ 401,977	$ 325,883	$ 757,685	$ 585,822
Cost of revenue	192,879	166,889	366,380	313,010
Gross profit	209,098	158,994	391,305	272,812
Selling, general and administrative expenses	114,850	94,181	213,867	163,086
Income from operations	**94,248**	**64,813**	**177,438**	**109,726**
Other income (expense):				
Interest income on note receivable	—	28	28	73
Interest income, net	10,647	5,545	20,259	10,469
Foreign exchange loss	(264)	(931)	(633)	(1,049)
Total other income	**10,383**	**4,642**	**19,654**	**9,493**
Net income before provision for income taxes	**104,631**	**69,455**	**197,092**	**119,219**
Provision for income taxes	(24,848)	(17,946)	(39,498)	(26,483)
Net income	**$ 79,783**	**$ 51,509**	**$ 157,594**	**$ 92,736**
Dividends on Series A convertible preferred stock	(6,838)	(6,856)	(13,675)	(13,637)
Income allocated to participating preferred stock	(6,289)	(3,890)	(12,417)	(6,898)
Net income attributable to common stockholders	**$ 66,656**	**$ 40,763**	**$ 131,502**	**$ 72,201**
Other comprehensive (loss) income:				
Foreign currency translation adjustments, net of income tax	(308)	(590)	(1,662)	4
Comprehensive income	**$ 66,348**	**$ 40,173**	**$ 129,840**	**$ 72,205**
Earnings per share[(1)]:				
Basic	$ 0.29	$ 0.18	$ 0.56	$ 0.31
Diluted	$ 0.28	$ 0.17	$ 0.55	$ 0.31
Weighted average shares outstanding[(1)]:				
Basic	233,197	230,535	232,979	230,277
Diluted	237,595	236,832	237,569	236,577

[(1)] Forward Stock Split - The accompanying consolidated financial statements and notes thereto have been retrospectively adjusted to reflect the three-for-one stock split that became effective on November 13, 2023. See Note 2. Basis of Presentation and Summary of Significant Accounting Policies for more information.

The accompanying notes are an integral part of these unaudited consolidated financial statements

Celsius Holdings, Inc.
Consolidated Statements of Changes in Stockholders' Equity and Mezzanine Equity
(In thousands)
(Unaudited)

	Stockholders' Equity						Mezzanine Equity	
	Common Stock							
	Shares	Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity	Preferred Stock	Amount
Balance at December 31, 2023	**231,787**	**$ 77**	**$ 276,717**	**$ (701)**	**$ (12,053)**	**$ 264,040**	**1,467**	**$ 824,488**
Stock-based compensation	—	—	3,563	—	—	3,563	—	—
Stock option exercises, RSUs and PSUs converted to common stock	1,283	1	967	—	—	968	—	—
Dividends paid on Series A convertible preferred stock ($4.66 per share)	—	—	—	—	(6,837)	(6,837)	—	—
Foreign currency translation	—	—	—	(1,354)	—	(1,354)	—	—
Net income	—	—	—	—	77,811	77,811	—	—
Balance at March 31, 2024	**233,070**	**$ 78**	**$ 281,247**	**$ (2,055)**	**$ 58,921**	**$ 338,191**	**1,467**	**$ 824,488**
Stock-based compensation	—	—	4,746	—	—	4,746	—	—
Stock option exercises, RSUs and PSUs converted to common stock	274	—	180	—	—	180	—	—
Dividends paid on Series A convertible preferred stock ($4.66 per share)	—	—	—	—	(6,838)	(6,838)	—	—
Foreign currency translation	—	—	—	(308)	—	(308)	—	—
Net income	—	—	—	—	79,783	79,783	—	—
Balance at June 30, 2024	**233,344**	**$ 78**	**$ 286,173**	**$ (2,363)**	**$ 131,866**	**$ 415,754**	**1,467**	**$ 824,488**

The accompanying notes are an integral part of these unaudited consolidated financial statements

Celsius Holdings, Inc.
Consolidated Statements of Changes in Stockholders' Equity and Mezzanine Equity
(In thousands)
(Unaudited)

	Stockholders' Equity						Mezzanine Equity	
	Common Stock							
	Shares[1]	Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity	Preferred Stock	Amount
Balance at December 31, 2022	**229,147**	**$ 76**	**$ 280,668**	**$ (1,881)**	**$ (238,772)**	**$ 40,091**	**1,467**	**$ 824,488**
Adoption of accounting standard	—	—	—	—	(82)	(82)	—	—
Stock-based compensation	—	—	5,507	—	—	5,507	—	—
Stock option exercises, RSUs and PSUs converted to common stock	1,200	1	478	—	—	479	—	—
Dividends paid on Series A convertible preferred stock ($4.62 per share)	—	—	(6,781)	—	—	(6,781)	—	—
Foreign currency translation	—	—	—	594	—	594	—	—
Net income	—	—	—	—	41,227	41,227	—	—
Balance at March 31, 2023	**230,347**	**$ 77**	**$ 279,872**	**$ (1,287)**	**$ (197,627)**	**$ 81,035**	**1,467**	**$ 824,488**
Stock-based compensation	—	—	5,735	—	—	5,735	—	—
Stock option exercises, RSUs and PSUs converted to common stock	306	—	229	—	—	229	—	—
Dividends paid on Series A convertible preferred stock ($4.67 per share)	—	—	(6,856)	—	—	(6,856)	—	—
Foreign currency translation	—	—	—	(590)	—	(590)	—	—
Net income	—	—	—	—	51,509	51,509	—	—
Balance at June 30, 2023	**230,653**	**$ 77**	**$ 278,980**	**$ (1,877)**	**$ (146,118)**	**$ 131,062**	**1,467**	**$ 824,488**

[1] Forward Stock Split - The accompanying consolidated financial statements and notes thereto have been retrospectively adjusted to reflect the three-for-one stock split that became effective on November 13, 2023. See Note 2. Basis of Presentation and Summary of Significant Accounting Policies for more information.

The accompanying notes are an integral part of these unaudited consolidated financial statements

Celsius Holdings, Inc.
Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	For The Six Months Ended June 30,	
	2024	**2023**
Cash flows from operating activities:		
Net income	$ 157,594	$ 92,736
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,648	1,247
Allowance for expected credit losses	4,072	1,088
Amortization of deferred other costs	7,062	7,062
Inventory excess and obsolescence	11,554	(3,888)
Loss on disposal of property and equipment	31	191
Stock-based compensation expense	8,309	11,242
Deferred income taxes-net	6,112	(41,044)
Foreign exchange loss	633	206
Changes in operating assets and liabilities:		
Accounts receivable-net	(82,213)	(135,600)
Inventories-net	37,052	24,632
Prepaid expenses and other current assets	(3,469)	(12,058)
Accounts payable	3,950	(10,209)
Accrued expenses	17,760	(2,282)
Income taxes payable	(44,978)	57,605
Accrued promotional allowance	56,692	62,995
Accrued distributor termination fees	(248)	(3,986)
Other current liabilities	2,884	3,523
Change in right of use and lease obligation-net	(34)	(38)
Deferred revenue	(4,757)	(8,219)
Other long-term assets	(6,362)	8
Net cash provided by operating activities	**174,292**	**45,211**
Cash flows from investing activities:		
Collections from note receivable	—	3,233
Purchase of property and equipment	(13,739)	(6,810)
Net cash used in investing activities	**(13,739)**	**(3,577)**
Cash flows from financing activities:		
Principal payments on finance lease obligations	(30)	(22)
Proceeds from exercise of stock options	1,147	707
Cash dividends paid on Series A convertible preferred stock	(13,675)	(13,637)
Net cash used in financing activities	**(12,558)**	**(12,952)**
Effect of exchange rate changes on cash and cash equivalents	(766)	(555)
Net increase in cash and cash equivalents	**147,229**	**28,127**
Cash and cash equivalents at beginning of the period	755,981	652,927
Cash and cash equivalents at end of the period	**$ 903,210**	**$ 681,054**
Supplemental disclosures:		
Cash paid for:		
Taxes	$ 78,170	$ 10,033

The accompanying notes are an integral part of these unaudited consolidated financial statements

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Business Overview

Celsius Holdings, Inc. (the "Company," "Celsius Holdings" or "Celsius") was incorporated under the laws of the State of Nevada on April 26, 2005.

Celsius is a fast-growing company in the functional energy drink category in the United States ("U.S.") and internationally. The Company engages in the development, processing, marketing, sale, and distribution of functional energy drinks to a broad range of consumers. Celsius provides differentiated products that offer clinically proven and innovative formulas meant to positively impact the lives of its consumers. The Company's brand has also proven to be attractive to a broad range of customers, including fitness enthusiasts.

The Company's flagship asset, CELSIUS®, is marketed as a premium lifestyle and energy drink formulated to power active lifestyles with ESSENTIAL ENERGY™. This product line comes in two versions, a 12-ounce ready-to-drink form and an on-the-go powder form. The Company also offers a CELSIUS® Essentials line, available in 16-ounce cans. Celsius products are currently offered in major retail channels across the U.S., including conventional grocery, natural, convenience, fitness, mass market, vitamin specialty and e-commerce. Additionally, the Company's products are currently offered in certain Canadian, European, Middle Eastern and Asia-Pacific markets.

Agreements with PepsiCo Inc.

On August 1, 2022, the Company entered into multiple agreements with PepsiCo Inc. ("Pepsi"), including a long-term agreement that resulted in Pepsi becoming the primary distribution supplier for Celsius products in the U.S. (the "Distribution Agreement"). Under this agreement, the Company granted Pepsi a right of first offer in the event the Company intends to manufacture, distribute or sell products in certain additional countries or channels during the term of the agreement.

In connection with entering into the foregoing agreements, the Company issued and sold to Pepsi approximately 1.5 million shares of the Company's Series A Convertible Preferred Stock ("Series A" or "Series A Preferred Stock") in exchange for cash proceeds of $550 million, excluding transaction costs. For additional information regarding the Company's agreements with Pepsi, see Note 4. *Revenue*, Note 11. *Related Party Transactions*, and Note 12. *Mezzanine Equity*.

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation — The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, the consolidated financial statements do not include all of the information and notes required by U.S. GAAP for annual audited consolidated financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The results for the three and six months ended June 30, 2024 are not necessarily indicative of the results expected for any future period or the full year. These unaudited consolidated financial statements have been prepared on a basis that is substantially consistent with the accounting principles applied in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as filed by the Company with the Securities and Exchange Commission (the "2023 Annual Report"). These consolidated financial statements and the accompanying notes should be read in conjunction with the 2023 Annual Report. The consolidated financial statements of the Company include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in accordance with U.S. GAAP.

Certain prior period amounts have been reclassified to conform with the current period's presentation in the consolidated financial statements and notes thereto. Specifically, Accounts payable and Accrued expenses were previously combined and are now presented as separate line items located in the consolidated balance sheets and the consolidated statements of cash flows.

Common Stock Split — On November 13, 2023, the Company effected a three-for-one stock split to stockholders of record on such date (the "Forward Stock Split"). For clarity and consistency in financial reporting, all shares, restricted stock units, performance stock units, stock options, and per share amounts presented in the accompanying consolidated financial statements and these notes have been retrospectively adjusted to account for the effects of the stock split for all periods presented.

(Tabular dollars in thousands, except per share amounts)

Significant Estimates — The preparation of consolidated financial statements and accompanying disclosures in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future, actual results may differ from those estimates. Significant estimates include promotional allowance, the allowance for current expected credit losses, allowance for inventory obsolescence and sales returns, the useful lives of property and equipment, impairment of goodwill and intangibles, deferred taxes and related valuation allowance, and the valuation of stock-based compensation.

Segment Reporting — Operating segments are defined as components of an enterprise that engage in business activities, maintain discrete financial information, and undergo regular review by the chief operating decision maker (the "CODM"), who is the Chief Executive Officer, to assess performance and allocate resources.

Despite the Company's presence in several geographical regions, it operates as a single operating segment. The Company's operations and strategies are centrally designed and executed due to the substantial similarities among the geographical components. The CODM evaluates operating results and allocates resources primarily on a consolidated basis due to the significant economic interdependencies between the Company's geographical operations. As a result, the Company is managed as a single operating segment and has a single reportable segment.

Concentrations of Risk — Substantially all of the Company’s revenue is derived from the sale of Celsius® functional energy drinks and liquid supplements.

Revenue from customers accounting for more than 10% of total revenue for the three and six months ended June 30, 2024 and 2023 was as follows:

	For The Three Months Ended June 30,		For The Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Pepsi	52.9 %	56.7 %	55.8 %	58.3 %
Costco	12.1 %	13.0 %	11.2 %	12.9 %
All others	35.0 %	30.3 %	33.0 %	28.8 %
Total	**100.0 %**	**100.0 %**	**100.0 %**	**100.0 %**

Accounts Receivable — As of June 30, 2024 and December 31, 2023, Pepsi was the only customer with a balance greater than 10% of total accounts receivable. The accounts receivable balance due from Pepsi represented 63.6% and 69.0% of total accounts receivable as of June 30, 2024 and December 31, 2023, respectively.

Financial instruments that potentially subject the Company to concentrations of credit risk primarily include cash and cash equivalents, and accounts receivable. The Company ensures that its cash and cash equivalents are held with reputable financial institutions to mitigate this risk. As of June 30, 2024 and December 31, 2023, the Company had approximately $902.7 million and $755.5 million, respectively, in excess of the Federal Deposit Insurance Corporation limit.

Cash Equivalents — The Company considers all highly liquid instruments with original maturities of three months or less when purchased to be cash equivalents. As of June 30, 2024 and December 31, 2023, the Company did not hold any instruments with original maturities exceeding three months.

Accounts Receivable and Current Expected Credit Losses — The Company is exposed to potential credit risks associated with its product sales and related accounts receivable, as it generally does not require collateral from its customers. The Company’s expected loss allowance methodology for accounts receivable is determined using historical collection experience, current and expected future economic and market conditions, a review of the current status of customers’ trade accounts receivables, and where available, a review of the financial condition and credit ratings of larger customers, including credit reports. Customers are pooled based on having specific risk factors in common, and the Company reassesses these customer pools on a periodic basis. The receivables allowance is based on aging of the accounts receivable balances and estimated credit loss percentages. . The Company uses the probability of default and forward-looking information to assess credit risk and estimate expected credit losses for its note receivable related to Qifeng Food Technology (Beijing) Co. Ltd ("Qifeng"). See Note 7. Note Receivable for more information on Qifeng and the note receivable.

(Tabular dollars in thousands, except per share amounts)

Allowances can be affected by changes in the industry, customer credit issues or customer bankruptcies when such events are reasonable and supportable. Historical information is used in addition to reasonable and supportable information for forecast periods, where applicable.

	Allowance for Expected Credit Losses
Balance as of December 31, 2023	$ 3,137
Current period change for expected credit losses	4,044
Balance as of June 30, 2024	**$ 7,181**

Inventories — Inventories are valued at the lower of cost or net realizable value with costs approximating those determined under the first-in, first-out method. Changes in the allowance are included in cost of revenue. See *Note 5. Inventories* for more information.

Property and Equipment — Property and equipment are stated at cost less accumulated depreciation. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful life of the asset, generally ranging from three to seven years. See *Note 8. Property and Equipment* for more information.

Long-Lived Assets — In accordance with ASC Topic 360, *Property, Plant, and Equipment* the Company reviews the carrying value of long-lived assets, which includes property and equipment-net, right-of-use assets, and definite-lived intangibles-net, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognized for a long-lived asset if its carrying amount is not recoverable and exceeds its fair value. The carrying amount is not recoverable when it exceeds the sum of the undiscounted cash flows expected to result from use of the asset over its remaining useful life and final disposition. The Company did not record any impairment charges related to long-lived assets during the six months ended June 30, 2024 and 2023.

Long-Lived Asset Geographic Data — The following table sets forth long-lived asset information, which includes property and equipment-net, right-of-use assets, and definite-lived intangibles-net and excludes goodwill and indefinite-lived intangibles, for individual countries that represent a significant portion of the total:

	June 30, 2024	December 31, 2023
North America	$ 34,894	$ 24,316
Finland	11,591	12,153
Sweden	2,550	2,212
Other	30	29
Long-lived assets related to foreign operations	14,171	14,394
Total long-lived assets-net	**$ 49,065**	**$ 38,710**

Other Current Liabilities — Other current liabilities consisted of various state beverage container deposits and VAT/GST payables. As of June 30, 2024 and December 31, 2023, state beverage container deposits payables were $11.6 million and $10.1 million, respectively. As of June 30, 2024 and December 31, 2023, VAT/GST payables were $2.1 million and $0.8 million, respectively.

Deferred Revenue — The Company receives payments from certain distributors in new territories as reimbursement for contract termination costs paid to the prior distributors in those territories. Amounts received pursuant to these new or amended distribution agreements entered into with certain distributors relating to the costs associated with terminating the Company's prior distributors are accounted for as deferred revenue and recognized ratably over the anticipated life of the respective new or amended distribution agreements.

Revenue Recognition — The Company recognizes revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers*. Revenue is recognized when performance obligations under the terms of a contract with the customer are satisfied. Product sales occur once control is transferred based on the commercial terms of the customer. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods. See Note 4. *Revenue* for more information.

Distributor Termination Fees — In the event a distributor agreement is terminated prior to the end of its term, the Company incurs termination costs which are recorded in selling, general and administrative expenses. The Company incurred only immaterial termination costs during each of the three and six months ended June 30, 2024 and during each of the three and six months ended June 30, 2023.

Advertising Costs — Advertising costs are expensed as incurred and charged to selling, general and administrative expenses. The Company mainly uses targeted marketing initiatives, such as sporting events, print, radio, and television advertising, alongside direct sponsorships and endorsements. The Company incurred advertising costs of approximately $59.4 million and $36.5 million for the three months ended June 30, 2024 and 2023, respectively. During the six months ended June 30, 2024 and 2023, the Company incurred advertising costs of approximately $105.9 million and $67.5 million, respectively.

Research and Development — Research and development costs are charged to selling, general and administrative expenses as incurred and consist primarily of consulting fees, raw material usage and test production of beverages. The Company incurred expenses of approximately $0.2 million for each of the three months ended June 30, 2024 and 2023, and approximately $0.5 million for each of the six months ended June 30, 2024 and 2023.

Foreign Currency Gain/Loss — The Company's foreign subsidiaries' functional currencies are the local currencies of the country where operations are located. The net assets of foreign operations are translated into U.S. dollars using current exchange rates. The Company's foreign subsidiaries perform remeasurements of their assets and liabilities denominated in non-functional currencies on a periodic basis, and the gain or loss from these adjustments related to the fluctuations in foreign exchange rates versus the U.S. dollar are included in the consolidated statements of operations and comprehensive income as foreign exchange gain (loss). For the three months ended June 30, 2024 foreign exchange loss was approximately $0.3 million versus foreign exchange loss of $0.9 million for the three months ended June 30, 2023. For the six months ended June 30, 2024, the Company recognized net foreign exchange loss of $0.6 million versus an exchange loss of approximately $1.0 million, for the six months ended June 30, 2023.

Translation gains and losses that arise from the translation of net assets from functional currency to the reporting currency, as well as exchange gains and losses on intercompany balances of a long-term investment nature, are included in other comprehensive income (loss) as foreign currency translation gain (loss), net of income tax. The Company experienced a foreign currency translation net loss for the three months ended June 30, 2024 of $0.3 million and a net loss of $0.6 million for the three months ended June 30, 2023. The Company incurred a net foreign currency translation loss of $1.7 million for the six months ended June 30, 2024 and an immaterial net gain for the six months ended June 30, 2023.

The Company's operations in different countries required that it primarily transacted in the following currencies:

China - Yuan,
Hong Kong - Hong Kong Dollar,
Sweden - Krona,
Finland - Euro,
United Kingdom - Pound Sterling, and
Canada - Canadian Dollar

Fair Value of Financial Instruments — ASC 820, *Fair Value Measurement* ("ASC 820") defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below:

Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The carrying value of cash and cash equivalents, accounts receivable, accounts payable, other current liabilities, note receivable and accrued expenses approximate fair value due to their relative short-term maturity and market interest rates.

Income Taxes — The Company accounts for income taxes pursuant to the provisions of ASC Topic 740, *Accounting for Income Taxes*. This approach requires, among other things, an asset and liability approach to calculating deferred income taxes, and recognizing deferred tax assets and liabilities for expected future tax consequences stemming from temporary differences between asset and liability carrying amounts and their tax bases.

A valuation allowance is established to offset any net deferred tax assets for which management believes it is more-likely-than-not that the net deferred asset will not be realized.

Earnings per Share — The Company computes earnings per share ("EPS") in accordance with ASC Topic 260, *Earnings per Share* (“ASC 260”), which requires that basic earnings per share of common stock are computed by dividing income or loss available to common stockholders by the weighted average number of shares of common stock outstanding. It also requires companies with different classes of stock (e.g., common stock and participating preferred stock) to calculate EPS using the two-class method. The two-class method is an allocation of earnings (distributed and undistributed) between the holders of common stock and a company’s participating preferred stockholders. Under the two-class method, earnings for the reporting period are allocated between common stockholders and other security holders based on their respective participation rights in undistributed earnings.

The Company also computes diluted EPS, which accounts for the impact of potentially dilutive securities on EPS. Dilutive EPS includes the effect of all potentially dilutive shares of common stock that were outstanding during the period. Such dilutive securities may include RSUs, PSUs, options, and convertible preferred stock. For the computation of diluted EPS, the numerator is adjusted for the reallocation of earnings to participating securities, reflecting the impact of potentially dilutive securities. The denominator is adjusted to include the weighted average number of additional shares of common stock that would have been outstanding if potentially dilutive shares of common stock had been issued. See Note 3. *Earnings per Share* for more information.

Stock-Based Compensation — The Company follows the provisions of ASC Topic 718, *Compensation — Stock Compensation* ("ASC 718") and related interpretations. As such, compensation cost is measured on the date of grant at the fair value of the share-based payments. Such compensation amounts, if any, are amortized over the respective vesting periods of the grants. See Note 14. *Stock-Based Compensation* for more information.

Cost of Revenue — Cost of revenue consists of the costs of raw materials, which includes concentrates and liquid bases, co-packing fees, repacking fees, in-bound and out-bound freight charges, certain internal transfer costs, warehouse expenses incurred prior to the manufacturing of the Company’s finished products, inventory allowance for excess and obsolete products, and certain quality control costs. Raw materials account for the largest portion of the cost of revenue. Raw materials include cans, other containers, flavors, ingredients and packaging materials.

Shipping and Handling Costs — Shipping and handling costs for freight charges on goods shipped are included in cost of revenue. Freight expense on goods shipped for the three months ended June 30, 2024 and 2023 was approximately $14.2 million and $14.9 million, respectively. During the six months ended June 30, 2024 and 2023, the Company incurred freight expenses on goods shipped of approximately $28.4 million and $29.1 million, respectively.

Selling, General and Administrative Expenses — Selling, general and administrative expenses include various operating expenses such as warehousing costs after manufacturing, expenses for advertising, samplings and in-store demonstrations, costs for merchandise displays, point-of-sale materials and premium items, sponsorship expenses, other marketing expenses and design expenses. Selling, general and administrative expenses also include costs such as payroll costs, travel costs, professional service fees (including legal fees), depreciation and other selling, general and administrative costs.

Recently Adopted Accounting Pronouncements

The Company adopts all applicable new accounting pronouncements as of the specified effective dates.

Recently Issued Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board (the "FASB") introduced ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which enhances Segment Reporting disclosures. This update mandates detailed disclosures on key segment expenses and other items, including segment profit or loss measures. It also requires that companies with a single reportable segment provide comprehensive Topic 280 disclosures. The effective date is for fiscal years beginning after December 15, 2023, and interim periods in fiscal years after December 15, 2024, with retrospective application to all periods presented. The Company expects ASU 2023-07 to impact only disclosures with no effect on the Company's financial condition, results of operations or cash flows.

(Tabular dollars in thousands, except per share amounts)

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, introducing changes to income tax disclosures, primarily relating to effective tax rates and cash paid for taxes. This ASU requires companies to provide an annual rate reconciliation in both dollar figures and percentages, and changes the way annual income taxes paid are disclosed by all entities, necessitating a breakdown by federal, state, and foreign jurisdictions. The standard is effective for public business entities for fiscal years beginning after December 15, 2024. Prospective application is permitted. The Company expects ASU 2023-09 to impact only disclosures with no effect on the Company's financial condition, results of operations or cash flows.

3. EARNINGS PER SHARE

The Company's Series A Preferred Stock is classified as a participating security in accordance with ASC 260. Net income allocated to the holders of Series A Preferred Stock is based on the Series A stockholders' proportionate share of weighted average shares of common stock outstanding on an if-converted basis.

For purposes of determining diluted earnings per common share, basic earnings per common share was adjusted to include the effect of potentially dilutive common shares outstanding. These potentially dilutive shares include unvested restricted stock and performance-based stock units. The more dilutive of the two-class method or the treasury method is used for this adjustment. Additionally, Series A Preferred Stock is included using the if-converted method.

Under the two-class method, net income is reallocated to common stock, the Series A Preferred Stock, and all potentially dilutive securities based on the contractual participating rights of the respective securities to share in the current earnings as if all of the earnings for the period had been distributed.

	For The Three Months Ended June 30,		For The Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator:				
Net income	$ 79,783	$ 51,509	$ 157,594	$ 92,736
Dividends on Series A convertible preferred stock	(6,838)	(6,856)	(13,675)	(13,637)
Income allocated to participating preferred stock	(6,289)	(3,890)	(12,417)	(6,898)
Net income attributable to common stockholders	**$ 66,656**	**$ 40,763**	**$ 131,502**	**$ 72,201**
Effect of dilutive securities:				
Allocation of earnings to participating securities	$ 6,289	$ 3,890	$ 12,417	$ 6,898
Reallocation of earnings to participating securities	(6,181)	(3,795)	(12,197)	(6,727)
Net income available to common stockholders after assumed conversions	**$ 66,764**	**$ 40,858**	**$ 131,722**	**$ 72,372**
Denominator:				
Weighted average basic common shares outstanding	233,197	230,535	232,979	230,277
Dilutive effect of common shares	4,398	6,297	4,590	6,300
Weighted average diluted common shares outstanding	**237,595**	**236,832**	**237,569**	**236,577**
Earnings per share:				
Basic	$ 0.29	$ 0.18	$ 0.56	$ 0.31
Dilutive	$ 0.28	$ 0.17	$ 0.55	$ 0.31

(Tabular dollars in thousands, except per share amounts)

For each of the three and six months ended June 30, 2024 and June 30, 2023, 22.0 million potentially dilutive securities were excluded from the computation of diluted earnings per share related to common stockholders, as their effect was antidilutive.

4. REVENUE

The Company recognizes revenue when performance obligations under the terms of a contract with the customer are satisfied. The primary performance obligation is the promise to sell finished products to customers, including distributors, wholesalers, and retailers. Product sales occur once control or title is transferred based on the commercial terms of the applicable agreements with customers, and traditionally such agreements do not allow for a right of return. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods. Product sales are recorded net of variable consideration, such as provisions for returns, discounts and allowances. Such provisions are calculated using historical averages and adjusted for any expected changes due to current business conditions. Consideration given to customers for cooperative advertising is recognized as a reduction of revenue except to the extent that there is a distinct good or service, in which case the expense is classified as selling, general and administrative expenses, in the Company's consolidated statements of operations and comprehensive income. The amount of consideration the Company receives and revenue the Company recognizes varies with changes in incentives the Company offers to its customers and their customers.

Information about the Company's net sales by geographical location for the three and six months ended June 30, 2024 and 2023 is as follows:

	For The Three Months Ended June 30,		For The Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
North America	$ 382,351	$ 310,815	$ 721,863	$ 559,367
Europe	16,684	11,909	30,826	20,561
Asia-Pacific	860	1,606	1,535	2,864
Other	2,082	1,553	3,461	3,030
Net sales	**$ 401,977**	**$ 325,883**	**$ 757,685**	**$ 585,822**

All of the Company's North America revenue is derived from the United States and Canada.

Sweden represented the largest foreign portion of total consolidated revenue, accounting for approximately $11.3 million and $7.9 million for the three months ended June 30, 2024 and 2023, respectively, and approximately $21.2 million and $13.4 million for the six months ended June 30, 2024 and 2023, respectively.

Promotional (Billback) Allowances

The Company's promotional allowance programs with its distributors or retailers are executed through separate agreements in the ordinary course of business (variable consideration). These agreements provide for one or more of the arrangements described below and are of varying duration. The Company's billbacks are calculated based on various programs with distributors and retail customers, and accruals are established for the Company's anticipated liabilities. These accruals are based on agreed upon terms as well as the Company's historical experience with similar programs and require management's judgment with respect to estimating consumer participation and distributor and retail customer performance levels. Differences between estimated and actual promotional and other allowances are recognized in the period such differences are determined.

Promotional allowances are recorded as reductions to revenue and primarily include consideration given to the Company's distributors or retail customers including, but not limited to the following:

- discounts from list prices to support price promotions to end-consumers by retailers;
- reimbursements given to the Company's distributors for agreed portions of their promotional spend with retailers, including slotting, shelf space allowances and other fees for both new and existing products;
- the Company's agreed share of fees given to distributors and/or directly to retailers for advertising, in-store marketing and promotional activities;
- the Company's agreed share of slotting, shelf space allowances and other fees given directly to retailers, club stores and/or wholesalers;

- incentives given to the Company's distributors and/or retailers for achieving or exceeding certain predetermined volume goals or other incentive targets;
- discounted products;
- contractual fees given to the Company's distributors related to sales made directly by the Company to certain customers that fall within the distributors' sales territories; and
- contractual fees given to distributors for items sold below defined pricing targets.

For the three months ended June 30, 2024 and 2023, promotional allowance included as a reduction of revenue was $121.4 million and $86.4 million, respectively. For the six months ended June 30, 2024 and 2023, promotional allowance included as a reduction of revenue was $216.4 million and $151.9 million, respectively.

Accrued promotional allowances were $156.5 million and $99.8 million as of June 30, 2024 and December 31, 2023, respectively.

Agreements with Pepsi

The Company executed multiple agreements with Pepsi on August 1, 2022, including the Distribution Agreement relating to the sale and distribution of certain of the Company's beverage products in existing channels and distribution methods in the U.S., excluding certain existing customer accounts and sales channels, Puerto Rico and the U.S. Virgin Islands (collectively, the "Territory"). Under the Distribution Agreement, the Company granted Pepsi the right to sell and distribute its existing beverage products in existing channels and distribution methods and future beverage products that are added from time to time as licensed products under the Distribution Agreement in the Territory. The Distribution Agreement represents a master service agreement and can be cancelled by either party without cause in the nineteenth year of the term (i.e., 2041), the twenty-ninth year of the term (i.e., 2051) and in each 10th year thereafter (i.e., 2061, 2071, etc.) by providing 12 months' written notice to the other party on August 1st of the year preceding the year of termination. Except for a termination by the Company "with cause" or a termination by Pepsi "without cause," (each as defined in the Distribution Agreement), the Company is required to pay Pepsi certain compensation upon a termination as specified in the Distribution Agreement.

The Company agreed to provide Pepsi a right of first offer in the event the Company intends to (i) manufacture, distribute or sell products in certain additional countries as specified in the Distribution Agreement or (ii) distribute or sell products in any future channels and distribution methods during the term of the Distribution Agreement. Pepsi agreed to meet and confer in good faith with the Company regarding the terms and conditions upon which Pepsi may be willing to sell or distribute the Company's products, either directly or through local sub-distributors in certain other additional countries. The Distribution Agreement includes other customary provisions, including non-competition covenants in favor of the Company, representations and warranties, indemnification provisions, insurance provisions and confidentiality provisions. In the fourth quarter of 2023, under the terms of the Distribution Agreement, the Company and Pepsi agreed to extend distribution to the Canadian market, which commenced in January of 2024 with Pepsi serving as the exclusive distributor.

On August 1, 2022, the Company and Pepsi executed a transition agreement providing for the Company's transition of certain existing distribution rights in the Territory to Pepsi (the "Transition Agreement"). Under the terms of the Transition Agreement, Pepsi agreed to pay the Company up to $250 million in multiple tranches to facilitate the Company's transition of certain distribution rights to Pepsi. The Company received $227.8 million from Pepsi that were contractually restricted to be used only to pay termination fees due to other distributors; any excess cash received over amounts due to other distributors was required to be refunded to Pepsi. During 2023, $38.3 million of such funds were refunded to Pepsi. As of December 31, 2023, there was no refund liability owed to Pepsi.

On March 23, 2024, the Company entered into Amendment No. 1 to the Distribution Agreement with Pepsi, pursuant to which the Company will provide Pepsi with an incentive program designed to incentivize and compensate Pepsi for its continued focus on and actions to support the Company. These incentives are accounted for as promotional allowances and recorded as a reduction to revenue.

License Agreement

In January 2019, the Company entered into a license and repayment of investment agreement with Qifeng. Under the agreement, Qifeng was granted the exclusive license rights to manufacture, market and commercialize Celsius branded products in China. The term of the agreement is 50 years, with annual royalty fees due from Qifeng after the end of each calendar year. The royalty fees are based on a percentage of Qifeng's sales of Celsius branded products; however, the fees are fixed for the first five years of the agreement, totaling approximately $6.9 million combined, and then are subject to annual guaranteed minimums over the remaining term of the agreement.

(Tabular dollars in thousands, except per share amounts)

Under the agreement, the Company granted Qifeng exclusive license rights and provides ongoing support in product development, brand promotion and technical expertise. The ongoing support is integral to the exclusive license rights; therefore, the license and the support represent a combined, single performance obligation. The transaction price consists of the guaranteed minimums and the variable royalty fees, all of which are allocated to the single performance obligation.

The Company uses the passage of time to measure progress towards satisfying its performance obligation because of its ongoing efforts in providing the exclusive license rights, including providing continuous access, updates and support, to product development, brand promotion and technical expertise.

5. INVENTORIES

Inventories-net consists of the following:

	June 30, 2024	December 31, 2023
Finished goods	$ 150,026	$ 184,434
Raw materials	34,717	49,022
Less: Inventory reserve	(4,074)	(4,181)
Inventories-net	**$ 180,669**	**$ 229,275**

6. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets totaled approximately $22.9 million and $19.5 million as of June 30, 2024 and December 31, 2023, respectively, consisting mainly of prepaid advances to co-packers related to inventory production, prepaid advertising, prepaid insurance, prepaid slotting fees, and deposits on purchases.

7. NOTE RECEIVABLE

The note receivable from Qifeng consists of the following:

	June 30, 2024	December 31, 2023
Note receivable-current	$ 3,395	$ 3,471
Allowance for expected credit losses	(2,229)	(1,153)
Total	**$ 1,166**	**$ 2,318**

Effective January 1, 2019, the Company entered into two separate economic agreements relating to the commercialization of Celsius products in China (i.e., the Qifeng exclusive license rights agreement and the Qifeng repayment of investment agreement). See Note 4. *Revenue* for information regarding the license agreement with Qifeng.

In addition to the license agreement, Qifeng agreed to repay, over a five-year period, the marketing investments made by Celsius into the China market through 2018. The repayment, which was formalized via a note receivable from Qifeng (the "Note"), must be serviced even if the licensing agreement is cancelled or terminated. The Note is denominated in Chinese-Yuan.

The Note required annual principal and interest payments on March 31 of each year, with the final payment scheduled for 2024. In February 2024, the Company amended the Note and extended the final maturity date to December 31, 2024. The Note is recorded at amortized cost. Interest income generated from the Note is contained in the financial statement line item Interest income on note receivable in the consolidated statements of operations and comprehensive income.

The Company assesses the Note for impairment at each reporting period. This evaluation considers the probability that the Company will be unable to collect the scheduled principal and interest payments based on historical experience of Qifeng's ability to pay, the current economic environment, forward-looking information and other factors. As evidence of solvency for the Note, a stock certificate in Celsius Holdings, Inc. which amounts to 60,000 shares owned by an affiliate under common control of Qifeng is being held at a brokerage account. A letter of guarantee was executed with several restrictions regarding their shares. In particular, it was agreed that the stock would not be sold or transferred without the prior written consent from Celsius. There are other

(Tabular dollars in thousands, except per share amounts)

restrictions and agreements, which include that a statement of account will be provided to Celsius on a quarterly basis to confirm and validate the existence of the remaining shares.

8. PROPERTY AND EQUIPMENT

Property and equipment-net consists of the following:

	Estimated Useful Life in Years	June 30, 2024	December 31, 2023
Merchandising equipment - coolers	3-7	$ 34,844	$ 21,908
Office equipment	3-7	1,623	1,467
Vehicles	5	6,687	6,143
Less: accumulated depreciation		(6,872)	(4,650)
Total		**$ 36,282**	**$ 24,868**

Depreciation expense amounted to approximately $1.2 million and $0.6 million for the three months ended June 30, 2024 and 2023, respectively, and is reflected in selling, general and administrative expenses. Depreciation expense amounted to approximately $2.3 million and $1.0 million for the six months ended June 30, 2024 and 2023, respectively.

9. GOODWILL AND INTANGIBLES

At June 30, 2024 and December 31, 2023, goodwill was approximately $13.7 million and $14.2 million, respectively. The goodwill balance is subject to fluctuations as a result of changes in foreign exchange rates.

The carrying amount and accumulated amortization of intangible assets, net of the impact of foreign exchange rates, as of June 30, 2024 and December 31, 2023 were as follows:

	June 30, 2024	December 31, 2023
Definite-lived intangible assets		
Customer relationships	$ 13,467	$ 13,911
Less: accumulated amortization	(2,424)	(2,233)
Definite-lived intangible assets-net	$ 11,043	$ 11,678
Indefinite-lived intangible assets		
Brands	$ 448	$ 461
Intangibles-net	**$ 11,491**	**$ 12,139**

As of June 30, 2024 and December 31, 2023, there were no indicators of goodwill or intangible asset impairment. Customer relationships are amortized over an estimated useful life of 25 years, while brands have an indefinite life. Amortization expense for each of the three months ended June 30, 2024 and 2023 was approximately $0.1 million. Amortization expense for each of the six months ended June 30, 2024 and 2023 was approximately $0.3 million. Amortization expense is included in selling, general and administrative expenses.

(Tabular dollars in thousands, except per share amounts)

The following is the future estimated annualized amortization expense related to customer relationships:

2024	$ 270
2025	539
2026	539
2027	539
2028	539
Thereafter	8,617
Total	**$ 11,043**

10. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

As of June 30, 2024 and December 31, 2023 accounts payable was approximately $47.4 million and $42.8 million, respectively.

Accrued expenses consisted of the following:

	June 30, 2024	December 31, 2023
Accrued freight	$ 2,900	$ 2,267
Accrued marketing	25,680	18,252
Accrued legal	4,373	7,633
Unbilled purchases	18,522	11,851
Other accrued expenses	28,158	22,117
Total	**$ 79,633**	**$ 62,120**

11. RELATED PARTY TRANSACTIONS

Transactions with Pepsi

As further described in Note 12. *Mezzanine Equity*, on August 1, 2022, the Company issued approximately 1.5 million shares of non-voting Series A Preferred Stock to Pepsi. The shares accounted for approximately 8.5% of the Company's outstanding common stock on the date of issuance, on an if-converted method. The purchase agreement, pursuant to which Pepsi acquired the Series A Preferred Stock (the "Purchase Agreement"), grants Pepsi the right to designate a nominee for election to the Company's Board of Directors (the "Board"), provided that Pepsi meets certain ownership requirements. In 2022, a Pepsi executive was designated by Pepsi and elected to the Board.

Based on Pepsi's contractual representation rights for a seat on the Company's Board, the Company concluded that Pepsi is a related party. The following transactions were recognized in the Company's financial statements:

- Revenue from Pepsi amounted to $212.6 million and $184.9 million for the three months ended June 30, 2024 and 2023, respectively. Revenue from Pepsi amounted to $423.1 million and $341.4 million for the six months ended June 30, 2024, and 2023, respectively.
- Estimated accrued promotional allowance related to Pepsi was $98.5 million and $51.8 million at June 30, 2024 and December 31, 2023, respectively.
- Accounts receivable due from Pepsi on June 30, 2024 and December 31, 2023, were $171.5 million and $130.4 million, respectively.
- For the three months ended June 30, 2024 and June 30, 2023, the Company purchased Company-branded coolers from Grayhawk Leasing, LLC, a wholly owned subsidiary of Pepsi, amounting to $4.6 million and $2.4 million, respectively. For the six months ended June 30, 2024 and June 30, 2023, these purchases amounted to $8.1 million and $3.9 million, respectively.
- Pepsi provided the Company $227.8 million in cash under the Transition Agreement in 2022. This amount was used to settle termination fees with former distributors; any excess cash was contractually restricted and due back to Pepsi.

During 2023, $38.3 million of such funds were refunded to Pepsi. As of December 31, 2023, there was no refund liability owed to Pepsi.

- The Company had deferred revenues (a contract liability) of approximately $172.0 million as of June 30, 2024, of which $162.5 million was classified as Deferred revenue-non-current, and $9.5 million was classified as Deferred revenue-current. Amortization of deferred revenue was $2.4 million and $2.3 million for the three months ended June 30, 2024 and 2023, respectively. Comparatively, as of December 31, 2023, deferred revenues were approximately $176.7 million, of which $167.2 million was classified as Deferred revenue-non-current, and $9.5 million was classified as Deferred revenue-current. Amortization of deferred revenue was $4.8 million and $4.7 million for the six months ended June 30, 2024 and 2023, respectively. The deferred revenues will continue to be recognized ratably over the 20-year term of the Distribution Agreement.
- On August 1, 2022, the Company issued Series A Preferred Stock with a fair value of $832.5 million for an issuance price of $550.0 million and recorded the $282.5 million excess as Deferred other costs in the accompanying consolidated balance sheets (See Note 12. *Mezzanine Equity).* As of June 30, 2024, unamortized deferred other costs were $14.1 million (current) and $241.3 million (non-current). As of December 31, 2023 unamortized deferred other costs were $14.1 million (current) and $248.3 million (non-current). Amortization of deferred other costs was $3.6 million and $7.1 million for the three and six months ended June 30, 2024, respectively. Amortization of deferred other costs was $3.6 million and $7.1 million for the three and six months ended June 30, 2023, respectively. These amounts were recorded as an offset to revenue. Costs are amortized over 20 years, the life of the agreement. Unamortized deferred other costs (current and non-current) are included in the consolidated balance sheets.

See Note 1. *Organization and Description of Business,* Note 2. *Basis of Presentation and Summary of Significant Accounting Policies,* Note 4. *Revenue,* and Note 12. *Mezzanine Equity* for more information on related parties.

Related Party Leases

The Company's office space is leased from a company affiliated with CD Financial, LLC, which is owned by certain of the Company's principal stockholders. The leases extend until December 2024 and have a combined monthly rent of $55 thousand. The associated lease liability as of June 30, 2024 and December 31, 2023 was $0.3 million and $0.5 million, respectively.

12. MEZZANINE EQUITY

Series A Convertible Preferred Stock

As of June 30, 2024 and December 31, 2023, the Company has designated and authorized 1,466,666 shares of Series A Preferred Stock with a par value of $0.001 per share and a stated value of $375.00 per share. The stated value per share may be increased from time to time in the event dividends on the Series A are paid-in-kind ("PIK dividends") pursuant to the Series A Certification of Designation (the "Series A Certificate"). On August 1, 2022, pursuant to the Purchase Agreement, the Company issued all of the authorized Series A Preferred Stock to Pepsi for stated cash consideration aggregating $550 million, excluding issuance costs. The Series A Preferred Stock was issued concurrently with the execution of the Distribution Agreement and the Transition Agreement. The Company determined that the aggregate fair value of the Series A Preferred Stock on the issuance date was $832.5 million, or $567.61 per share. Accordingly, the Series A Preferred Stock was recorded at that amount, net of issuance costs of $8.0 million, in the Company's consolidated balance sheets, and consolidated statements of changes in stockholders' equity and mezzanine equity.

The Company engaged a third-party valuation firm to assist in determining the fair value of the approximately 1.5 million shares of Series A Preferred Stock issued on August 1, 2022. The valuation of the Series A Preferred Stock represents a non-recurring fair value measurement. The Company used a Monte Carlo simulation model to determine the fair value of the Series A Preferred Stock on August 1, 2022. The Monte Carlo simulation utilized multiple level 2 input variables to determine the value of the Series A Preferred Stock including a volatility rate of 45%, risk free interest rate of 2.69%, 5.0% dividend rate, the closing price of the Company's common stock on the issuance date of $98.87, (pre-split), a debt discount rate of 12.5% and a discount for lack of marketability attributed to the registration period of the underlying stock. The selected historical volatility was based on Celsius and a certain peer group. The risk-free interest rate was based on the U.S. STRIPS Rate with a corresponding term as of issuance date. The 5.0% dividend rate is consistent with the provisions of the Series A Preferred Stock and with the Company's past payments of dividends made in cash. The debt discount rate was based on estimated credit analysis and corresponding market yields as of the issuance date. The Company applied a nominal discount for lack of marketability with respect to the assumed registration period of the underlying shares.

Mezzanine Classification

The Series A Preferred Stock is redeemable in the event of a change in control as defined in the Series A Certificate. ASC 480, *Distinguishing Liabilities from Equity* ("ASC 480"), specifically ASC 480-10-S99-3A, requires preferred securities that are redeemable for cash or other assets to be classified outside of permanent equity if they are redeemable (i) at a fixed or determinable price on a fixed or determinable date, (ii) at the option of the holder, or (iii) upon the occurrence of an event that is not solely within the control of the issuer. Preferred securities that are mandatorily redeemable are required to be classified by the issuer as liabilities whereas under ASC 480 an issuer should classify a preferred security whose redemption is contingent on an event not entirely in control of the issuer as mezzanine equity. The Series A is not considered mandatorily redeemable other than in the event of a change of control, and a change in control is not solely in control of the Company. Accordingly, the Company determined that mezzanine treatment is appropriate for the Series A and has presented it as such in the consolidated balance sheets and consolidated statements of changes in stockholders' equity and mezzanine equity, as of both June 30, 2024 and December 31, 2023.

Pursuant to the Purchase Agreement, Pepsi, together with its affiliates, has certain rights and is also subject to various restrictions with respect to its ownership of the Company's outstanding common shares on an as-converted basis, through purchases of the Company's common stock in the open market and the accumulation of PIK dividends. Additionally, pursuant to the Purchase Agreement, Pepsi has the right to designate one nominee for election to the Board so long as Pepsi (together with its affiliates) beneficially owns at least approximately 11.0 million shares of the Company's outstanding common stock on an as-converted basis. Notwithstanding that the Series A is not currently convertible into common stock, the Purchase Agreement provides that Pepsi is deemed to beneficially own the underlying shares of common stock for purposes of its rights under the Purchase Agreement. In August 2022, the Company expanded the number of Board seats in connection with the election of a Pepsi representative to the Board.

Liquidation Preference

The Series A ranks, with respect to distribution rights and rights on liquidation, winding-up and dissolution, (i) senior and in priority of payment to the Company's common stock, (ii) senior to any class or series of capital stock of the Company expressly designated as ranking junior to the Series A, (iii) on parity with any class or series of capital stock of the Company expressly designated as ranking on parity with the Series A, and (iv) junior to any class or series of capital stock of the Company expressly designated as ranking senior to the Series A. The aggregate liquidation preference of the Series A was $550 million as of both June 30, 2024 and December 31, 2023.

Voting

The Series A confers no voting rights, except as otherwise required by applicable law, and with respect to matters that adversely change the powers, preferences, privileges, rights or restrictions given to the Series A or provided for its benefit, or would result in securities that would be senior to or *pari passu* with the Series A. As described above, Pepsi has a contractual right to representation on the Board, subject to maintaining certain ownership thresholds.

Stock Split

As a result of the Forward Stock Split, the conversion ratio for Series A Preferred Stock, initially set at five-for-one, was adjusted to fifteen-for-one. The adjustment maintains the proportional interests of Series A stockholders post-split. The revised conversion ratio, reflecting the impact of the Forward Stock Split, became effective on the split's effective date.

Dividends

The Series A entitles the holder to cumulative dividends, which are payable quarterly in arrears either in cash, in-kind, or a combination thereof, at the Company's election ("Regular Dividends"). Regular Dividends accrue on each share of Series A at the rate of 5.00% per annum, subject to adjustment as set forth in the Series A Certificate. In addition to such quarterly Regular Dividends, shares of Series A also entitle the holder to participate in any dividends paid on the Company's common stock on an as-converted basis. There were no cumulative undeclared dividends on the Series A at June 30, 2024. There were no dividends issued to common stockholders for the six months ended June 30, 2024 or 2023.

Redemption

Subject to certain conditions set forth in the Series A Certificate, Series A may be redeemed at a price per share of Series A equal to the sum of (i) the stated value of such share of Series A as of the applicable redemption date, plus (ii) without duplication, all

accrued and unpaid dividends previously added to the stated value of such share of Series A, and all accrued and unpaid dividends per share of Series A through such redemption date (the "Redemption Price").

Company's Optional Redemption

At any time from and after the earlier of (i) August 1, 2029, if the ten-day volume weighted average price of the Company's common stock (the "Ten-Day VWAP") does not exceed the conversion price on the date immediately prior to the date the Company delivers a redemption notice to the holders, and (ii) the cancellation of the Distribution Agreement by the Company, the Company has the right to redeem all (and not less than all) of the then-outstanding shares of Series A at the Redemption Price. In the event of the Company's optional redemption, the Company shall affect such redemption by paying the entire Redemption Price on or before the date that is thirty days after the delivery of the Company's redemption notice and by redeeming all the shares of Series A on such date.

Change in Control Redemption

In the event of a change in control, as defined by the following scenarios, the Company (or its successor) shall redeem all (and not less than all) of the then-issued and outstanding shares of Series A: (i) a sale or transfer, directly or indirectly, of all or substantially all of the assets of the Company in any transaction or series of related transactions (other than sales in the ordinary course of business); (ii) any merger, consolidation or reorganization of the Company with or into any other entity or entities as a result of which the holders of the Company's outstanding capital stock (on a fully-diluted basis) immediately prior to the merger, consolidation or reorganization no longer represent at least a majority of the voting power of the surviving or resulting Company or other entity; or (iii) any sale or series of sales, directly or indirectly, beneficially or of record, of shares of the Company's capital stock by the holders thereof which results in any person or group of affiliated persons owning capital stock holding more than 50% of the Company's voting power.

Upon a change in control and redemption, each Series A holder will receive, an amount equal to the greater of (A) the Redemption Price in cash, or (B) the cash and/or other assets (including securities) such holder would have received if each share of Series A were converted into a number of shares of common stock equal to the then-applicable conversion ratio and participated in such transaction resulting in such change of control as of the close of business on the business day immediately prior to the effective date of such transaction.

If the Company or its successor shall not have sufficient funds legally available under the Nevada law governing distributions to stockholders to redeem all outstanding shares of Series A, then the Company shall (A) redeem, pro rata among the holders, a number of shares of Series A equal to the number of shares of Series A that can be redeemed with the maximum amount legally available for the redemption, and (B) redeem all remaining shares of Series A not redeemed because of the foregoing limitations at the applicable change of control Redemption Price as soon as practicable after the Company (or its successor) is able to make such redemption out of assets legally available for the purchase of such shares of Series A. The inability of the Company (or its successor) to make a redemption payment for any reason shall not relieve the Company (or its successor) from its obligation to affect any required redemption when, as and if permitted by applicable law.

Holder Right to Request Redemption

On each of August 1, 2029, August 1, 2032, and August 1, 2035, the majority holders of the Series A have the right, upon no less than six months prior written notice to the Company, to request that the Company redeem all (and not less than all) of the then-outstanding shares of Series A, at the Redemption Price.

In the event of a holder-optional redemption, the Redemption Price will be payable, and the Company shall redeem the shares in three equal installments. These installments would commence on August 1, 2029, August 1, 2032, or August 1, 2035, as applicable, and in each case on the fifteenth- and thirtieth-month anniversary thereafter. On each redemption date for a holder-optional redemption, the Company will redeem shares of Series A on a pro rata basis according to the number of shares owned by each holder. The number of outstanding shares will be determined by dividing (i) the total number of shares of Series A Preferred Stock outstanding immediately prior to such redemption date by (ii) the number of remaining redemption dates (including the redemption date to which such calculation applies).

If, on any redemption date, legal constraints under the Nevada law governing distributions to stockholders or the terms of any indebtedness of the Company to financial institutions prevents the Company from redeeming all shares of Series A, the Company will ratably redeem the maximum number of shares that it may legally redeem, and will redeem the remaining shares as soon as it may lawfully do so.

Should any shares of Series A scheduled for redemption on a redemption date remain unredeemed for any reason on such redemption date, the following will occur: from the redemption date to the fifteen-month anniversary of such redemption date, the dividend rate with respect to such unredeemed share will automatically increase to 8% per annum. From such fifteenth-month anniversary to the thirtieth-month anniversary of such redemption date, the dividend rate with respect to such unredeemed share will automatically increase to 10% per annum. After such thirtieth-month anniversary of such redemption date, the dividend rate with respect to any such unredeemed share will automatically increase to 12% per annum, in each case until such share is duly redeemed or converted.

Conversion

The shares of Series A may be converted into shares of the Company's common stock pursuant to the Series A Certificate either at the option of the Company or subject to an automatic conversion as discussed below. The Series A was issued with a conversion price of $25 which is potentially subject to adjustment pursuant to the Series A Certificate. The conversion ratio is calculated as the quotient of (a) the sum of (x) the stated value of such share of Series A as of the applicable conversion date, plus (y) all accrued and unpaid dividends previously added to the stated value of such share of Series A, and without duplication, all accrued and unpaid dividends per share of Series A through the applicable conversion date; divided by (b) the conversion price as of the conversion date. As of June 30, 2024, the conversion ratio of the Series A into common was one-for-fifteen. At June 30, 2024, approximately 22.0 million shares of the Company's common stock were issuable upon conversion of the Series A Preferred Stock.

As of June 30, 2024, the Series A was not probable of becoming redeemable, as the most likely method of settlement is through conversion which is likely to occur before the holder's right to request redemption becomes exercisable.

Company Optional Conversion

At any time from and after August 1, 2029, provided the Ten-Day VWAP immediately prior to the date the Company delivers a conversion notice to the holders of Series A exceeds the conversion price, the Company may elect to convert all, but not less than all, of the outstanding shares of Series A into shares of the Company's common stock.

Automatic Conversion

The Series A will convert automatically into shares of the Company's common stock upon the occurrence of any of the following, each an "Automatic Conversion Event":

- Any date from and after the valid termination of the Distribution Agreement by the Company or Pepsi, if the Ten-Day VWAP immediately preceding such date exceeds the conversion price of such share as of such date.
- Any date from and after August 1, 2028, on which (x) the Company's products meet a market share requirement during a specified period (as defined in the Distribution Agreement) and (y) the Ten-Day VWAP immediately prior to such date exceeds the conversion price of such share as of such date. In the case of an Automatic Conversion Event, each share of Series A then outstanding shall be converted into the number of shares of common stock equal to the conversion ratio of such share in effect as of the automatic conversion date. The occurrence of an Automatic Conversion Event will terminate any right of the holder to receive a redemption at their request even if such request had already been submitted, provided that the Series A Preferred shares had not already been redeemed.

13. INCOME TAXES

In general, the Company uses an estimated annual effective tax rate, which is based on expected annual income and statutory tax rates in the various jurisdictions in which the Company operates, to determine its quarterly provision for income taxes. Certain discrete items are separately recognized in the quarter in which they occur and can be a source of variability on the effective tax rates from quarter to quarter. The Company's effective tax rate may change from period to period based on recurring and non-recurring factors including the geographical mix of earnings, enacted tax legislation, and state and local income taxes.

The effective income tax rate for the three months ended June 30, 2024 was 23.7%. Such rate differed from the statutory federal income tax rate of 21.0% primarily due to disallowed stock-based compensation expense and state income taxes, partially offset by windfall benefits on stock-based compensation awards. The effective income tax rate for the six months ended June 30, 2024 was 20.0%. Such rate differed from the statutory federal income tax rate of 21% primarily due to significant windfall benefits on stock-based compensation awards in the first quarter treated as a discrete items, offset by disallowed stock-based compensation expense and state income taxes.

(Tabular dollars in thousands, except per share amounts)

The effective income tax rate for the three months ended June 30, 2023 was 25.8%. Such rate differed from the statutory federal income tax rate of 21.0% primarily due to disallowed stock-based compensation expense and state income taxes, offset by windfall benefits on stock-based compensation awards. The effective income tax rate for the six months ended June 30, 2023 was 22.2%. Such rate differed from the statutory federal income tax rate of 21.0% primarily due to net benefits on stock-based compensation awards, disallowed stock-based compensation expense and state income taxes.

The Company is subject to U.S. federal income tax as well as income tax in multiple state and foreign jurisdictions. The Company's tax returns for tax years beginning 2020 remain subject to potential examination by the taxing authorities.

14. STOCK-BASED COMPENSATION

On April 30, 2015, the Company adopted the 2015 Stock Incentive Plan (the "2015 Plan") with the objective of attracting and retaining highly competent personnel through opportunities to acquire the Company's common stock.

As of June 30, 2024, 20.8 million shares were available for issuance under the 2015 Plan. The 2015 Plan expires in 2025, and the Company intends to seek stockholder approval of a new plan at the Company's 2025 annual meeting of stockholders.

The 2006 Incentive Stock Plan (the "2006 Plan"), which was adopted on January 18, 2007 and expired in 2017, similarly had the objective of attracting and retaining highly competent employees, directors, and independent consultants through opportunities to acquire the Company's common stock. As of June 30, 2024, there were no unvested awards under the 2006 plan and certain vested but unexercised awards remained outstanding. No further awards can be granted under the 2006 Plan.

For the three months ended June 30, 2024 and 2023, the Company recognized stock-based compensation expense of approximately $4.7 million and $5.7 million, respectively, included in selling, general and administrative expenses. For the six months ended June 30, 2024 and 2023, this expense was approximately $8.3 million and $11.2 million, respectively, included in selling, general and administrative expenses.

Stock Options

The Company used straight-line amortization of compensation expense over the two to three-year requisite service or vesting period of the grant. The maximum contractual term of the Company's stock options is 10 years.

The Company uses the Black-Scholes option-pricing model to estimate the fair value of its stock option awards and warrant issuances and recognizes forfeitures as they occur.

A summary of the status of the Company's outstanding stock options as of June 30, 2024 and changes during the six months ending on that date is as follows:

	Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value[1]	Weighted Average Remaining Term (Yrs)
At December 31, 2023	4,918	$ 3.81	$ 249,541	4.45
Exercised	(927)	1.23	61,285	—
Forfeiture and cancelled	—	—	—	—
At June 30, 2024	**3,991**	**$ 4.40**	**$ 210,269**	**4.61**
Exercisable at June 30, 2024	**3,991**	**$ 4.40**	**$ 210,269**	**4.61**

[1] The intrinsic value represents the amount by which the fair value of the Company's common stock exceeds the option exercise price as of June 30, 2024.

The total intrinsic value of the stock options exercised was $12.5 million for the three months ended June 30, 2024 compared to $5.1 million for the three months ended June 30, 2023. For the six months ended June 30, 2024, the total intrinsic value of the stock options exercised was $61.3 million compared to $28.1 million for the six months ended June 30, 2023. The total number of stock options exercised was 0.2 million during the three months ended June 30, 2024 compared to 0.1 million for the three months ended June 30, 2023.

(Tabular dollars in thousands, except per share amounts)

As of June 30, 2024, the Company did not have any unrecognized pre-tax non-cash compensation expense related to options to purchase shares.

Restricted Stock Units

Restricted stock units are awards that give the holder the right to receive one share of common stock for each restricted stock unit upon meeting service-based vesting conditions (typically annual vesting in three equal annual installments, with a requirement that the holder remains in the continuous employment of the Company). The Company determines the fair value of restricted stock-based awards that vest over time based on the market price of the common stock on the date of grant. The holders of unvested units do not have the same rights as stockholders and do not have the right to receive any dividends or the right to vote.

A summary of the Company's restricted stock unit activity for the six months ended June 30, 2024 and 2023 is presented in the following table:

	Six Months Ended			
	June 30, 2024		June 30, 2023	
	Shares	Weighted Average Grant Date Fair Value	Shares[1]	Weighted Average Grant Date Fair Value[1]
Unvested at beginning of period	1,218	$ 26.13	1,617	$ 20.24
Granted	243	78.87	408	34.40
Vested	(624)	22.42	(588)	19.10
Forfeited and cancelled	(50)	33.10	(126)	22.57
Unvested at end of period	**787**	**$ 44.93**	**1,311**	**$ 24.93**

[1] Retrospectively adjusted for the Forward Stock Split.

The total fair value of shares vested during the six months ended June 30, 2024 and 2023 was approximately $37.1 million and $20.5 million, respectively. Unrecognized compensation expense related to outstanding restricted stock units to employees and directors as of June 30, 2024 and 2023 was $28.2 million and $24.0 million, respectively, and is expected to be expensed over the next 2.3 years.

Performance-based Stock Awards

Performance share units ("PSUs") are awards that give the holder the right to receive one share of common stock for each PSU upon meeting performance or market-based vesting conditions. These conditions typically include the attainment of specific metrics over a defined period. The fair value of the PSUs is determined based on either the grant date fair value for performance metrics or using a Monte Carlo simulation for market based awards. The Company recognizes expense if the metrics are probable of being achieved and expensed using either a straight line or an accelerated attribution model. Additionally, the Company recognizes compensation expense for non-employees in the same manner and periods as though cash had been paid for services received.

In the third quarter of 2022, the Human Resources and Compensation Committee of the Board of Directors approved the issuance of PSUs to certain employees. The aggregate grant date fair value of $7.5 million included an immediate vesting of 20% of the shares as well as specific performance-based metrics to be met in year one and year two of the issuance. The Company believes the performance-based metrics are probable of being achieved and will recognize expense for each tranche of the awards separately using the accelerated attribution method according to ASC 718.

In March 2024, the Human Resource and Compensation Committee approved PSUs under the 2015 Plan with an aggregate award of approximately 65,000 shares of the Company's common stock for certain officers of the Company. Each PSU is initially equivalent in value to one share of Celsius' common stock. The PSUs vest over a period of three years from the grant date based on continuous service, with the number of shares earned (50% to 200% of the target awarded) depending upon the extent to which the Company can achieve certain financial and market performance targets measured over the period beginning January 1, 2024 through December 31, 2026. Approximately one-third of the PSUs were valued at $79.27 per PSU based on the Company's common stock price on the grant date, and the financial targets for vesting are based on the Company's achievement of certain revenue metrics. The Company recognizes the grant-date fair value of these PSUs, as stock-based compensation expense ratably over the vesting period based on the number of awards expected to vest at each reporting date. The remaining PSUs were valued

(Tabular dollars in thousands, except per share amounts)

using a Monte Carlo simulation model. This model incorporates assumptions such as the risk-free interest rate based on zero-coupon yields implied by U.S. Treasury issuances, expected volatility derived from historical data of the Company and certain indices. The Company recognizes the grant-date fair value of these awards as stock-based compensation expense ratably over the vesting period. Approximately one-third of the performance target for vesting is based on total shareholder return ("TSR") relative to the Company's peer group, with each PSU valued at $134.75. The remaining one-third have a vesting performance target based on a specific market price, with each PSU valued at $20.25.

A summary of the Company's PSU activity for the six months ended June 30, 2024 and 2023 is presented in the following table:

	Six Months Ended			
	June 30, 2024		June 30, 2023	
	Shares	Weighted Average Grant Date Fair Value	Shares [1]	Weighted Average Grant Date Fair Value [1]
Unvested at beginning of period	123	$ 29.43	228	$ 30.49
Granted	65	77.31	—	—
Vested	—	—	—	—
Forfeited and cancelled	—	—	—	—
Unvested at end of period	**188**	**$ 45.60**	**228**	**$ 30.49**

[1] Retrospectively adjusted for the Forward Stock Split.

Unrecognized compensation expense related to outstanding PSUs issued to employees and non-employee consultants as of June 30, 2024 was approximately $4.6 million, and is expected to be expensed over a weighted average period of 2.6 years.

Issuance of common stock pursuant to exercise of stock options and other awards

During the three months ended June 30, 2024, the Company issued an aggregate of 0.3 million shares of common stock under the 2015 Plan and received aggregate proceeds of approximately $0.2 million. During the six months ended June 30, 2024, the Company issued an aggregate of 1.6 million shares of common stock under the 2015 Plan and received aggregate proceeds of approximately $1.1 million.

During the three months ended June 30, 2023, the Company issued an aggregate of 0.3 million shares of its common stock under the 2015 Plan and 2006 Plan and received aggregate proceed of approximately $0.2 million. During the six months ended June 30, 2023, the Company issued an aggregate of 1.5 million shares of its common stock under the 2015 Plan and 2006 Plan and received aggregate proceed of approximately $0.7 million.

15. COMMITMENTS AND CONTINGENCIES

Legal

SEC Inquiry

On January 8, 2021, the Company received a letter from the SEC Division of Enforcement seeking the production of documents in connection with a non-public, fact-finding inquiry by the SEC to determine whether violations of the federal securities laws had occurred. Subsequent to January 8, 2021, the Company received subpoenas for production of documents in connection with this matter. The investigation and requests from the SEC do not represent that the SEC has concluded that the Company or anyone else has violated the federal securities laws. The Company has cooperated and will continue to cooperate with the SEC staff in its investigation and requests. At this time, however, the Company cannot predict the length, scope, or results of the investigation or the impact, if any, of the investigation on the Company's results of operations.

Derivative Actions

On January 11, 2023, certain of the Company's directors and present and former officers were named as defendants in a derivative action complaint filed in the U.S. District Court for the District of Nevada, (the "Lampert Derivative Action"). The Company was

named as a nominal defendant. The allegations involve purported false and misleading statements or omissions made between August 12, 2021, and March 1, 2022, which are claimed to have artificially inflated the Company's stock price. This action asserts the following claims: (i) breach of fiduciary duty, (ii) unjust enrichment, and (iii) violations of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

Subsequently, substantially similar derivative action complaints were filed, first on May 19, 2023, against the Company, as a nominal defendant, and certain of the Company's directors and present and former officers in a derivative action in the U.S. District Court for the Southern District of Florida, (the "Hammond Derivative Action"). This class action asserts claims for (i) breach of fiduciary duty, (ii) aiding and abetting breach of fiduciary duty, (iii) unjust enrichment, (iv) waste of corporate assets, and (v) violations of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

A second action was filed on July 10, 2023, against the Company, as a nominal defendant, and certain of the Company's directors and present and former officers in a derivative action in the District Court for the Eighth Judicial District in Clark County, Nevada, (the "Ingrao Derivative Action"). The Ingrao Derivative Action asserts claims for (i) breach of fiduciary duty and (ii) unjust enrichment.

A third action was filed on July 12, 2023 against the Company, as a nominal defendant, and certain of the Company's directors and present and former officers in a derivative action in the U.S. District Court for the Southern District of Florida (the "Hepworth Derivative Acton"). This class action asserts claims for (i) breach of fiduciary duty, (ii) aiding and abetting breach of fiduciary duty, (iii) unjust enrichment, (iv) waste of corporate assets, and (v) violations of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

The Lampert Derivative Action remains stayed, pursuant to the Court's Order, issued on July 9, 2024, which approved the parties' joint stipulation to stay of litigation. The Ingrao Derivative Action remains stayed, following the Court's entry of an Order, on September 11, 2023, approving the parties' joint stipulation regarding stay of litigation. On March 11, 2024, the Hammond Derivative Action and the Hepworth Derivative Actions were voluntarily dismissed and, on April 11, 2024, a single complaint containing substantially similar allegations was filed in the U.S. District Court for the District of Nevada, (the "Refiled Derivative Action"). The Refiled Derivative Action remains stayed, following the Court's Order, issued on June 12, 2024, approving the parties' joint stipulation to stay the litigation. Plaintiffs have collectively proposed that certain corporate governance actions be implemented and have requested attorney fees. Although the Company believes the various derivative actions are without merit, the Company seeks to resolve the matter expeditiously and the parties are actively negotiating settlement.

Strong Arm Productions

On May 4, 2021, Plaintiffs Strong Arm Productions USA, Inc., Tramar Dillard p/k/a Flo Rida, and D3M Licensing Group, LLC filed a lawsuit against the Company in the Circuit Court of the 17th Judicial Circuit in and for Broward County, Florida. Plaintiffs asserted that the Company breached two endorsement and licensing agreements that were entered into, between Plaintiffs and the Company in 2014 and 2016. Plaintiffs alleged the Company had reached certain revenue and sales benchmarks set forth in the 2014 agreement that entitled them to receive 2.3 million shares (as adjusted for the Forward Stock Split) of the Company's common stock. In addition, Plaintiffs claimed they were entitled to receive unspecified royalties under the 2016 agreement.

A jury trial commenced on this matter on January 10, 2023. On January 18, 2023, the jury rendered a verdict against the Company for $82.6 million in compensatory damages. On April 27, 2023, the court denied the Company's post-trial motions which sought (i) dismissal of the case notwithstanding the verdict based on the plain language of the contracts at issue; (ii) in the alternative, granting a new trial; or (iii) in the alternative, reducing the award of damages to $2.1 million, which reflects the Company's stock price on the date that the jury found the relevant revenue and sales benchmarks at issue were met. The judgment will accrue post-judgement interest at 5.52% per year as of February 13, 2023.

The Company believes that the jury verdict is not supported by the facts of the case or applicable law, is the result of significant trial error, and there are strong grounds for appeal. The Company filed a notice of appeal to the Fourth District Court of Appeal for the State of Florida on February 21, 2023, which is currently proceeding. The Company intends to vigorously challenge the judgment through the appeal processes, and filed its initial brief on October 6, 2023.

The Company believes that the likelihood that the full amount of the judgment will be affirmed is not probable. The Company currently estimates a range of possible outcomes between $2.1 million and $82.6 million plus interest and has accrued a liability as of June 30, 2024, reflected in accounts payable and accrued expenses in the consolidated balance sheets, at the low end of that range. The ultimate amount of the original judgement that the Company may be required to pay could be materially different than the amount the Company has accrued. The Company cannot predict or estimate the duration or ultimate outcome of this matter.

Commitments

The Company has entered into distribution agreements that provide for the payment of liquidated damages in the event that the Company terminates the distribution agreements without cause. Cause has been defined in various ways. If management makes the decision to terminate an agreement without cause, an estimate of expected damages is accrued, and an expense is recorded within selling, general and administrative expenses for the period in which termination was initiated.

As of June 30, 2024 and December 31, 2023, the Company had purchase commitments to third parties of $82.0 million and $55.3 million, respectively. The Company's purchase obligations are primarily related to third party suppliers and have arisen through the normal course of business. These obligations vary in terms and none are individually significant.

As of June 30, 2024 and December 31, 2023, the Company had long term contractual obligations aggregating to approximately $45.7 million and $34.4 million, respectively, which related primarily to suppliers, sponsorships, and other marketing activities.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

When used in this Quarterly Report on Form 10-Q (this "Report"), unless otherwise indicated, the terms the "Company," "Celsius," "we," "us" and "our" refer to Celsius Holdings, Inc. and its subsidiaries.

Note Regarding Forward-Looking Statements

This Report contains forward-looking statements that are based on the current expectations of our Company and management about future events within the meaning of the United States Private Securities Litigation Reform Act of 1995 ("PSLRA"), Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and are made in reliance of the safe harbor protections provided thereunder. While we have specifically identified certain information as being forward-looking in the context of its presentation, we caution you that all statements contained in this Report that are not clearly historical in nature, including statements regarding the strategic investment by and long term partnership with PepsiCo, Inc. ("Pepsi"); anticipated financial performance; management's plans and objectives for international expansion and future operations globally; the successful development, commercialization, and timing of new products; business prospects; outcomes of regulatory proceedings; market conditions; the current and future market size for existing or new products; any stated or implied outcomes with regards to the foregoing; and other matters are forward-looking. Without limiting the generality of the preceding sentences, any time we use the words "expects," "intends," "will," "anticipates," "believes," "confident," "continue," "propose," "seeks," "could," "may," "should," "estimates," "forecasts," "might," "goals," "objectives," "targets," "planned," "projects" and, in each case, their negative or other various or comparable terminology, and similar expressions, we intend to clearly express that the information deals with possible future events and is forward-looking in nature. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. Particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include, without limitation:

- Our ability to maintain a strong relationship with Pepsi or any of our other distributors;
- The impact of the consolidation of retailers, wholesalers and distributors in the industry;
- Our ability to maintain strong relationships with co-packers to manufacture our products;
- Our ability to maintain strong relationships with our customers;
- The impact of increases in cost or shortages of raw materials or increases in costs of co-packing;
- Our ability to successfully generate demand through the use of third-parties, including celebrities, social media influencers, and others, may expose us to risk of negative publicity, litigation, and/or regulatory enforcement action;
- Our failure to accurately estimate demand for our products;
- The impact of additional labeling or warning requirements or limitations on the marketing or sale of our products;
- Our ability to successfully expand outside of the United States ("U.S.") and the impact of U.S. and international laws, including export and import controls and other risk exposure;
- Our ability to successfully complete or manage strategic transactions;
- Our ability to protect our brand, trademarks, proprietary rights, and our other intellectual property;
- The impact of internal and external cyber-security threats and breaches;
- Our ability to comply with data privacy and personal data protection laws;
- Our ability to effectively manage future growth;
- The impact of global or regional catastrophic events on our operations and ability to grow;
- The impact of any actions by the U.S. Food and Drug Administration (the "FDA") regarding the manufacture, composition/ingredients, packaging, marketing/labeling, storage, transportation, and/or distribution of our products;
- The impact of any actions by the Federal Trade Commission (the "FTC") on our advertising;
- Our ability to effectively compete in the functional beverage product industry and the strength of such industry;
- The impact of changes in consumer product and shopping preferences;
- The impact of changes in government regulation and our ability to comply with existing regulation concerning energy drinks; and
- Other statements regarding our future operations, financial condition, prospects and business strategies.

Forward-looking statements and information involve risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied in, or reasonably inferred from, such statements, including without limitation, the risks and uncertainties disclosed or referenced in Part I,Item 1A "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the "2023 Annual Report"). Therefore, caution should be taken not to place undue reliance on any such forward-looking statements. Much of the information in this Report that looks toward future performance is based on various factors and important assumptions about future events that may or may not actually occur. As a result, our operations and financial results in the future could differ materially and substantially from those we have discussed in the forward-looking statements included in this Report. We assume no obligation (and specifically disclaim any such obligation) to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Business Overview

Celsius is a fast-growing company in the functional energy drink category in the United States (U.S.) and internationally. We engage in the development, processing, marketing, sale, and distribution of functional energy drinks to a broad range of consumers. We provide differentiated products that offer clinically proven and innovative formulas meant to positively impact the lives of our consumers. Our brand has also proven to be attractive to a broad range of customers, including fitness enthusiasts.

Our flagship asset, CELSIUS®, is marketed as a premium lifestyle and energy drink formulated to power active lifestyles with ESSENTIAL ENERGY™. This product line comes in two versions, a 12-ounce ready-to-drink form and an on-the-go powder form. During 2023, we introduced a new CELSIUS® Essentials line, available in 16-ounce cans. Our products are currently offered in major retail channels across the U.S., including conventional grocery, natural, convenience, fitness, mass market, vitamin specialty and e-commerce. Additionally, our products are currently offered in certain Canadian, European, Middle Eastern, and Asia-Pacific markets.

An integral part of our value proposition is our focus on the functional energy drink and liquid supplement category, ensuring our products have clear and proven benefits. This is why we invest in research and development from the start and utilize our proprietary MetaPlus formulation in our portfolio, a blend of ginger root, guarana seed extract, chromium, vitamins, and green tea extract.

During 2024, we have continued to develop our U.S. Pepsi relationship as well as expanding our international presence through the following arrangements:

- In January 2024, we announced Pepsi as our exclusive distributor in Canada, as well as a new relationship with Lucozade Ribena Suntory Limited ("Suntory") to serve as our exclusive sales and distribution partner in the United Kingdom and the Republic of Ireland.
- In March 2024, we entered into a definitive manufacturing, sales, and distribution agreement with Suntory Oceania to expand into the Australia and New Zealand markets. Sales under this arrangement are expected to begin in the fourth quarter of 2024.
- In March 2024, we entered into an incentive program with Pepsi which is intended to better align our businesses as we look to grow and expand our product portfolio across the U.S. The ultimate impact of the incentive program on the Company's revenue and margin will be dependent upon achieving the intended outcomes of the program.
- In April 2024, we entered into a definitive sales and distribution agreement with Suntory France to expand into France. Sales under this arrangement are expected to begin in the fourth quarter of 2024.

We were incorporated in the State of Nevada on April 26, 2005. Our common stock is listed on the Nasdaq Capital Market, and on November 13, 2023, a three-for-one forward stock split of our common stock was made effective for stockholders of record at the close of business on such date.

Results of Operations

Three months ended June 30, 2024 compared to three months ended June 30, 2023

Revenue
For the three months ended June 30, 2024, revenue was approximately $402.0 million, compared to $325.9 million for the three months ended June 30, 2023. This growth was primarily driven by increased revenues from North America, which experienced continued gains in distribution points, shelf space, and SKUs per location, offset in part by a reduction in days on hand inventory by our largest distributor.

European revenues for the three months ended June 30, 2024 were $16.7 million, compared to $11.9 million for the three months ended June 30, 2023. The revenue increase in Europe was predominantly driven by successful innovation launches. Asia-Pacific revenues contributed an additional $0.9 million. Other international markets, including Puerto Rico, generated approximately $2.1 million in revenue for the three months ended June 30, 2024.

The following table sets forth revenues by geographical location:

	For The Three Months Ended June 30,			
Revenue Source	**2024**	**2023**	**Dollar Change**	**Percentage Change**
Total	$ 401,977	$ 325,883	$ 76,094	23 %
North America	$ 382,351	$ 310,815	$ 71,536	23 %
Europe	$ 16,684	$ 11,909	$ 4,775	40 %
Asia-Pacific	$ 860	$ 1,606	$ (746)	(46)%
Other	$ 2,082	$ 1,553	$ 529	34 %

Gross Profit

For the three months ended June 30, 2024, gross profit increased by $50.1 million, or 32%, to $209.1 million, from $159.0 million for the three months ended June 30, 2023. Gross profit margins reflected an increase to 52% for the three months ended June 30, 2024 from 49% for the same period in 2023. Gross profit margin improvements resulted from decreases in raw and package material unit cost and reduced outbound freight cost as a percentage of revenue.

Selling, General and Administrative Expenses

For the quarter ended June 30, 2024, selling, general and administrative ("SG&A") expenses totaled approximately $114.9 million, up 22% or $20.7 million from $94.2 million for the second quarter of 2023.

The breakdown of changes within SG&A primarily consisted of:

- a $22.9 million increase in marketing investments;
- a $9.7 million increase in employee costs, reflecting our ongoing investments to support growth;
- a $10.4 million decrease in general administrative costs primarily due to lower consulting fees;
- a $1.0 million decrease in stock-based compensation driven by certain stock options being fully expensed in prior periods; and
- a $0.5 million decrease in other SG&A expenses, including storage, research and development, and depreciation.

Other Income

Other income for the three months ended June 30, 2024 was $10.4 million, which reflects an increase of $5.8 million versus $4.6 million for the three months ended June 30, 2023. The increase was primarily attributable to greater interest income earned on cash held in our money market accounts, partially offset by foreign exchange rate transaction loss.

Net Income Attributable to Common Stockholders

Net income attributable to common stockholders for the three months ended June 30, 2024 was $66.7 million, representing basic earnings per share of $0.29 based on a basic weighted average of 233.2 million shares outstanding. In comparison, for the three months ended June 30, 2023, net income attributable to common stockholders was $40.8 million, representing basic earnings per share of $0.18 based on a basic weighted average of 230.5 million shares outstanding. Diluted earnings per share was $0.28 and $0.17 for the three months ended June 30, 2024 and 2023, respectively.

Six months ended June 30,2024 compared to six months ended June 30, 2023

Revenue

For the six months ended June 30, 2024, revenue was approximately $757.7 million, compared to $585.8 million for the six months ended June 30, 2023. This growth was primarily driven by increased revenues in North America, which experienced continued gains in distribution points, shelf space, and SKUs per location, offset in part by a reduction in days on hand inventory by our largest distributor.

European revenues for the six months ended June 30, 2024 were $30.8 million, which increased by $10.3 million or 50% from the same period in 2023. The revenue increase in Europe was predominantly driven by successful innovation launches. Asia-Pacific revenues contributed an additional $1.5 million. Other international markets, including Puerto Rico, generated approximately $3.5 million in revenue for the six months ended June 30, 2024.

The following table sets forth revenues by geographical location:

	For The Six Months Ended June 30,			
Revenue Source	**2024**	**2023**	**Dollar Change**	**Percentage Change**
Total	$ 757,685	$ 585,822	$ 171,863	29 %
North America	$ 721,863	$ 559,367	$ 162,496	29 %
Europe	$ 30,826	$ 20,561	$ 10,265	50 %
Asia-Pacific	$ 1,535	$ 2,864	$ (1,329)	(46)%
Other	$ 3,461	$ 3,030	$ 431	14 %

Gross Profit

For the six months ended June 30, 2024, gross profit increased by $118.5 million, or 43%, to $391.3 million, from $272.8 million for the six months ended June 30, 2023. Gross profit margins reflected an increase to 52% for the six months ended June 30, 2024 from 47% for the same period in 2023. Gross profit margin improvements resulted from decreases in raw and package material unit cost and reduced outbound freight cost as a percentage of revenue.

Selling, General and Administrative Expenses

For the six months ended June 30, 2024, SG&A expenses totaled $213.9 million, up 31% or approximately $50.8 million from $163.1 million in the same quarter of 2023.

The breakdown of changes within SG&A primarily consisted of:

- a $38.4 million increase in marketing investments;
- a $17.2 million increase in employee costs, reflecting our ongoing investments to support growth;
- a $7.2 million increase in all other SG&A expenses, including storage, research and development, and depreciation;
- a $9.1 million decrease in general administrative costs primarily due to lower consulting fees; and
- a $2.9 million decrease in stock-based compensation driven by certain stock options being fully expensed in the prior period.

Other Income

Other income for the six months ended June 30, 2024 was $19.7 million, which reflects an increase of $10.2 million versus $9.5 million for the six months ended June 30, 2023. The increase was primarily attributable to interest income earned on cash held in our money market accounts, partially offset by foreign exchange rate transaction loss.

Net Income Attributable to Common Stockholders

Net income attributable to common stockholders for the six months ended June 30, 2024 was $131.5 million, representing basic earnings per share of $0.56 based on a basic weighted average of 233.0 million shares outstanding. In comparison, for the six months ended June 30, 2023, net income attributable to common stockholders was $72.2 million, representing basic earnings per share of $0.31 based on a basic weighted average of 230.3 million shares outstanding. Diluted earnings per share was $0.55 and $0.31 for the six months ended June 30, 2024 and 2023, respectively.

Liquidity and Capital Resources

General

As of June 30, 2024 and December 31, 2023, we had cash and cash equivalents of approximately $903.2 million and $756.0 million, respectively, and working capital of approximately $1,072.0 million and $928.3 million, respectively.

Our primary sources of liquidity are cash flows from operations and our existing cash balances. Please refer to Part 1, Item 1A, *"Risk Factors"* of our 2023 Annual Report for specific risk factors that could have a material impact on our operations. We believe that our current cash resources are sufficient to fund our cash outflows for both our short and long-term cash needs.

Purchases of inventories, increases in accounts receivable and other assets, equipment purchases (including coolers), advances to certain of our co-packers, payments of accounts payable, and income taxes are expected to remain our principal recurring uses of cash and material cash requirements.

Cash flows for the six months ended June 30, 2024 and June 30, 2023

Cash flows provided by operating activities

Cash flows provided by operating activities totaled approximately $174.3 million for the six months ended June 30, 2024, which compares to $45.2 million of cash provided by operating activities for the six months ended June 30, 2023. The approximately $129.0 million increase in operating cash generated is attributable to our increase in net income partially offset by the timing of cash receipts.

Cash flows used in investing activities

Cash flows used in investing activities totaled approximately $13.7 million for the six months ended June 30, 2024, which compares to cash used in investing activities of $3.6 million for the six months ended June 30, 2023. The increase in cash used in investing activities was primarily due to increased purchases of property and equipment, with purchases of approximately $13.7 million in the current year period versus $6.8 million for the six months ended June 30, 2023. For the six months ended June 30, 2023, property and equipment purchases were partially offset by collections from our note receivable received from our China licensee of approximately $3.2 million.

Cash flows used in financing activities

Cash flows used in financing activities totaled $12.6 million for the six months ended June 30, 2024, which compares to cash used in financing activities of $13.0 million for the six months ended June 30, 2023. The main driver for cash used in financing activities for both periods was cash dividends paid on our outstanding shares of Series A Preferred Stock, all of which is held by Pepsi.

Off Balance Sheet Arrangements

As of June 30, 2024 and December 31, 2023, we had no off balance sheet arrangements.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America, which requires us to make estimates and assumptions that affect the reported amounts in our consolidated financial statements. Critical accounting estimates are those that management believes are the most important to the portrayal of our financial condition and results and require the most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and that have had, or are reasonably likely to have, a material impact on our financial condition or results of operations. Judgments and uncertainties may result in materially different amounts being reported under different conditions or using different assumptions. There have been no material changes to our critical accounting policies or estimates from those described in Part II, Item 7, *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* included in our 2023 Annual report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

In the normal course of business, our financial position is routinely subject to a variety of risks. The principal market risks (i.e., the risk of loss arising from adverse changes in market rates and prices) to which we are exposed are fluctuations in commodity and other input prices affecting the costs of our raw materials (including, but not limited to, increases in the costs of the price of aluminum cans, sucralose and other sweeteners, as well as other raw materials contained within our products). We generally do not use hedging agreements or alternative instruments to manage the risks associated with securing sufficient ingredients or raw materials. We are also subject to market risks with respect to the cost of commodities and other inputs because our ability to recover increased costs through higher pricing is limited by the competitive environment in which we operate.

We do not use derivative financial instruments to protect ourselves from fluctuations in interest rates and generally do not hedge against fluctuations in commodity prices.

There have been no material changes to the information regarding market risk provided in Item 7A, *"Quantitative and Qualitative Disclosures about Market Risk"* contained in our 2023 Annual Report.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer (our principal executive officer) and our Chief Financial Officer (our principal financial and accounting officer) conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of June 30, 2024, to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms adopted by the SEC, including to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of such date because of the material weakness in internal control over financial reporting described below.

Our Chief Executive Officer and our Chief Financial Officer do not expect that our disclosure controls and procedures or our internal controls over financial reporting will prevent all error and all fraud. Although our disclosure controls and procedures have been designed to provide reasonable assurance of achieving their objectives and our Chief Executive Officer and our Chief Financial Officer evaluated whether our disclosure controls and procedures were effective at doing so, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented if an individual desires to do so. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Notwithstanding the foregoing conclusion, and notwithstanding the material weakness in our internal control over financial reporting described below, management believes that the consolidated financial statements and related financial information included in this Report fairly present in all material respects our financial condition, results of operations and cash flows as of the dates presented, and for the periods ended on such dates, in conformity with U.S. GAAP and the rules and regulations promulgated by the SEC.

We identified a material weakness as of December 31, 2023 in our internal control over financial reporting, which was not fully remediated as of June 30, 2024. A material weakness is a deficiency or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected and corrected on a timely basis. We concluded that our internal control over financial reporting was not effective as of December 31, 2023 and was not fully remediated as of June 30, 2024 with respect to the following processes as the result of the ineffective design and operation of business process level controls: (i) accounting for revenue recognition, (ii) accounting for promotional allowances, and (iii) accounting for inventories.

Management has reassessed the design of controls and modified its processes to remediate the control deficiencies that led to the material weakness, including but not limited to placing increased emphasis on appropriately designing and implementing effective business process level controls. This material weakness cannot be considered remediated until the applicable controls are designed and operating effectively for a sufficient period of time, as supported by management's testing results.

Changes in Internal Control Over Financial Reporting

During the six months ended June 30, 2024, we have been implementing and will aggressively continue to implement changes to improve the control environment with respect to the business process level controls that led to the material weakness in our internal control over financial reporting as of December 31, 2023 discussed above. We anticipate the actions to be taken, and resulting process improvements, to generally strengthen our internal control over financial reporting and remediate the material weakness noted above. These remedial measures were considered changes to our internal control environment that had a material effect on our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The information required by this Item is incorporated herein by reference to Note 15. *Commitments and Contingencies* in the consolidated financial statements in Part I, Item 1, of this Report.

Item 1A. Risk Factors.

We face a variety of risks that are inherent in our business and our industry, including operational, legal, regulatory and product risks. Such risks could cause our actual results to differ materially from our forward-looking statements, expectations and historical trends. During the reporting period covered by this Report, there have been no material changes to our risk factors as set forth in Part I, Item 1A *"Risk Factors"* in our 2023 Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None, except as previously disclosed in filings with the SEC.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Form of Indemnification Agreement

On August 1, 2024, the Board approved a form of indemnification agreement that may be entered into between the Company and the Company's directors and certain executive officers, a copy of which is filed as Exhibit 10.4 to this Report and incorporated by reference in this Item 5.

Jarrod Langhans Employment Agreement Amendment

On August 2, 2024, the Company entered into an amendment (the "Employment Agreement Amendment"), effective August 1, 2024, to its Employment Agreement, dated February 2, 2024, with Jarrod Langhans, the Company's Chief Financial Officer (the "Employment Agreement"), which amended the Employment Agreement to provide for the following:

- in the event of termination other than for "cause" or with "good reason" (as each defined in the Employment Agreement), Mr. Langhans will additionally receive the prorated amount, based on the date of termination, of his target annual bonus for the year in which the termination occurs;
- subject to certain conditions, in the event of a termination of employment in connection with a change in control, Mr. Langhans would be entitled to two times (increased from 1.5 times) the sum of (i) his base salary in effect on the termination date plus (ii) his target annual performance bonus for the calendar year in which the termination occurs; and
- subject to certain conditions in the event of termination of employment in connection with a change in control, Mr. Langhans would additionally receive a prorated amount, based on his termination, of his target annual bonus for the year in which the termination date occurs.

The foregoing description of the Employment Agreement Amendment is only a summary and is qualified in its entirety by the full text of the Employment Agreement Amendment, which is filed as Exhibit 10.2 to this Report and incorporated by reference in this Item 5.

Executive Severance Plan

On August 1, 2024, the Board adopted the Celsius, Inc. Executive Severance Pay Plan (the "Executive Severance Plan"), effective August 1, 2024, which generally applies to the Company's executive officers, including the Company's chief executive officer and chief financial officer. The Executive Severance Plan provides for the payment of severance and other benefits to eligible executive officers in the event of (i) an involuntary termination of employment with the Company other than for Cause, or (ii) resignation for Good Reason (as such capitalized terms are defined in the Executive Severance Plan). In the event of an executive officers' qualifying termination and subject to such executive officer's execution of a general release of liability against the Company and other requirements as specified in the Executive Severance Plan, the Company would award the following payments and benefits to the eligible executive officers:

- a lump sum payment of the (i) sum of (A) the executive officer's base salary plus 100% of such executive officer's target annual bonus for the year in which the termination occurs and (B) the prorated amount, based on the date of termination, of such executive officer's target annual bonus for the year in which the termination occurs, *minus* (ii) amounts payable under any government-mandated severance that does not prohibit offset and any any outstanding debt owed to the Company; and
- a lump sum payment equal to such executive officer's COBRA premiums over a 12-month period.

Notwithstanding the foregoing, no executive officer would be entitled to benefits under the Executive Severance Plan to the extent such executive officer will receive greater benefits under any other applicable contractual plan or arrangement. Additionally, the Board's Human Resources and Compensation committee, as plan administrator, may, as it deems appropriate, in its sole and absolute discretion, authorize severance benefits in an amount different (greater or less) from the guideline amounts set forth in the Executive Severance Plan.

The foregoing description of the Executive Severance Plan is only a summary and is qualified in its entirety by the full text of the Executive Severance Plan, which is filed as Exhibit 10.3 to this Report and incorporated by reference in this Item 5.

Form of Executive Change in Control and Indemnity Agreement

On August 1, 2024, the Board adopted a form of Executive Change in Control and Indemnity Agreement (the "CIC Agreement"), that may be entered into from time to time with certain executive officers of the Company. The CIC Agreement provides for the payment of severance and other benefits in the event that, during the three month period preceding and the two-year period following a Change in Control, the applicable executive is terminated by the Company other than for Cause, or if such executive voluntarily resigns for Good Reason (as such capitalized terms are defined in the CIC Agreement). In the event of a qualifying termination and subject to the executive officer's execution of a general release of liability against the Company and other requirements as specified in the CIC Agreement, the Company shall pay to such executive:

- any accrued obligations, including (i) the executive officer's earned but unpaid base salary through such officer's termination, (ii) payment of any accrued paid time off, (iii) reimbursement of certain expenses and (iv) any earned but unpaid annual bonus for any year preceding the fiscal year in which the termination occurs;
- a cash payment equal to the product of (i) two times the sum of (A) the executive officer's base salary plus (B) 100% of such executive officer's target annual bonus for the year in which the termination occurs;
- a prorated amount of such executive officer's target annual bonus for the year in which the termination occurs; and
- a lump sum payment equal to such executive officer's COBRA premiums over an 18-month period.

The CIC Agreement additionally includes confidentiality, non-competition, non-solicitation and intellectual property covenants in favor of the Company, as well and indemnification provisions in favor of the applicable executive.

The foregoing description of the CIC Agreement is only a summary and is qualified in its entirety by the full text of the CIC Agreement, which is filed as Exhibit 10.4 to this Report and incorporated by reference in this Item 5.

Second Amended & Restated Bylaws

On August 1, 2024, the Company's Board of Directors (the "Board") adopted the Company's Second Amended and Restated Bylaws (the "Second A&R Bylaws"), which amended and restated in their entirety the Company's First Amended and Restated Bylaws to: (i) provide that special meetings of stockholders may be called exclusively by the Chair of the Board, the President or by the Board; (ii) provide that any action that may be taken by stockholders at a meeting thereof must be taken at such a meeting and not by written consent; (iii) make clear that stockholders have the right to amend the Company's bylaws; (iv) update the exclusive forum selection provision, including to conform to changes in Nevada law; and (v) include general indemnification provisions applicable to the Company's directors, officers and other employees. The Second A&R Bylaws additionally include certain immaterial and ministerial revisions and changes, including those to conform with Nevada law and explicitly provide for the use of forms of electronic communication. The Second A&R Bylaws became effective upon adoption by the Board on August 1, 2024.

The foregoing description of the Second A&R Bylaws is only a summary and is qualified in its entirety by the full text of the Second A&R Bylaws, which are filed as Exhibit 3.2 to this Report and incorporated by reference in this Item 5.

Rule 10b5-1 Trading Arrangements

From time to time, certain of our executive officers and directors have, and we expect they will in the future, enter into, amend and terminate written trading arrangements pursuant to Rule 10b5-1 of the Exchange Act or otherwise. During the quarter ended June 30, 2024, none of our officers or directors adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits.

Index to Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference		
		Form	Exhibit	Filing Date
3.1	Composite Articles of Incorporation of Celsius Holdings, Inc.	10-K	3.1	2/29/2024
3.2	Second Amended and Restated Bylaws			
10.1†*	Form of Indemnification Agreement			
10.2†*	First Amendment, effective August 1, 2024, to the Employment Agreement between the Company and Jarrod Langhans dated February 2, 2024			
10.3†*	Executive Severance Pay Plan and Summary Plan Description			
10.4†*	Form of Executive Change in Control and Indemnity Agreement			
10.5†*	Form of Restricted Stock Grant Agreement for certain employees of the Company			
31.1*	Section 302 Certification of Chief Executive Officer			
31.2*	Section 302 Certification of Chief Financial Officer			
32.1**	Section 906 Certification of Chief Executive Officer			
32.2**	Section 906 Certification of Chief Financial Officer			
101.INS	Inline XBRL Instance Document			
101.SCH	Inline XBRL Taxonomy Extension Schema Document			
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document			
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document			
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document			
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, formatted in Inline iXBRL and contained in Exhibit 101			

* Filed herewith
** Furnished herewith
† Management contract or compensatory plan arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CELSIUS HOLDINGS, INC.

Date: August 5, 2024

By: /s/ John Fieldly

John Fieldly,
Chief Executive Officer
(Principal Executive Officer)

Date: August 5, 2024

By: /s/ Jarrod Langhans

Jarrod Langhans,
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 3.2

SECOND AMENDED AND RESTATED BYLAWS

OF

CELSIUS HOLDINGS, INC. (A NEVADA CORPORATION)

Exhibit 3.2

INDEX

Exhibit 3.2

Exhibit 3.2

AMENDED AND RESTATED BYLAWS OF CELSIUS HOLDINGS, INC.

ARTICLE ONE OFFICES

Section 1. Principal Office. The principal office of Celsius Holdings, Inc., a Nevada corporation (the "Corporation"), shall be located at such place determined by the Board of Directors of the Corporation (the "Board of Directors") from time to time in accordance with applicable law.

Section 2. Other Offices. The Corporation may also have offices at such other places, either within or without the State of Nevada, as the Board of Directors may from time to time determine or as the business of the Corporation may require.

ARTICLE TWO

MEETINGS OF STOCKHOLDERS

Section 1. Place. All annual meetings of stockholders shall be held at such place, within or without the State of Nevada, as may be designated by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof. Special meetings of stockholders may be held at such place, within or without the State of Nevada, and at such time as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall, in addition to or instead of a physical meeting, be held by means of remote communication, including, without limitation, electronic communications, videoconferencing, teleconferencing or other available technology, as provided under Title 7, Chapter 78 of Nevada Revised Statutes (as amended from time to time, the "NRS").

Section 2. Time of Annual Meeting. Annual meetings of stockholders shall be held on such date and at such time fixed, from time to time, by the Board of Directors, provided, that there shall be an annual meeting held every calendar year at which the stockholders shall elect a board of directors and transact such other business as may properly be brought before the meeting. The Board of Directors may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board of Directors.

Section 3. Call of Special Meetings. Special meetings of the stockholders may be called for any purpose or purposes at any time by the Chair of the Board or the President or by the Board of Directors. Only such business shall be conducted at a special meeting as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. A special meeting of stockholders called by the Board of Directors, the Chair of the Board or the President may be postponed, rescheduled or cancelled by the Board of Directors at any time before the scheduled commencement of the meeting.

Section 4. Conduct of Meetings. The Board of Directors may adopt by resolution such rules, regulations and procedures for the conduct of any meeting of stockholders of the Corporation as it shall deem appropriate, including such guidelines and procedures as it may deem appropriate regarding the participation by means of remote communication of stockholders and proxyholders not physically present at a meeting. The Chair of the Board (or in the Chair of the Board's absence, the President, or in the President's absence, such other designee of the Board of Directors) shall preside at the annual and special meetings of stockholders and shall be given full discretion in establishing the rules and procedures to be followed in conducting the meetings, except as otherwise provided by law or in these Second Amended and Restated Bylaws (as amended from time to time, the "Bylaws"). Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chair of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present, including regulation of the manner of voting and the conduct of discussion; (c) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chair of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; (e) limitations on the time allotted to questions or comments by participants; (f) restrictions on the use of cell phones, audio or video recording devices and similar devices at the meeting; and (g) requiring that meeting attendees produce appropriate identification as a condition to admission to the meeting. The chair of the meeting, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a nomination or matter or business was not properly brought before the meeting, and if such chair should so determine, such chair shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure. The chair of the meeting shall announce at the meeting when the polls for each matter to be voted upon at the meeting will be opened and closed. After the polls close, no ballots, proxies or votes or any revocations or changes thereto may be accepted. The chair of the meeting shall have the power, right and authority to convene, recess or adjourn any meeting of stockholders, whether or not a quorum is present.

Section 5. Notice and Waiver of Notice. Except as otherwise provided by law, written or printed notice stating the place, date and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally or by first-class mail or other legally sufficient means, by or at the direction of the Chair of the Board, President, or the persons calling the meeting, to each stockholder of record entitled to vote at such meeting.

(a) Form of Notice. If the notice is mailed at least 30 days before the date of the meeting, it may be done by a class of United States mail other than first class. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the stockholder at the address appearing on the stock transfer books of the Corporation, with postage thereon prepaid. If given by courier, such notice shall be deemed given at the earlier of when the notice is received

or left at such stockholder's address. Subject to the limitations of Section 5(c) of this ARTICLE TWO, if given by electronic transmission, such notice shall be deemed to be delivered to a stockholder of the Corporation: (i) if given by facsimile telecommunication, when directed to a number as provided by such stockholder to the Corporation or its transfer agent or as otherwise consented to by such stockholder; (ii) if by electronic mail, when directed to such stockholder's electronic mail address as provided by such stockholder to the Corporation or its transfer agent or as otherwise consented to by such stockholder; (iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (x) such posting and (y) the giving of such separate notice; and (iv) if by any other form of electronic transmission consented to by the stockholder, when directed to the stockholder. An affidavit of the Secretary or an assistant secretary of the Corporation, the transfer agent of the Corporation or any other agent of the Corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. If a meeting is adjourned to another time and/or place, and if an announcement of the adjourned time and/or place is made at the meeting, it shall not be necessary to give notice of the adjourned meeting unless the Board of Directors, after adjournment, fixes a new record date for the adjourned meeting.

(b) Waiver of Notice. Whenever any notice is required to be given to any stockholder, a waiver thereof in writing signed by the person or persons entitled to such notice, whether signed before, during or after the time of the meeting stated therein, and delivered to the Corporation for inclusion in the minutes or filing with the corporate records, shall constitute an effective waiver of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice. Attendance of a person at a meeting shall constitute a waiver of (a) lack of or defective notice of such meeting, unless the person objects at the beginning to the holding of the meeting or the transacting of any business at the meeting, and (b) lack of or defective notice of a particular matter at a meeting that is not within the purpose or purposes described in the meeting notice, unless the person objects to considering such matter when it is presented.

(c) Notice by Electronic Transmission. Without limiting the manner by which notice otherwise may be given effectively to stockholders of the Corporation pursuant to the NRS, the articles of incorporation of the Corporation (as amended from time to time, the "Articles of Incorporation") or these Bylaws, any notice to stockholders of the Corporation given by the Corporation under any provision of the NRS, the Articles of Incorporation or these Bylaws shall be effective if given by electronic mail complying with the NRS or other form of electronic transmission; provided, that receipt of notice by electronic mail or such other form of electronic transmission has been consented to by the stockholder of the Corporation to whom the notice is given. Any such consent is revocable by the stockholder by notice to the Corporation. Notice may not be given by electronic transmission from and after the time: (i) the stockholder is unable to receive by electronic transmission two consecutive notices given by the Corporation; and (ii) such inability becomes known to the Secretary or an assistant secretary of the Corporation or to the transfer agent or other person responsible for the giving of notice; provided, however, that the failure to discover such inability shall not invalidate any meeting or other action. For purposes of these Bylaws, the term "electronic transmission" has the meaning ascribed to it in NRS 75.050.

Section 6. Advance Notice of Business and Nominations for Annual and Special Meetings

(a) Annual Meeting of Stockholders. Nominations of persons for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be made at an annual meeting of the stockholders only as (A) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors or any duly authorized committee thereof, (B) brought by or at the direction of the Board of Directors or any duly authorized committee thereof, or (C) otherwise properly brought by any stockholder of the Corporation who (1) was a stockholder of record (I) at the time of giving of notice provided for in Section 6(a)(ii) of this ARTICLE TWO, (II) on the record date for determination of stockholders of the Corporation entitled to vote at the meeting, and (III) at the time of the annual meeting, (2) is entitled to vote at the meeting and (3) complies with the notice procedures set forth in Section 6(a)(ii) of this ARTICLE TWO. For the avoidance of doubt, the foregoing clause (C) of this Section 6(a) shall be the exclusive means for a stockholder to nominate for election or reelection to the Board of Directors any director or propose such business (other than business included in the Corporation's proxy materials pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) before an annual meeting of stockholders.

(i) In addition to any other applicable requirements, for any business or nominations to be properly brought before an annual meeting by a stockholder of record, the stockholder of record giving the notice (the "Noticing Stockholder") must have given timely notice thereof in proper form and in writing to the Secretary and any such proposed business must be a proper matter for stockholder action. To be timely, a Noticing Stockholder's notice for such business must be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the Close of Business (as such term is defined below) on the 120th day prior to the first anniversary of the date of the preceding year's annual meeting of stockholders nor later than the Close of Business on the 90th day prior to the first anniversary of the date of the preceding year's annual meeting of stockholders; provided that if the date of the annual meeting is more than 30 days before or more than 70 days after such anniversary date, or if no annual meeting was held in the preceding year, such Noticing Stockholder's notice to be timely must be so delivered no later than the later of (A) the Close of Business on the 10th day following the day the Public Announcement (as such term is defined below) of the date of the annual meeting is first made by the Corporation and (B) the Close of Business on the date which is 90 days prior to the date of the annual meeting. In no event shall any adjournment, recess, rescheduling or postponement of an annual meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Notwithstanding anything to the contrary contained in these Bylaws, if the person whom the Noticing Stockholder proposes to nominate for election or re-election as a director pursuant to the notice procedures set forth in these Bylaws becomes ineligible or unwilling to serve on the Board of Directors, the Noticing Stockholder may not, at the annual meeting for which its notice for nomination has previously been given, propose to nominate any substitute, successor or replacement nominee for election or re-election as a director, unless it gives a new timely notice pursuant to these Bylaws. For the avoidance of doubt, a stockholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in these Bylaws. Notwithstanding anything in the second sentence of this Section 6(a)(i) to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased and there is no Public Announcement by the Corporation naming all of the nominees for director proposed by the Board of Directors or specifying the size of the increased

Board of Directors at least 10 days before the last day a Noticing Stockholder may deliver a notice of nominations in accordance with such sentence, a Noticing Stockholder's notice required by these Bylaws shall be considered timely, but only with respect to proposed nominees for any new positions created by such increase, if it shall be delivered to the Secretary not later than the Close of Business on the 10th day following the day on which such Public Announcement is first made by the Corporation.

(ii) To be in proper form, a Noticing Stockholder's notice to the Secretary (whether given pursuant to Section 6(a) or Section 6(b) of this ARTICLE TWO) must:

(A) if the notice relates to any business other than the nomination of a director or directors that the stockholder proposes to bring before the meeting, set forth (1) (a) a brief description of the business desired to be brought before the annual meeting and (b) the text, if any, of the proposal or business (including the text of any resolutions or actions proposed for consideration and if such business includes a proposal to amend these Bylaws, the specific language of the proposed amendment), (2) the reasons for conducting such business at the meeting and any material interest in such business of each Holder and any Stockholder Associated Person (as such terms are defined below), and (3) a description of all agreements, arrangements and understandings between each Holder and any Stockholder Associated Person and any other person or persons (including their names) in connection with the proposal of such business by such stockholder;

(B) set forth, as to the Noticing Stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (collectively with the Noticing Stockholder, the "Holders" and each a "Holder"): (1) the name and address, as they appear on the Corporation's books, of each Holder and the name and address of any Stockholder Associated Person, (2) (a) the class or series and number of shares of stock of the Corporation which are directly or indirectly held of record or beneficially owned by each Holder and any Stockholder Associated Person (provided that, for the purposes of this Section 6(a)(ii), any such person shall in all events be deemed to beneficially own any shares of the Corporation as to which such person has a right to acquire beneficial ownership at any time in the future), (b) any short position, profits interest, option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived, in whole or in part, from the value of any class or series of shares of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise (a "Derivative Instrument") directly or indirectly held or beneficially held by each Holder and any Stockholder Associated Person, and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of any security of the Corporation, (c) a description of any proxy, contract, arrangement, understanding or relationship pursuant to which each Holder and any Stockholder Associated Person has a right to vote or has granted a right to vote any security of the Corporation, (d) any Short Interest in any security of the Corporation held by each Holder and any Stockholder Associated Person presently or within the last 12 months in any security of the Corporation (for purposes of these Bylaws, a person shall be deemed to have a "Short Interest" in a security if such person, directly or indirectly, though any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any

profit derived from any decrease in the value of the subject security), (e) any agreement, arrangement or understanding (including any Derivative Instrument) between and among each Holder and/or any Stockholder Associated Person, on the one hand, and any person acting in concert with any such person, on the other hand, with the intent to, or the effect of which may be to, transfer to or from any such person, in whole or in part, any of the economic consequences of ownership of any security of the Corporation or to increase or decrease the voting power of any such person with respect to any security of the Corporation, (f) any direct or indirect legal, economic or financial interest (including Short Interest) of each Holder and any Stockholder Associated Person in the outcome of any (I) vote to be taken at any annual or special meeting of stockholders of the Corporation or (II) any meeting of stockholders of any other entity with respect to any matter that is related, directly or indirectly, to any nomination or business proposed by any Holder under these Bylaws, (g) any rights to dividends on any security of the Corporation owned beneficially by each Holder and any Stockholder Associated Person that are separated or separable from the underlying security of the Corporation, (h) any proportionate interest in any security of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership or limited liability company or similar entity in which any Holder or any Stockholder Associated Person is a general partner or, directly or indirectly, beneficially owns any interest in a general partner or is the manager or managing member or, directly or indirectly, beneficially owns any interest in the manager or managing member of a limited liability company or similar entity, (i) any performance-related fees (other than an asset-based fee) that each Holder and any Stockholder Associated Person is entitled to based on any increase or decrease in the value of securities of the Corporation or Derivative Instruments, if any, as of the date of such notice, (j) any direct or indirect legal, economic or financial interest (including Short Interest) in any principal competitor of the Corporation held by each Holder and any Stockholder Associated Person, and (k) any material pending or threatened action, suit or proceeding (whether civil, criminal, investigative, administrative or otherwise) in which any Holder or any Stockholder Associated Person is, or is reasonably expected to be made, a party or material participant involving the Corporation or any of its officers, directors or employees, or any Affiliate of the Corporation, or any officer, director or employee of such Affiliate (sub-clauses (a) through (k) of this Section 6(a)(ii)(B)(2) shall be referred to as the "Stockholder Information"), (3) a representation by the Noticing Stockholder that such stockholder is the beneficial owner or stockholder of record of stock of the Corporation entitled to vote at such meeting, will continue to be a beneficial owner or stockholder of record of the Corporation entitled to vote at such meeting through the date of such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination, (4) a representation by the Noticing Stockholder as to whether any Holder and/or any Stockholder Associated Person intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect any nominee and/or (b) otherwise to solicit proxies or votes from stockholders in support of such proposal or nomination or nominations, (5) a certification by the Noticing Stockholder that each Holder and any Stockholder Associated Person has complied with all applicable federal, state and other legal requirements in connection with its acquisition of shares or other securities of the Corporation and such person's acts or omissions as a stockholder of the Corporation, (6) the names and addresses of other stockholders (including beneficial owners) known by any of the Holder or Stockholder Associated Person to support such proposal or nomination or nominations, and to the extent known

the class and number of all shares of the Corporation's capital stock owned beneficially or of record by such other stockholder(s) or other beneficial owner(s), and (7) a representation by the Noticing Stockholder as to the accuracy of the information set forth in the notice;

(C) set forth, as to each person, if any, whom the Noticing Stockholder proposes to nominate for election or reelection to the Board of Directors (1) the name, age, business address and residence address of such person, (2) the principal occupation or employment of such person (at present and for the past five years), (3) the Stockholder Information for such person and any member of the immediate family of such person, or any Affiliate or Associate (as such terms are defined below) of such person, or any person acting in concert therewith, (4) all information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (including such person's written consent to being named in proxy statements as a proposed nominee of the Noticing Stockholder and to serving as a director for the entirety of the term of such director if elected), (5) a complete and accurate description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings (whether written or oral) during the past three years, and any other material relationships, between or among the Holders and/or any Stockholder Associated Person, on the one hand, and such person and any member of the immediate family of such person, and such person's respective Affiliates and Associates, or others acting in concert therewith, on the other hand, including, without limitation, all biographical and related party transaction and other information that would be required to be disclosed pursuant to the federal and state securities laws, including Rule 404 promulgated under Regulation S-K under the Securities Act of 1933, as amended (the "Securities Act") (or any successor provision), if any Holder and/or any Stockholder Associated Person were the "registrant" for purposes of such rule and such person were a director or executive officer of such registrant; and (6) a completed and signed questionnaire, representation and agreement and any and all other information required by Section 6(d) of this ARTICLE TWO.

(iii) A Noticing Stockholder shall further update and supplement its notice of any nomination or other business proposed to be brought before a meeting, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 6(a) shall be true and correct (A) as of the record date for the meeting and (B) as of the date that is 10 Business Days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof. Such update and supplement shall be delivered to the Secretary no later than three Business Days after the later of the record date or the date a Public Announcement of the notice of the Record Date is first made (in the case of the update and supplement required to be made as of the record date for the meeting) and not later than seven Business Days prior to the date of the meeting, if practicable (or, if not practicable, on the first practicable date prior to the meeting), or any adjournment, recess, rescheduling or postponement thereof (in the case of the update and supplement required to be made as of 10 Business Days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof). In addition, if the Noticing Stockholder has delivered to the Corporation a notice relating to the nomination of directors, the Noticing Stockholder shall deliver to the Corporation no later than seven Business Days prior to the date of the annual meeting or any

adjournment, recess, rescheduling or postponement thereof, if practicable (or, if not practicable, on the first practicable date prior to the date of the annual meeting or such adjournment, recess, rescheduling or postponement thereof) reasonable evidence that it has complied with the requirements of Rule 14a-19 of the Exchange Act.

(iv) The Corporation may also, as a condition to any such nomination or business being deemed properly brought before an annual meeting, require any Holder or any proposed nominee to deliver to the Secretary, within five Business Days of any such request, such other information as may be reasonably requested by the Corporation, including, without limitation, such other information as may be reasonably required by the Board of Directors, in its sole discretion, to determine (1) the eligibility of such proposed nominee to serve as a director of the Corporation, (2) whether such proposed nominee qualifies as an "independent director" or "audit committee financial expert" under applicable law, securities exchange rule or regulation, or any publicly disclosed corporate governance guideline or committee charter of the Corporation and (3) that the Board of Directors determines, in its sole discretion, could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such proposed nominee.

(b) **Special Meetings of Stockholder**. In the event that a special meeting of stockholders is called for the purpose of electing one or more directors to the Board of Directors,

nominations of persons for election to the Board of Directors may be made at such special meeting (i) by a stockholder who submitted a request for a special meeting in the manner provided for Section 3 of this ARTICLE TWO, (ii) by or at the direction of the Board of Directors or any duly authorized committee thereof or (iii) by any stockholder other than any stockholder who submitted a request for a special meeting in accordance with Section 3 of this ARTICLE TWO that included the election of directors in the request who (A) is a stockholder of record (1) at the time of giving of notice provided for in this Section 6, (2) on the record date for the determination of stockholders of the Corporation entitled to vote at the meeting, and (3) at the time of the special meeting, (B) is entitled to vote at the meeting and (C) complies with the notice procedures provided for in Section 6(a) of this ARTICLE TWO, including delivering the stockholder's notice required by Section 6(a) of this ARTICLE TWO with respect to any nomination to the Secretary not earlier than the Close of Business on the 120th day prior to such special meeting, nor later than the Close of Business on the later of the 90th day prior to such special meeting or the 10th day following the date on which Public Announcement is first made by the Corporation of the special meeting and of the nominees, if any, proposed by the Board of Directors to be elected at such meeting. In no event shall the Public Announcement of an adjournment, recess, rescheduling or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(c) **General.**

(i) As applicable to nominees or business being proposed by one or more stockholders, only such persons who are nominated in accordance with the procedures set forth in this Section

6 shall be eligible to be elected at an annual or special meeting of stockholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 6. Except as otherwise provided by law, the chairperson of the meeting shall have the power and duty (a) to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 6 (including whether the Holder, if any, on whose behalf the nomination or proposal is made, solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in support of such Noticing Stockholder's nominee or proposal in compliance with such Holder's representation as required by Section 6(a)(ii)(B)(4) of ARTICLE TWO) and (b) if any proposed nomination or business was not made or proposed in compliance with this Section 6, to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. The number of nominees a Noticing Stockholder may propose to nominate for election at a meeting of stockholders (or in the case of a Noticing Stockholder giving the notice on behalf of a beneficial owner, the number of nominees a Noticing Stockholder may propose to nominate for election at the meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such meeting.

(ii) Notwithstanding the foregoing provisions of this Section 6, unless otherwise required by law, if the Noticing Stockholder (or a Qualified Representative (as such term is defined below) thereof) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or propose business, such nomination shall be disregarded and such business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation.

(iii) For purposes of this Section 6, delivery of any notice or materials by a stockholder as required under this Section 6 shall be made by both (1) hand delivery, overnight courier service, or by certified or registered mail, return receipt requested, in each case to the Secretary at the principal executive offices of the Corporation and (2) electronic mail to the Secretary at the principal executive offices of the Corporation or such other email address for the Secretary as may be specified in the Corporation's proxy statement for the annual meeting of stockholders immediately preceding such delivery of notice or materials.

(iv) Definitions. For purposes of these Bylaws, the term:

(A) "Affiliate" shall have the meaning attributed to such term in Rule 12b-2 under the Exchange Act and the rules and regulations promulgated thereunder;

(B) "Associate" shall have the meaning attributed to such term in Rule 12b-2 under the Exchange Act and the rules and regulations promulgated thereunder;

(C) "Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in Boca Raton, Florida or New York, New York are authorized or obligated by law or executive order to close;

(D) "Close of Business" shall mean 5:00 p.m. local time at the principal executive offices of the Corporation, and if an applicable deadline falls on the Close of Business on a day that is not a Business Day, then the applicable deadline shall be deemed to be the Close of Business on the immediately preceding Business Day;

(E) "Public Announcement" means any method (or combination of methods) of disclosure that is reasonably designed to provide broad, non-exclusionary distribution of the information to the public or the furnishing or filing of any document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder;

(F) "Qualified Representative" of any stockholder means a duly authorized officer, manager or partner of such stockholder or authorized by a writing executed by such stockholder (or a reliable reproduction or electronic transmission of the writing) delivered to the Corporation prior to the presentation of any matters at any meeting of stockholders stating that such person is authorized to act for such stockholder as proxy at such meeting of stockholders; and

(G) "Stockholder Associated Person" of any Holder means (1) any person acting in concert with such Holder, (2) any person controlling, controlled by or under common control with such Holder or any of their respective Affiliates and Associates, or person acting in concert therewith and (3) any member of the immediate family of such Holder or an Affiliate or Associate of such Holder.

(v) Notwithstanding the foregoing provisions of this Section 6, a stockholder must also comply with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder with respect to the matters set forth in this Section 6; provided that any references in these Bylaws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit the requirements applicable to nominations or proposals as to any other business to be considered pursuant to Section 6(a) or Section 6(b) of this ARTICLE TWO. Nothing in this Section 6 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or any other applicable federal or state securities law with respect to that stockholder's request to include proposals in the Corporation's proxy statement.

(d) Submission of Questionnaire, Representation and Agreement. In addition to the other requirements of this Section 6, each person who a Noticing Stockholder proposes to nominate for election or re-election as a director of the Corporation must deliver in writing (in accordance with the time periods prescribed for delivery of notice under this Section 6) to the Secretary at the principal executive offices of the Corporation (A) a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request of any stockholder of record identified by name within five Business Days of such written request) and (B) a written representation and agreement (in the form provided by the Secretary upon written request of any stockholder of record identified by name within five Business Days of such written request) that such person (1) is not and will not become a party to (x) any agreement, arrangement or understanding (whether written or oral) with, and has not given

any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or (y) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, (2) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed to the Corporation, (3) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with all applicable rules of the exchanges upon which the securities of the Corporation are listed and all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation, and (4) in such person's individual capacity and on behalf of any Holder on whose behalf the nomination is being made, intends to serve a full term if elected as a director of the Corporation.

Section 7. Quorum. Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. Except as otherwise provided in the Articles of Incorporation or applicable law, shares representing a majority of the votes pertaining to outstanding shares which are entitled to be cast on the matter by the voting group constitute a quorum of that voting group for action on that matter. If less than a quorum of shares is represented at a meeting, then the chair of the meeting may adjourn or postpone the meeting from time to time. After a quorum has been established at any stockholders' meeting, the subsequent withdrawal of stockholders, so as to reduce the number of shares entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof. Once a share is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

Section 8. Voting Rights Per Share. Every stockholder of record who is entitled to vote shall at every meeting of the stockholders be entitled to one vote for each share of stock held on the record date, except to the extent that the voting rights of the shares of any class are expanded, limited or denied by or pursuant to the Articles of Incorporation or the NRS.

Section 9. Voting of Shares. A stockholder may vote at any meeting of stockholders of the Corporation, either in person or by proxy. Shares standing in the name of another corporation, domestic or foreign, may be voted by the officer, agent or proxy designated by the bylaws of such corporate stockholder or, in the absence of any applicable bylaw, by such person or persons as the board of directors of the corporate stockholder may designate. In the absence of any such designation, or, in case of conflicting designation by the corporate stockholder, the chair of the board, the president, any vice president, the secretary and the treasurer of the corporate stockholder, in that order, shall be presumed to be fully authorized to vote such shares. Shares held by an administrator, executor, guardian, personal representative, or conservator may be voted by such person, either in person or by proxy, without a transfer of such shares into such person's name. Shares standing in the name of a trustee may be voted by such person, either in person or by proxy. Shares held by or under the control of a receiver, a trustee in bankruptcy proceedings, or an

assignee for the benefit of creditors may be voted by such person without the transfer thereof into such person's name. If shares stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary of the Corporation is given notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, then acts with respect to voting shall have the following effect: (a) if only one votes, in person or by proxy, such person's act binds all; (b) if more than one vote, in person or by proxy, the act of the majority so voting binds all; (c) if more than one vote, in person or by proxy, but the vote is evenly split on any particular matter, each faction is entitled to vote the share or shares in question proportionally; or (d) if the instrument or order so filed shows that any such tenancy is held in unequal interest, then each faction is entitled to vote the share or shares in question proportionally. The principles of this paragraph shall apply, insofar as possible, to execution of proxies, waivers, consents, or objections and for the purpose of ascertaining the presence of a quorum.

Section 10. Proxies. Any stockholder of the Corporation, other person entitled to vote on behalf of a stockholder pursuant to law, or attorney-in-fact for such persons may vote the stockholder's shares in person or by proxy. Any stockholder of the Corporation may appoint a proxy to vote or otherwise act for such person by signing an appointment form, either personally or by such person's attorney-in-fact. An executed telegram or cablegram appearing to have been transmitted by such person, or a photographic, photostatic, or equivalent reproduction of an appointment form, shall be deemed a sufficient appointment form. An appointment of a proxy shall be valid for up to six months from its creation, unless a longer period is expressly provided in the appointment form in compliance with applicable law. The death or incapacity of the stockholder appointing a proxy does not affect the right of the Corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other officer or agent authorized to tabulate votes before the proxy authority under the appointment is exercised. An appointment of a proxy is revocable by the stockholder unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest.

Section 11. No Action Without A Meeting. Subject to the rights of the holders of any class or series of preferred stock then outstanding, as may be set forth in the certificate of designations for such class or series of preferred stock, any action required or permitted to be taken at any annual or special meeting of stockholders may be taken only upon the vote of stockholders at an annual or special meeting duly noticed and called in accordance with these Bylaws, the Articles of Incorporation and the NRS and may not be taken by written consent of stockholders without a meeting.

Section 12. Fixing Record Date. For the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment, recess, rescheduling or postponement thereof, or entitled to receive payment of any dividend, or in order to make a determination of stockholders for any other proper purposes, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders, such date in any case to be not more than 60 days, and, in case of a meeting of stockholders, not less than 10 days, before

the meeting or action requiring such determination of stockholders. If no record date is fixed for the determination of stockholders entitled to notice of or to vote at a meeting of stockholders or the determination of stockholders entitled to receive payment of a dividend, the Close of Business on the next day preceding the day on which the first notice of the meeting is mailed or the date on which the resolutions of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of stockholders. When a determination of stockholders entitled to vote at any meeting of stockholders has been made as provided in this Section 12, such determination shall apply to any adjournment thereof, except where the Board of Directors fixes a new record date for the adjourned meeting.

Section 13. Inspectors and Judges. The Board of Directors in advance of any meeting may, but need not, appoint one or more inspectors of election or judges of the vote, as the case may be, who may be employees of the Corporation, to act at the meeting or any adjournment thereof. If any inspector or inspectors, or judge or judges, are not appointed, the person presiding at the meeting may, but need not, appoint one or more inspectors or judges. In case any person who may be appointed as an inspector or judge fails to appear or act, the vacancy may be filled by the Board of Directors in advance of the meeting, or at the meeting by the person presiding thereat. The inspectors or judges, if any, shall determine the number of shares of stock outstanding and the voting power of each, the shares of stock represented at the meeting, the existence of a quorum, and the validity and effect of proxies, and shall receive votes, ballots and consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate votes, ballots and consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the person presiding at the meeting, the inspector or inspectors or judge or judges, if any, shall make a report in writing of any challenge, question or matter determined by them, and execute a certificate of any fact found by them.

ARTICLE THREE

DIRECTORS

Section 1. Powers. The business and affairs of the Corporation shall be managed by the Board of Directors, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not, by statute or by the Articles of Incorporation or by these Bylaws, directed or required to be exercised and done by the stockholders of the Corporation.

Section 2. Number; Term; Qualification. The number of directors of the Corporation shall be nine, provided that the number of directors of the Corporation may be increased or decreased from time to time by resolution of the Board of Directors, subject to the requirements of the NRS. Directors shall be elected in the manner and hold office for a one-year term which shall terminate at the conclusion of the next annual meeting of the stockholders at which their successors shall be elected and qualified or until such director's earlier resignation, retirement, disqualification, removal from office, death or incapacity. Notwithstanding any stated term, all directors shall continue in office until the election and qualification of their respective successors in office or the expiration of the term of the directorship held by the director. Directors must be natural persons

who are 18 years of age or older but need not be residents of the State of Nevada, stockholders of the Corporation or citizens of the United States.

Section 3. Election. The manner by which directors will be elected at an annual meeting or other meeting of stockholders will be as follows, depending on whether the election is "contested" or "uncontested" (as such terms are defined below). In an uncontested election, directors shall be elected by a majority of the votes cast by holders of shares of the Corporation's capital stock entitled to vote in the election of directors at any meeting of stockholders at which a quorum is present. In a contested election, directors shall be elected by a plurality of the votes cast by holders of shares of the Corporation's capital stock entitled to vote in the election of directors at any meeting of stockholders at which a quorum is present. In an uncontested election, any director that does not receive an affirmative vote of the majority of the votes cast by holders of shares of the Corporation's capital stock entitled to vote in the election of directors shall submit such person's resignation to the Board of Directors. The Board of Directors is not legally obligated to accept such resignation and can take any factors and other information into consideration that it deems appropriate or relevant. An election of directors will be "contested" if, in connection with any annual meeting or other meeting of stockholders (i) the Secretary shall have received one or more notices that a stockholder has nominated or proposes to nominate a person or persons for election as a director, which notice(s) purports to be in compliance with the advance notice requirements set forth in Section 6 of ARTICLE TWO of these Bylaws, irrespective of whether the Board of Directors at any time determines that any such notice is not in compliance with such requirements, and (ii) as of the date that is 14 days in advance of the date that the Corporation files its definitive proxy statement (regardless of whether or not thereafter amended, revised or supplemented) with the Securities and Exchange Commission each such notice has not been formally and irrevocably withdrawn by the applicable stockholder. Any election of directors that is not contested shall be "uncontested."

Section 4. Resignation; Vacancies; Removal. Any director may resign at any time by giving written notice to the Board of Directors or the Chair of the Board. Such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. In the event the notice of resignation specifies a later effective date, the Board of Directors may fill the pending vacancy (subject to the provisions of the Articles of Incorporation) before the effective date if they provide that the successor does not take office until the effective date. Any director may be removed, with or without cause, at any time, by action of the holders of record of two-thirds of the voting power of the issued and outstanding stock of the Corporation entitled to vote. Any newly created directorships and vacancies occurring in the Board of Directors by reason of death, incapacity, resignation, retirement, disqualification or removal, with or without cause, may be filled by the action of the Board of Directors even if less than a quorum. The director so chosen, whether filling an existing vacancy or elected to a new directorship, shall hold office until the next meeting of stockholders at which the election of directors is in the regular order of business, and until such director's successor has been elected and qualifies, or until such director sooner dies, resigns, retires, becomes incapacitated, or is disqualified or removed.

Section 5. Place of Meetings. Meetings of the Board of Directors, regular or special, may be held either within or without the State of Nevada.

Section 6. Annual Meetings. Unless scheduled for another time by the Board of Directors, the first meeting of each newly elected Board of Directors shall be held, without call or notice, immediately following each annual meeting of stockholders.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may also be held without notice at such time and at such place as shall from time to time be determined by the Board of Directors. Except as required by law, neither the business to be transacted at, nor the purpose of, any regular meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Notices to directors shall be in writing and delivered to the directors at their addresses appearing on the books of the Corporation by personal delivery, mail or other legally sufficient means. Subject to the provisions of the preceding sentence, notice to directors may also be given by electronic transmission. Notice by mail shall be deemed to be given at the time when the same shall be received. Notice by electronic transmission shall be deemed to have been given when sent unless the sending party receives an automated notice of non-delivery. Whenever any notice is required to be given to any director, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before, during or after the meeting, shall constitute an effective waiver of such notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting and the manner in which it has been called or convened, except when a director states, at the beginning of the meeting or promptly upon arrival at the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

Section 8. Special Meetings and Notice. Special meetings of the Board of Directors may be called by the President or Chair of the Board and shall be called by the Secretary on the request of a majority of the directors. At least 24 hours' prior written notice of the date, time and place of special meetings of the Board of Directors shall be given to each director. Except as required by law, neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Notices to directors shall be in writing and delivered to the directors at their addresses appearing on the books of the Corporation by personal delivery, mail or other legally sufficient means. Subject to the provisions of the preceding sentence, notice to directors may also be given by electronic transmission. Notice by mail shall be deemed to be given at the time when the same shall be received. Notice by electronic transmission shall be deemed to have been given when sent unless the sending party receives an automated notice of non-delivery. Whenever any notice is required to be given to any director, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before, during or after the meeting, shall constitute an effective waiver of such notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting and the manner in which it has been called or convened, except when a director states, at the beginning of the meeting or promptly upon arrival at the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

Section 9. Quorum and Required Vote. A majority of the prescribed number of directors determined as provided in the Articles of Incorporation or these Bylaws shall constitute a quorum for the transaction of business and the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by the Articles of Incorporation. Whenever, for any reason, a vacancy occurs in the Board of Directors, a quorum shall consist of a majority of the remaining directors until the vacancy has been filled. If a quorum shall not be present at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn the meeting to another time and place, without notice other than announcement at the time of adjournment. At such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the meeting as originally notified and called.

Section 10. Action Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or committee thereof may be taken without a meeting if a

consent in writing, setting forth the action taken, is signed by all of the members of the Board of Directors or the committee, as the case may be, and such consent shall have the same force and effect as a unanimous vote at a meeting. Action taken under this Section 10 is effective when the last director signs the consent, including by electronic transmission, unless the consent specifies a different effective date. A consent signed under this Section 10 shall have the effect of a meeting vote and may be described as such in any document.

Section 11. Meetings By Conference Telephone or Electronic Communication. Directors and committee members may participate in and hold a meeting by means of conference telephone or other electronic communication by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called or convened.

Section 12. Committees. The Board of Directors, by resolution adopted by a majority of the directors, may designate from among its members an executive committee and one or more other committees, each of which, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the business and affairs of the Corporation except where the action of the full Board of Directors is required by applicable law. Each committee must have one or more members who serve at the pleasure of the Board of Directors. The Board of Directors, by resolution adopted in accordance with this ARTICLE THREE, may designate one or more directors as alternate members of any committee, who may act in the place and stead of any absent member or members at any meeting of such committee. Vacancies in the membership of a committee may be filled only by the Board of Directors at a regular or special meeting of the Board of Directors. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or such member by law. Each committee of the Board may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by a resolution of the Board designating such committee. Unless otherwise provided in such a resolution, (i) the presence of at least a majority of the members of the committee shall be necessary to constitute a quorum for the transaction of business at a meeting of the committee unless the

committee shall consist of one or two members, in which event one member shall constitute a quorum and (ii) all matters shall be determined by a majority vote of the members present at a meeting of the committee at which a quorum is present. In the absence of a quorum, a majority of the directors present may adjourn the meeting of the committee to another time and place. Notice of such adjourned meeting need not be given if the time and place of such adjourned meeting are announced at the meeting so adjourned.

Section 13. Compensation of Directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Similarly, members of special or standing committees may be allowed compensation for attendance at committee meetings or a stated salary as a committee member and payment of expenses for attending committee meetings. Directors may receive such other compensation, including in the form of equity, as may be approved by the Board of Directors.

ARTICLE FOUR

OFFICERS

Section 1. Positions. The officers of the Corporation shall include a President, a Secretary and a Treasurer, or the equivalent thereof. In addition, the officers may consist of a Chair of the Board, a Chief Executive Officer, one or more Vice Presidents (any one or more of whom may be given the additional designation of rank of Executive Vice President or Senior Vice President), and a Chief Financial Officer. Officers may also include persons designated as Chief of a particular business unit, division or function. Any two or more offices may be held by the same person. Officers need not be members of the Board of Directors; provided, that the Chair of the Board must be a member of the Board of Directors.

Section 2. Election of Specified Officers by Board. The Board of Directors shall annually elect a Chair of the Board and each of the Corporation's executive officers, including as required by Section 1 of this ARTICLE FOUR, which shall also include the determination of the Corporation's "officers" within the meaning of Rule 16a-1(f) under the Exchange Act (or any successor rule), and such other officers as it deems appropriate.

Section 3. Election or Appointment of Other Officers. Such other officers and assistant officers and agents as may be deemed necessary may be appointed by the Chief Executive Officer or President; provided, that, for the elimination of doubt, neither the Chief Executive Officer nor President shall have the authority to appoint an "executive officer" or "officer" within the meaning of Rule 3b-7 and Rule 16a-1(f), respectively, under the Exchange Act or any other officer whose appointment would require disclosure under Item 5.02 of Form 8-K (or any successor item or form).

Section 4. Compensation. The salaries, bonuses and other compensation of the Chair of the Board and all officers of the Corporation to be elected by the Board of Directors pursuant to Section 2 of this ARTICLE FOUR shall be fixed from time to time by the Board of Directors or pursuant to its

direction. The salaries of all other elected or appointed officers of the Corporation shall be fixed from time to time by the Chief Executive Officer or President or his or her designees.

Section 5. Term; Resignation; Removal; Vacancies. The officers of the Corporation shall hold office until their successors are chosen and qualified, or until their earlier death, resignation, retirement, or removal. Any officer appointed by the Board of Directors may be removed, with or without cause, at any time, by resolution adopted by the Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer or agent appointed by the Chief Executive Officer or President may be removed, with or without cause, at any time, by the Chief Executive Officer or President, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise that was previously filled by approval of the Board of Directors shall be filled by the Board of Directors, or, in the case of an officer appointed by the Chief Executive Officer or President, by the Chief Executive Officer or President. Any officer of the Corporation may resign from such officer's respective office or position by delivering written notice to the Chair of the Board, the Board of Directors, the Chief Executive Officer, or the President, and such resignation shall be effective upon receipt of such notice or at any later time specified therein, and the acceptance of such notice shall not be necessary to make it effective. If a resignation is made effective at a later date and the Corporation accepts the future effective date, the Board of Directors, or the Chief Executive Officer or the President, as the case may be, may fill the pending vacancy before the effective date if the Board of Directors or the Chief Executive Officer or the President, provides that the successor does not take office until such effective date.

Section 6. Chair of the Board and Lead Independent Director. The Chair of the Board shall preside at all meetings of the stockholders and the Board of Directors. The Chair of the Board shall also serve as the chair of any executive committee. If the offices of Chair of the Board and Chief Executive Officer are held by the same person, then the independent members of the Board of Directors shall annually elect, with a majority vote of the independent directors, an independent director to serve in a lead capacity. Such lead independent director shall have such authority as may be designated by the Board of Directors, and he or she may be removed or replaced from this position (but not as a director) at any time with or without cause by a majority vote of the independent members of the Board of Directors. For purposes of this Section 6, whether a director is "independent" shall be determined in accordance with the listing rules of the Nasdaq Stock Market or such other national securities exchange on which the Corporation's common stock is then listed for trading.

Section 7. Chief Executive Officer. Subject to the control of the Board of Directors, the Chief Executive Officer, in conjunction with the President, shall have general and active management of the business of the Corporation, shall see that all orders and resolutions of the Board of Directors are carried into effect and shall have such powers and perform such duties as may be prescribed by the Board of Directors. In the absence of the Chair of the Board or in the event the Board of Directors shall not have designated a Chair of the Board, the Chief Executive Officer shall preside at meetings of the stockholders and the Board of Directors. The Chief Executive Officer shall also serve as the vice-chair of any executive committee.

Section 8. President. Subject to the control of the Board of Directors, the President, in conjunction with the Chief Executive Officer, shall have general and active management of the business of the Corporation and shall have such powers and perform such duties as may be prescribed by the Board of Directors. In the absence of the Chair of the Board and the Chief Executive Officer or in the event the Board of Directors shall not have designated a Chair of the Board and a Chief Executive Officer shall not have been elected, the President shall preside at meetings of the stockholders and the Board of Directors. The President shall also serve as the vice-chair of any executive committee.

Section 9. Vice Presidents. The Vice Presidents, or any designated Chief, in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the President and the Chief Executive Officer, perform the duties and exercise the powers of the President. They shall perform such other duties and have such other powers as the Board of Directors, the Chair of the Board or the Chief Executive Officer shall prescribe or as the President may from time to time delegate. Chiefs shall be senior to Executive Vice Presidents, and Executive Vice Presidents shall be senior to Senior Vice Presidents, and Senior Vice Presidents shall be senior to all other Vice Presidents.

Section 10. Secretary. The Secretary shall attend all meetings of the stockholders and all meetings of the Board of Directors and record all the proceedings of the meetings of the stockholders and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors and shall keep in safe custody the seal of the Corporation and, when authorized, affix the same to any instrument requiring it. The Secretary shall perform such other duties as may be prescribed by the Board of Directors, the Chair of the Board, the Chief Executive Officer or the President.

Section 11. Chief Financial Officer. The Chief Financial Officer shall be responsible for maintaining the financial integrity of the Corporation, shall prepare the financial plans for the Corporation and shall monitor the financial performance of the Corporation and its subsidiaries, as well as performing such other duties as may be prescribed by the Board of Directors, the Chair of the Board, the Chief Executive Officer or the President.

Section 12. Treasurer. The Treasurer shall have the custody of corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chair of the Board and the Board of Directors at its regular meetings or when the Board of Directors so requires an account of all of such person's transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall perform such other duties as may be prescribed by the Board of Directors, the Chair of the Board, the Chief Executive Officer, the President, or the Chief Financial Officer.

Section 13. Other Officers; Employees and Agents. Each and every other officer, employee and agent of the Corporation shall possess, and may exercise, such power and authority, and shall perform such duties, as may from time to time be assigned to such person by the Board of Directors,

the officer so appointing such person or such officer or officers who may from time to time be designated by the Board of Directors to exercise such supervisory authority.

ARTICLE FIVE

CERTIFICATES FOR SHARES

Section 1. Issue of Certificates. The shares of the Corporation shall be represented by certificates, provided that the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall or may be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. The Corporation shall, within a reasonable time after the issuance or transfer of any uncertificated shares, send to the registered owner of the shares a written notice containing the information required to be set forth or stated on certificates pursuant to the NRS. Notwithstanding the provision by the Board of Directors for uncertificated shares, every holder of stock represented by certificates (and upon request every holder of uncertificated shares) shall be entitled to have a certificate signed by or in the name of the Corporation by the Chair of the Board or a Vice Chair of the Board, or the Chief Executive Officer, President or Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation, representing the number of shares registered in certificate form.

Section 2. Legends for Preferences and Restrictions on Transfer. The designations, relative rights, preferences and limitations applicable to each class of shares and the variations in rights, preferences and limitations determined for each series within a class (and the authority of the Board of Directors to determine variations for future series) shall be summarized on the front or back of each certificate. Alternatively, each certificate may state conspicuously on its front or back that the Corporation will furnish the stockholder a full statement of this information on request and without charge. Every certificate representing shares that are restricted as to the sale, disposition, or transfer of such shares shall also indicate that such shares are restricted as to transfer, and there shall be set forth or fairly summarized upon the certificate, or the certificate shall indicate that the Corporation will furnish to any stockholder upon request and without charge, a full statement of such restrictions. If the Corporation issues any shares that are not registered under the Securities Act, or not registered or qualified under the applicable state securities laws, the transfer of any such shares shall be restricted substantially in accordance with the following legend:

"THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR UNDER ANY APPLICABLE STATE LAW. THEY MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR PLEDGED WITHOUT (1) REGISTRATION UNDER THE SECURITIES ACT OF 1933 AND ANY APPLICABLE STATE LAW, OR (2) AT HOLDER'S EXPENSE, AN OPINION (SATISFACTORY TO THE CORPORATION) OF COUNSEL (SATISFACTORY TO THE CORPORATION) THAT REGISTRATION IS NOT REQUIRED."

Section 3. Facsimile Signatures. Any and all signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer, transfer agent or registrar before

such certificate is issued, it may be issued by the Corporation with the same effect as if the person were such officer, transfer agent or registrar at the date of issue.

Section 4. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the Corporation may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or such owner's legal representative, to advertise the same in such manner as it shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation or its representatives, including, but not limited to, its transfer agent, with respect to the certificate alleged to have been lost or destroyed.

Section 5. Transfer of Shares. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 6. Registered Stockholders. Prior to the surrender to the Corporation of the certificate or certificates for a share or shares of stock or notification to the Corporation of the transfer of uncertificated shares with a request to record the transfer of such share or shares, the Corporation shall be entitled to recognize the exclusive rights of a person registered on its books as the owner of shares to receive dividends, vote as such owner and to receive notifications and otherwise to exercise all the rights and powers of an owner of such share or shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Nevada.

ARTICLE SIX

GENERAL PROVISIONS

Section 1. Dividends. The Board of Directors may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in cash, property, stock (including its own shares) or otherwise pursuant to law and subject to the provisions of the Articles of Incorporation.

Section 2. Reserves. The Board of Directors may by resolution create a reserve or reserves out of earned surplus for any proper purpose or purposes, and may abolish any such reserve in the same manner.

Section 3. Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 4. Fiscal Year. The fiscal year of the Corporation shall end on December 31 of each year, unless otherwise fixed by resolution of the Board of Directors.

Section 5. Seal. The Board of Directors may adopt a seal by resolution of the Board of Directors. The corporate seal shall have inscribed thereon the name and state of incorporation of the Corporation. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

Section 6. Gender. All words used in these Bylaws in the masculine gender shall extend to and shall include the feminine and neuter genders.

Section 7. Section Headings. Section headings in these Bylaws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

Section 8. Inconsistent Provisions. In the event that any provision of these Bylaws is or becomes inconsistent with any provision of the Articles of Incorporation, the NRS or any other applicable law, such provision of these Bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

Section 9. Severability. If any provision of these Bylaws shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of these Bylaws and the application of such provision to other persons or entities or circumstances shall not in any way be affected or impaired thereby.

ARTICLE SEVEN

AMENDMENT OF BYLAWS

Except as otherwise set forth herein, these Bylaws may be altered, amended or repealed or new Bylaws may be adopted at a duly called and held meeting of the stockholders, or, except as prohibited by a bylaw adopted by the stockholders, at any meeting of the Board of Directors at which a quorum is present, by the affirmative vote of a majority of the directors present at such meeting, or pursuant to an appropriate written consent adopted by the Board of Directors.

ARTICLE EIGHT

EXCLUSIVE FORUM

Section 1. Internal Actions. Unless the Corporation consents in writing to the selection of an alternative forum, the Eighth Judicial District Court of the State of Nevada, Clark County, Nevada (the "Court"), shall, to the fullest extent permitted by law, including the applicable laws or jurisdictional requirements of the United States, be the exclusive forum for any and all actions, suits and proceedings, whether civil, administrative or investigative or that asserts any claim or counterclaim (each, an "Action"), that are internal actions or concurrent jurisdiction actions (as

such terms are defined in Section 78.046 of the NRS, or any successor statute). In the event that the Court does not have jurisdiction over any such Action, then any other state district court located in the State of Nevada shall be the exclusive forum for such Action. In the event that no state district court in the State of Nevada has jurisdiction over any such Action, then a federal court located within the State of Nevada shall be the exclusive forum for such Action. For the avoidance of doubt, no Securities Act Action (as defined below) shall be subject to this Section 1, but shall instead be subject to Section 2 of this ARTICLE EIGHT.

Section 2. Securities Act Claims. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States located in the State of Nevada, shall be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act against the Corporation or any director or officer or other employee of the Corporation (a "Securities Act Action").

Section 3. Notice and Consent. Any person who, or entity that, purchases or otherwise acquires an interest in stock of the Corporation will be deemed (i) to have notice of, and agree to comply with, the provisions of this ARTICLE EIGHT, and (ii) to consent to the personal jurisdiction of the Court (or if the Court does not have jurisdiction, the federal district court for the District of Nevada) in any proceeding brought to enjoin any action by that person or entity that is inconsistent with the exclusive jurisdiction provided for in this ARTICLE EIGHT.

ARTICLE NINE

INDEMNIFICATION

Section 1. Indemnification in Actions by Third Parties. The Corporation shall, to the extent permitted by the NRS, indemnify any person who is or was a director or officer of the Corporation or is or was serving at the Corporation's request as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, or as a manager of a limited liability company (each such person, an "Indemnitee"), against expenses, including attorneys' fees, judgments, fines, and amounts paid in settlement, actually and reasonably incurred by the Indemnitee in connection with any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative ("Proceeding"), other than a proceeding by or in the right of the Corporation, to which the Indemnitee is, was, or is threatened to be made a party by reason of being an Indemnitee, if the Indemnitee either: (a) did not breach, in a manner involving intentional misconduct, fraud, or a knowing violation of law, the Indemnitee's fiduciary duties as a director or officer to act in good faith and in the interests of the Corporation, or (b) acted in good faith, on an informed basis, and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful. The Corporation shall not be required to indemnify a person in connection with a proceeding (or part thereof) commenced by such person unless, and then only to the extent, the commencement of such proceeding (or part thereof) by the person was authorized by the Board of Directors.

Section 2. Indemnification in Actions by or on Behalf of the Corporation. The Corporation shall, to the extent permitted by the NRS, indemnify any Indemnitee against expenses, including

attorneys' fees and amounts paid in settlement, actually and reasonably incurred by the Indemnitee in connection with any threatened, pending, or completed Proceeding by or in the right of the Corporation to which the Indemnitee is, was, or is threatened to be made a party by reason of being an Indemnitee, if the Indemnitee either: (a) did not breach, in a manner involving intentional misconduct, fraud, or a knowing violation of law, the Indemnitee's fiduciary duties as a director or officer to act in good faith, on an informed basis and with a view to the interests of the Corporation, or (b) acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation.

Section 3. Mandatory Indemnification.

The Corporation shall, to the extent permitted by the NRS, indemnify any Indemnitee who was successful, on the merits or otherwise, in the defense of any action, suit, proceeding, or claim described in Sections 1 and 2 of this ARTICLE NINE, against expenses (including attorneys' fees) actually and reasonably incurred by the Indemnitee in connection with the defense.

Section 4. Advancement of Expenses. The Corporation shall, from time to time, reimburse or advance to any Indemnitee the funds necessary for payment of expenses, including attorneys' fees, incurred in connection with any Proceeding in advance of the final disposition of such Proceeding upon receipt by the Corporation of an undertaking, by or on behalf of such Indemnitee, to repay the amounts advanced if it shall ultimately be determined by final judicial decision from which there is no further right of appeal that such Indemnitee is not entitled to be indemnified for such expenses. The Corporation shall not be required to reimburse or advance expenses incurred by a person in connection with a proceeding (or part thereof) commenced by such person unless, and then only to the extent that, the commencement of such proceeding (or part thereof) by the person was authorized by the Board of Directors.

Section 5. Non-Exclusivity of Indemnification Rights. The rights of indemnification set out in this ARTICLE NINE shall be in addition to and not exclusive of any other rights to which any Indemnitee may be entitled under the Articles of Incorporation, these Bylaws, any agreement with the Corporation, any action taken by the disinterested directors or stockholders of the Corporation, or otherwise. The indemnification provided under this ARTICLE NINE shall inure to the benefit of the heirs, executors, and administrators of an Indemnitee.

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this "Agreement"), dated [●], is effective as of the Effective Date (as defined below), by and between Celsius Holdings, Inc., a Nevada corporation (the "Company"), and [●] ("Indemnitee").

WHEREAS, it is essential to the Company and its operations to retain and attract as officers and directors the most capable persons available;

WHEREAS, Indemnitee either currently serves, or has been asked to serve, as a director or officer of the Company;

WHEREAS, both the Company and Indemnitee recognize the risk of litigation and other claims that are routinely asserted against officers and directors of public companies, and the attendant costs of defending even frivolous claims;

WHEREAS, the Articles of Incorporation and Amended and Restated Bylaws of the Company, in each case, as amended (the "Articles of Incorporation" and "Bylaws", respectively), provide certain indemnification rights to the officers and directors of the Company, as provided by Nevada law; and

WHEREAS, to induce Indemnitee to serve, or continue to serve, as an officer or director of the Company, and in recognition of Indemnitee's need for protection against personal liability in order to enhance Indemnitee's service to the Company in an effective manner, the Company wishes to provide in this Agreement for the indemnification of, and the advancing of expenses to, Indemnitee to the fullest extent permitted by Nevada law and as set forth in this Agreement, and, to the extent insurance is maintained, for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements contained herein and Indemnitee's service to the Company, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Certain Definitions.

(a) "Board" means the Company's Board of Directors.

(b) "Change in Control" means the occurrence of any of the following events:

(i) the acquisition, directly or indirectly, by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 50% of either the then outstanding voting securities of the Company (the "Outstanding Company Common Stock") or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, that for purposes of this subsection (i), the following acquisitions

shall not constitute a Change in Control: (A) a Person becoming the beneficial owner of greater than 20% of the Outstanding Company Common Stock or Outstanding Company Voting Securities solely due to a reduction in the aggregate number of shares of Outstanding Company Voting Securities; (B) any acquisition approved in advance by the Incumbent Board (as defined below); (C) any acquisition by the Company or any of its subsidiaries; (D) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company; or (E) any acquisition by any entity pursuant to a transaction that complies with clauses (A), (B) and (C) of subsection (iii) of this definition;

(ii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director during such two-year period whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(iii) consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets of another entity (a "Corporate Transaction"), in each case, unless, immediately following such Corporate Transaction, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction beneficially own, directly or indirectly, more than 50% of, respectively, the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation or other entity resulting from such Corporate Transaction (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any corporation or other entity resulting from such Corporate Transaction or employee benefit plan (or related trust) of the Company or such corporation or other entity resulting from such Corporate Transaction) beneficially owns, directly or indirectly, 50% or more of, respectively, the then Outstanding Company Common Stock resulting from such Corporate Transaction or the Outstanding Company Voting Securities resulting from such Corporate Transaction, except to the extent that such ownership existed prior to the Corporate Transaction, and (C) at least a majority of the members of the board of directors (or comparable governing body) resulting from the Corporate Transaction were members of the Incumbent Board at the time of the execution of the initial plan or action of the Board providing for such Corporate Transaction; or

(iv) approval by the stockholders of the Company of a complete

liquidation or dissolution of the Company.

(c) "Claim" means any threatened, pending or completed action, suit or proceeding, including any arbitration, alternative dispute resolution mechanism, inquiry or investigation (including any internal investigation, and whether instituted by the Company or any other party or otherwise), or administrative hearing, whether brought by or in the right of the Company or any other party or otherwise, whether civil (including intentional and unintentional tort claims), criminal, administrative, investigative or other.

(d) "Corporate Status" means the status of a person who is or was a director, officer, employee, agent, general or limited partner, or fiduciary of the Company, or is or was serving at the request of the Company as a director, officer, employee, trustee, agent or fiduciary of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, or as a member or manager of a limited liability company.

(e) "Exchange Act" means the Securities Exchange Act of 1934, as amended, including the rules and regulations promulgated thereunder.

(f) "Expenses" means attorneys' fees and all other costs, expenses and obligations actually and reasonably paid or incurred in connection with defending any Claim, including investigating, being a witness in, subject or target of, or participating in (including on appeal), or preparing to defend, be a witness in, subject or target of, or participate in, any Claim. The reasonableness of Expenses shall be determined by the Company in its sole discretion.

(g) "Independent Legal Counsel" means an attorney or firm of attorneys, selected in accordance with the provisions of Section 3, who shall not have otherwise performed services for the Company, the Company's parent entity (if any), or Indemnitee within the last three years and who are not currently performing services for the Company, the Company's parent entity (if any), or Indemnitee, in each case, other than with respect to matters concerning the rights of Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements.

(h) "Reviewing Party" means any person or body consisting of: (i) the members of the Board of Directors, by a majority vote of a quorum consisting of directors who are not party to, or witnesses or other participants in, nor threatened to be made a party to, or witness or participant in, the particular Claim for which Indemnitee is seeking indemnification ("Disinterested Directors"); or (ii) Independent Legal Counsel, if so ordered by a majority vote of a quorum consisting of Disinterested Directors or if a quorum consisting of Disinterested Directors cannot be obtained, then as may otherwise be required by applicable law.

(i) "Voting Securities" means shares of any series or class of common stock or preferred stock of the Company, in each case, entitled to vote generally upon all matters that may be submitted to a vote of stockholders of the Company at any annual or special meeting thereof.

2. Basic Indemnification and Advancement Arrangement.

(a) In the event Indemnitee was, is or becomes a party to, subject or target of, or witness or other participant in, or is threatened to be made a party to, subject or target of, or witness or other participant in, a Claim by reason of (or arising in part out of) Indemnitee's Corporate Status, the Company shall indemnify Indemnitee to the fullest extent permitted by Nevada law (as such law is in effect on the date hereof, or as such law may from time to time hereafter be amended to increase the scope of such permitted indemnification) as soon as practicable but in any event no later than thirty days after written demand is presented to the Company by Indemnitee (which demand may be presented to the Company only following the final judicial disposition of the Claim, as to which all rights of appeal therefrom have been exhausted or lapsed (a "Final Disposition")), against any and all Expenses, judgments, fines, penalties and amounts paid or payable in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, penalties or amounts paid or payable in settlement) of such Claim. If so requested by Indemnitee, prior to the Final Disposition of a Claim, the Company shall advance (within two business days of such request) any and all Expenses actually and reasonably incurred by or on behalf of the Indemnitee (including, without limitation, Expenses actually and reasonably billed to or on behalf of the Indemnitee) in connection with any such Claim (an "Expense Advance").

(b) Notwithstanding the foregoing, (i) the obligations of the Company to indemnify Indemnitee under Section 2(a) shall be subject to the condition that the Reviewing Party shall not have determined (in a written determination, or, in any case in which Independent Legal Counsel is the Reviewing Party, in a written opinion) that Indemnitee would not be permitted to be indemnified under applicable law as to such amounts, and (ii) the obligation of the Company to make an Expense Advance pursuant to Section 2(a) shall be subject to the condition that, if the Reviewing Party determines in good faith that Indemnitee would not be permitted to be indemnified under applicable law, the Company shall be entitled to be reimbursed by Indemnitee (who hereby undertakes to reimburse the Company) for all such amounts theretofore paid; provided, however, that if Indemnitee has commenced or thereafter commences legal proceedings in a court of competent jurisdiction to secure a determination that Indemnitee should be indemnified under applicable law, any determination made by the Reviewing Party that Indemnitee would not be permitted to be indemnified under applicable law shall not be binding, and Indemnitee shall not be required to reimburse the Company for any Expense Advance until a Final Disposition is made with respect thereto. If there has not been a Change in Control, then the Reviewing Party shall be selected by the Board of Directors, and if there has been such a Change in Control, then the Reviewing Party shall be the Independent Legal Counsel referred to in Section 3. If there has been no determination by the Reviewing Party as contemplated by Section 2(b) or if the Reviewing Party determines that Indemnitee substantively would not be permitted to be indemnified in whole or in part under applicable law, then Indemnitee shall have the right to commence litigation in the Eighth Judicial District Court of the State of Nevada, Clark County, Nevada seeking to enforce Indemnitee's rights to indemnification and advancement hereunder or challenging any such determination by the Reviewing Party or any aspect thereof, including the legal or factual bases therefor, and, in all events, the Company hereby consents to service of process and agrees to appear in any such proceeding. Any determination by the Reviewing Party that Indemnitee is entitled to indemnification shall be conclusive and binding on the Company and Indemnitee. Any determination by the Reviewing Party that Indemnitee is not permitted to be

indemnified (in whole or in part) under applicable law shall be in writing (or, in any case in which the Independent Legal Counsel referred to in Section 3 is involved, set forth in a written opinion).

3. Change in Control. The Company agrees that if there is a Change in Control of the Company then with respect to all matters thereafter arising concerning the rights of Indemnitee to indemnity payments and Expense Advances under this Agreement or any other agreement to which Indemnitee is a party, the Articles of Incorporation or the Bylaws, then the Company shall seek legal advice only from Independent Legal Counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld, conditioned or delayed). Such counsel, among other things, shall render its written opinion to the Company and Indemnitee as to whether and to what extent Indemnitee would be permitted to be indemnified under applicable law. The Company agrees to pay the reasonable fees of such Independent Legal Counsel and to fully indemnify such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

4. Indemnification for Additional Expenses. The Company shall (i) indemnify Indemnitee (to the extent Indemnitee is successful on the merits or otherwise in the Claim provided for in Section 2(a)) against any and all Expenses (including attorneys' fees) and, (ii) if requested by Indemnitee, advance (within two business days of such request) such Expenses to Indemnitee (and Indemnitee hereby undertakes to reimburse the Company for any amounts so advanced if, when, and to the extent Indemnitee is not successful on the merits or otherwise in the action provided for in Section 2(a)), which are incurred by Indemnitee in connection with any action brought by Indemnitee (whether pursuant to Section 21 or otherwise), in each case, for (a) indemnification or advance payment of Expenses by the Company under the Articles of Incorporation, the Bylaws, this Agreement or any other agreement to which Indemnitee is a party now or hereafter in effect or (b) recovery under any directors' and officers' liability insurance policies maintained by the Company, in all cases, to the fullest extent permitted by law.

5. Proceedings Against the Company; Certain Securities Laws Claims.

(a) Notwithstanding anything in this Agreement to the contrary, except as provided in Section 21, with respect to a Claim initiated by Indemnitee (whether initiated by Indemnitee in or by reason of such person's Corporate Status) against the Company or its directors, officers, employees or other indemnitees, the Company shall not be required to indemnify or to advance Expenses to Indemnitee in connection with prosecuting such Claim (or any part thereof) or in defending any counterclaim, cross-claim, affirmative defense, or like claim of the Company in connection with such Claim (or part thereof) unless such Claim was authorized by the Board of Directors. For purposes of this Section 5, a compulsory counterclaim by Indemnitee against the Company in connection with a Claim initiated against Indemnitee by the Company shall not be considered a Claim (or part thereof) initiated against the Company by Indemnitee, and Indemnitee shall have all rights of indemnification and advancement with respect to any such compulsory counterclaim in accordance with and subject to the terms of this Agreement.

(b) Anything in this Agreement to the contrary notwithstanding, except as provided in Section 6 with respect to indemnification of Expenses in connection with whole or partial success

on the merits or otherwise in defending any Claim, the Company shall not be required to indemnify Indemnitee in connection with any Claim made against Indemnitee for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law, or (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act or any recoupment of erroneously awarded compensation under Rule 10D-1 promulgated under the Exchange Act).

6. Partial Indemnity and Success on the Merits. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, judgments, fines, penalties and amounts paid or payable in settlement of a Claim but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. Moreover, notwithstanding any other provision of this Agreement to the contrary, to the extent that Indemnitee is successful, on the merits or otherwise, in whole or in part, in defending a Claim (including dismissal without prejudice), or in defense of any claim, issue or matter therein, Indemnitee shall be indemnified to the fullest extent permitted by law against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

7. Burden of Proof. In connection with any determination by the Reviewing Party or otherwise as to whether Indemnitee is entitled to be indemnified hereunder or otherwise, the burden shall be on the Company to prove by clear and convincing evidence that Indemnitee is not so entitled.

8. No Presumptions. For purposes of this Agreement, the termination of any Claim, by judgment, order, settlement (whether with or without court approval) conviction, or otherwise, or upon a plea of *nolo contendere*, or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law. In addition, neither the failure of the Reviewing Party to have made a determination as to whether Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by the Reviewing Party that Indemnitee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by Indemnitee to secure a judicial determination that Indemnitee should be indemnified under applicable law shall be a defense to Indemnitee's claim or create a presumption that Indemnitee has not met any particular standard of conduct or did not have any particular belief.

9. Settlement. Indemnitee shall be entitled to settle any Claim, in whole or in part, in such Indemnitee's sole discretion; provided, that the Company shall not be liable to Indemnitee under this Agreement for any amounts paid in settlement of any threatened or pending Claim

effected without the Company's prior written consent, which shall not be unreasonably withheld. To the fullest extent permitted by law, any settlement of a Claim by Indemnitee shall be deemed the Final Disposition of such Claim for all purposes of this Agreement. The Company acknowledges that a settlement or other disposition short of final judgment on the merits may be successful if it permits a party to avoid expense, delay, distraction, disruption, and uncertainty. In the event that any Claim is resolved other than by adverse judgment against Indemnitee (including, without limitation, settlement of such Claim with or without payment or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such Claim. Any individual or entity seeking to overcome this presumption shall have the burden to prove by clear and convincing evidence that Indemnitee has not been successful on the merits or otherwise in such Claim.

10. Notification and Defense of Claims.

(a) Notification of Claims. Indemnitee shall notify the Company in writing as soon as practicable of any Claim for which Indemnitee may seek indemnification or an Expense Advance hereunder, including a brief description (based upon information then available to Indemnitee) of the nature of, and the facts underlying, such Claim. The failure by Indemnitee to timely notify the Company hereunder shall not relieve the Company from any liability hereunder unless and to the extent that the Company's ability to participate in the defense of such claim was materially and adversely affected by such failure.

(b) Defense of Claims. The Company shall be entitled to participate in the defense of any Claim at its own expense and, except as otherwise provided below, to the extent the Company so wishes, it may assume the defense thereof with counsel reasonably satisfactory to Indemnitee. After notice from the Company to Indemnitee of its election to assume the defense of any such Claim, the Company shall not be liable to Indemnitee under this Agreement or otherwise for any Expenses subsequently directly incurred by Indemnitee in connection with Indemnitee's defense of such Claim other than reasonable costs of investigation or as otherwise provided below. Indemnitee shall have the right to employ its own legal counsel in such Claim, but all Expenses related to such counsel incurred after notice from the Company of its assumption of the defense shall be at Indemnitee's own expense; provided, however, that if (i) Indemnitee's employment of its own legal counsel has been authorized by the Company, (ii) Indemnitee has reasonably determined that there may be a conflict of interest between Indemnitee and the Company in the defense of such Claim, (iii) after a Change in Control, Indemnitee's employment of its own counsel has been approved by the Independent Counsel or (iv) the Company shall not in fact have employed counsel to assume the defense of such Claim, then Indemnitee shall be entitled to retain its own separate counsel (but not more than one law firm plus, if applicable, local counsel in respect of any such Claim) and all Expenses related to such separate counsel shall be borne by the Company.

11. Nonexclusivity; Subsequent Change in Law. The rights of Indemnitee hereunder shall be in addition to any other rights Indemnitee may have under the Articles of Incorporation, the Bylaws, Nevada law or otherwise. To the extent that a change in Nevada law (whether by statute or judicial decision) permits greater indemnification by agreement than would be afforded

currently under the Articles of Incorporation, the Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change.

12. Liability Insurance. To the extent the Company maintains an insurance policy or policies providing directors' and officers' liability insurance, Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director or officer.

13. Amendments; Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement shall be valid and binding unless in a writing executed by the party against whom the waiver is to be enforceable. No waiver of any provision of this Agreement shall be deemed or constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

14. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

15. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment in connection with any Claim made against Indemnitee to the extent Indemnitee has otherwise actually received payment (under any insurance policy or otherwise) of the amounts otherwise indemnifiable hereunder.

16. Binding Effect. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors, permitted assigns, administrators, heirs, executors and personal and legal representatives. The Company agrees that in the event the Company or any of its successors (including any successor resulting from the merger or consolidation of the Company with another corporation or entity where the company is the surviving corporation or entity) or assigns (i) consolidates with or merges into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any corporation or entity, then, and in each such case, to the extent necessary, proper provision shall be made so that the successors and assigns of the Company as a result of such transaction assume the obligations of the Company set forth in this Agreement. This Agreement shall continue in effect regardless of whether Indemnitee continues to serve as a director, officer, employee, agent or fiduciary of the Company or of any other enterprise at the Company's request.

17. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect, and the validity and enforceability of any such provision in every other respect and

of the remaining provisions hereof shall not be in any way impaired and shall remain enforceable to the fullest extent permitted by law.

18. Effective Date. This Agreement shall (i) be effective as of the date on which Indemnitee commenced serving as a director or an officer of the Company (the "Effective Date"), and (ii) apply to any claim for indemnification by Indemnitee with respect to any matters arising from such time and thereafter.

19. Governing Law; Consent to Jurisdiction.

(a) This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Nevada applicable to contracts made and to be performed in such state without giving effect to the principles of conflicts of laws of any jurisdiction that would result in the application of the laws of any jurisdiction other than those of the State of Nevada. Indemnitee consents to the personal jurisdiction of the Eighth Judicial District Court of the State of Nevada, Clark County, Nevada, for the purposes of any action arising from or relating to this Agreement.

(b) The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Eighth Judicial District Court of the State of Nevada, Clark County, Nevada, (the "Nevada Court"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Nevada Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Nevada Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Nevada Court has been brought in an improper or inconvenient forum.

20. Notices. All notices, demands, waivers and other communications pursuant to this Agreement must be in writing and will be deemed given if delivered personally or delivered by electronic mail or globally recognized express delivery service to the parties at the addresses set forth below. Any such notice, demand, waiver or other communication will be deemed to have been delivered and received (a) in the case of personal delivery, on the date of such delivery, (b) in the case of electronic mail, on the date of sending if no automated notice of delivery failure is received by the sender (unless transmitted after 5:30 p.m. Eastern Time, then on the next business day), and (c) in the case of a globally recognized express delivery service, on the date on which receipt by the addressee is confirmed pursuant to the service's systems:

(a) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee shall provide in writing to the Company in accordance with this Section 20.

(b) If to the Company, to:

Celsius Holdings, Inc.
2424 N Federal Highway
Suite 208

Boca Raton, Florida 33431
Attention: Chief Legal Officer Email:
legal@celsius.com

or to such other address as the Company shall provide in writing to Indemnitee in accordance with this Section 20.

21. Injunctive Relief. The parties hereto agree that Indemnitee may enforce this Agreement by seeking specific performance hereof, without any necessity of showing irreparable harm or posting a bond, which requirements are hereby waived, and that by seeking specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which he or she may be entitled.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

CELSIUS HOLDINGS, INC.

By: _____
Name:
Title:

INDEMNITEE

Name: _____

Address for notices:

_____
_____
_____ Email:

Exhibit 10.2

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

THIS **FIRST AMENDMENT TO EMPLOYMENT AGREEMENT** (this "**Amendment**"), effective as of August 1, 2024 ("**Amendment Date**"), is made by and between **CELSIUS HOLDINGS, INC.**, a Nevada corporation (the "**Company**") and **JARROD LANGHANS** ("**Executive**").

Recitals:

WHEREAS, the Company and Executive entered into a certain Employment Agreement on February 2, 2024 with an effective date January 1, 2024 (the "**Agreement**"); and

WHEREAS, the Company and Executive mutually desire to amend the Agreement in certain respects.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, amend the Agreement, effective as of the Amendment Date, as follows:

Agreement:

1. Section 8.5 is amended to add a new subsection (d) to read as follows:

   (d) A prorated amount of Executive's target annual bonus for the year in which Executive's Termination Date occurs, such proration to be equal to the length of Executive's employment with the Company in the year in which Executive's Termination Date occurs, prior to such Termination Date, paid in a lump sum on the sixtieth (60th) day following the Termination Date.

2. Section 8.8(a) is amended and restated in its entirety to read as follows:

   An amount equal to two (2.0) times the sum of (i) Executive's Base Salary in effect on the Termination Date plus (ii) Executive's target annual Performance Bonus for the calendar year in which the termination occurs, paid in a lump sum on the sixtieth (60th) day following the Termination Date.

3. Section 8.8 is amended to add a new subsection (d) to read as follows:

   (d) A prorated amount of Executive's target annual bonus for the year in which Executive's Termination Date occurs, such proration to be equal to the length of Executive's employment with the Company in the year in which Executive's Termination Date occurs, prior to such Termination Date, paid in a lump sum on the sixtieth (60th) day following the Termination Date.

4. Counterparts; Electronic Signatures. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be

delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

5. No Other Amendments. All other terms, covenants and conditions of the Agreement shall remain the same and continue in full force and effect and shall be deemed unchanged, except as such terms, covenants and conditions of the Agreement have been modified by this Amendment, and this Amendment shall, by this reference, constitute a part of the Agreement.

IN WITNESS WHEREOF, this Amendment has been executed, under seal, as of the date and year written below, to be effective as of the date set forth above.

COMPANY

Celsius Holdings, Inc.

By: /s/ John Fieldly
Name: John Fieldly
Its: Chief Executive Officer
Date: August 2, 2024

EXECUTIVE

Jarrod Langhans

/s/ Jarrod Langhans
Date: August 2, 2024

CELSIUS, INC.
EXECUTIVE SEVERANCE PAY PLAN
AND SUMMARY PLAN DESCRIPTION

(Effective _____ __, 202_)

INTRODUCTION

Celsius, Inc. ("Company") establishes this Celsius, Inc. Executive Severance Pay Plan (the "Plan") to assist eligible employees of the Company and its Affiliates whose employment is involuntarily terminated under certain circumstances. This Plan is, and is intended to be, an "employee welfare benefit plan" as defined in Section 3(1) of ERISA. It is not a funded plan; any benefits under the Plan shall be paid from the general assets of Company or an Affiliate. Employees have no right to or interest in any specific assets or accounts of Company or an Affiliate, even if amounts are credited to the accounts designated to be used for the payment of severance benefits.

PLAN BENEFITS

A. General Eligibility for Plan Benefits

An Executive (defined below) whose principal place of employment is in the United States of America and who (1) is involuntarily terminated, without Cause (defined below), from employment with the Company or an Affiliate, or (2) terminates employment with the Company or an Affiliate for Good Reason (defined below) (Eligible Employees), may be eligible for Severance Benefits (described below) under this Plan. Involuntary termination does not occur where an Executive remains employed with, or rejects (except as provided below) an offer of employment with, the Company or an Affiliate (or any successor to the Company or an Affiliate), or a purchaser of stock or assets of the Company, an Affiliate or any business unit or division of the Company or an Affiliate, whether or not the terms and conditions of employment, including wages and benefits, are comparable to the employee's employment with the Company or an

Affiliate or whether or not the employee subsequently voluntarily or involuntarily terminates such employment at any time, provided, if the employment offered to Executive reduces Executive's base salary or performance bonus opportunity, in existence immediately prior to Executive's termination of employment, Executive's rejection of such offer of employment will constitute an involuntary termination under this Plan. No Executive who is offered and refuses a job or position with at least the same base salary or performance bonus opportunity in existence immediately prior to Executive's termination of employment will be eligible for Severance Benefits, unless the offer requires relocation to a facility that is more than 50 miles from both the individual's home and current place of work. Severance Benefits will not be paid under any other circumstances including, but not limited to: the employee resigning prior to the employee's designated Termination Date or a termination of employment on account of death, disability, retirement, performance, misconduct, commission of a misdemeanor or felony, or violation of any policy of the Company or an Affiliate.

B. Conditions for Severance Benefits

An Eligible Employee who meets the general eligibility requirements of this Plan set forth above will be eligible for Severance Benefits only if the Eligible Employee:

1. returns by his/her designated Termination Date all property and materials of the Company and its Affiliates (Company Property), and

2. executes an agreement and release in such form as the Plan Administrator requires ("Release Agreement") within such period as is specified by the Release Agreement, and, if the Release Agreement permits a period of revocation, the Eligible Employee does not revoke the Release Agreement within the revocation period. If the Eligible Employee does not execute the Release Agreement within the period permitted or revokes the Release Agreement after executing it in accordance with the Release Agreement, the Eligible Employee shall not be eligible for benefits, the offer of Severance Benefits is rescinded and no Severance Benefits will be paid or provided, and

3. timely executes and returns any other required materials or property that the Plan Administrator reasonably requests.

C. Severance Benefits

Severance Benefits consist of Severance Pay and Health Coverage, as follows:

1. Severance Pay. Each Eligible Employee's Severance Pay shall be calculated as follows:

   a. The sum of (A) one (1) times the sum of (x) the Eligible Employee's Base Pay (as defined below) plus (y) 100% of the Eligible Employee's target annual bonus for the year in which the Eligible Employee's Termination Date occurs and (B) a prorated amount of the Eligible Employee's target annual bonus for the year in which the Eligible Employee's Termination Date occurs, such proration to be equal to the length of the Eligible Employee's employment with the Company in the year in which the Eligible Employee's Termination Date occurs, prior to such Termination Date, less

   b. the amount paid dollar for dollar to an Eligible Employee in a situation where advance notice of employment loss is required by the federal Worker Adjustment and Retraining Notification (WARN) Act and/or any state or local law that is similar to the federal WARN Act, or both, where the Eligible Employee performs no productive work, as well as by any amount that must be paid to the Eligible Employee under any government mandated severance requirement that does not prohibit offset, less

   c. Any outstanding debt owed to Company or an Affiliate.

   An Eligible Employee's Severance Pay will in no event be reduced to less than $100 under this paragraph.

2. Health Coverage. Each Eligible Employee who is eligible for "COBRA" coverage under the Company's group health plan and makes a timely election to purchase COBRA coverage, will receive a Company-subsidy for the COBRA health (medical and dental) coverage elected for the Eligible Employee and those dependents covered under the Company's group health plan as of the Eligible Employee's Termination Date, such Company-subsidy to be in the form of a single, lump sum cash payment that is equivalent to the cost of COBRA coverage for a twelve (12) month period.

Notwithstanding any provision in this Plan to the contrary, in the event an employee is entitled to any contractual severance or other separation pay, such as under an employment

agreement or other individual or group severance plan, policy or agreement (except for eligibility for severance benefits under the Plan), the employee shall be ineligible to receive any benefits under the Plan, except to the extent the Plan or an existing or future plan, policy or agreement with the Company provides better terms on any one or more provisions, then this Plan, or the other plan, policy or agreement that provides the better terms shall govern, but only to the extent of the provisions that provide the better terms. Further notwithstanding the foregoing, the Plan Administrator may, as it deems appropriate, in its sole and absolute discretion, authorize Severance Benefits in an amount different (greater or less) from the guideline amounts. The Plan Administrator may, in its sole and absolute discretion, waive or modify, with respect to one or more classes of employees, the eligibility requirements for Severance Benefits or modify the method of calculating Severance Benefits.

D. Payment and Taxation of Severance Pay

Severance Pay, and, if applicable, the COBRA-subsidy payment, will be paid, as a lump sum, and mailed within ten (10) days after the effective date of a Release Agreement. All Severance Pay and the COBRA equivalent under this Plan will be treated as "wages" for the purposes of state and federal employment taxes and, as such, subject to withholding and other payroll taxes, authorized and such other deductions as may be required by law. Notwithstanding anything contained herein to the contrary, if an Eligible Employee's Release Agreement provides for a review period and, if applicable, revocation period that could end on or after December 20th of the calendar year in which his or her Termination Date occurs, then the Severance Pay and COBRA equivalent payment will not be paid earlier than January 2nd of the immediately following calendar year.

E. Code Section 409A Compliance

It is the Company's intent that amounts paid under this Plan will not constitute "deferred compensation" as that term is defined under Section 409A of the Code and the regulations promulgated thereunder ("Code Section 409A"). However, if any amount paid under this Plan is determined to be "deferred compensation" within the meaning of Code Section 409A and compliance with one or more of the provisions of this Plan causes or results in a violation of Code Section 409A, then such provision will be interpreted or reformed in the manner necessary to achieve compliance with Code Section 409A. In no event may an Eligible Employee, directly or indirectly, designate the calendar year of payment. In the event that any payment to an Eligible Employee hereunder is not exempt from Code Section 409A, then, notwithstanding anything contained herein to the contrary, such Eligible Employee shall not be considered to have terminated employment with the Company or an Affiliate unless he or she would be considered to have incurred a "termination of employment" from the Company or an Affiliate within the meaning of Treasury Regulation §1.409A-1(h)(1).

F. Definitions

1. Affiliate. Affiliate means the Company and any other entity that is under common control with the Company (as determined in accordance with the definition of such terms contained in Section 414(b), (c), (m) or (o) of the Code), but with respect only to periods of time during which such controlled group status or common control status exists.

2. Base Pay. Base Pay means the regular base salary or wages in effect for the Eligible Employee on the Eligible Employee's Termination Date and does not include bonuses, commissions, overtime, or other earnings. One week of Base Pay is annual Base Pay divided by 52.

3. Board. The Board of Directors of the Company.

4. Cause. For termination by the Company of Executive's employment with the Company, Cause means any of the following:

   (a) An action or omission of Executive which constitutes a material breach of, or failure or refusal (other than by reason of Executive's disability) to perform Executive's material duties which is not cured within fifteen (15) days after receipt by Executive of written notice of same;

   (b) Executive's fraud, embezzlement, or misappropriation of funds in connection with Executive's performance of services for the Company;

   (c) Executive's conviction of any crime which involves dishonesty, moral turpitude or any felony;

   (d) Gross negligence of Executive in connection with the performance of Executive's material duties for the Company, which is not cured within fifteen (15) days after written receipt by Executive of written notice of same;

   (e) If Executive is a party to an Executive Change in Control and Indemnity Agreement with the Company, violation by Executive of **Article 4** of such Agreement; otherwise, violation by Executive of any similar covenants to which Executive is subject under any other agreement with the Company; or

   (f) The entry by a court of competent jurisdiction of permanent injunctive or other declaratory relief prohibiting or determining that Executive's service as an officer, director or employee of the Company, as the case may be, violates a prior agreement between Executive and a prior employer of Executive.

   Termination of Executive's employment shall not be deemed to be for Cause unless and until the Company delivers to Executive a copy of a resolution duly adopted by the affirmative vote of the Board after the expiration of applicable notice, hearing and cure provisions.

5. Code. The Internal Revenue Code of 1986, as amended.

6. ERISA. The Employment Retirement Income Security Act of 1974, as amended.

7. Plan Administrator. The Plan Administrator shall be Company or such committee as may be appointed by the Board to serve as the Plan Administrator. If a committee is appointed, any action by the committee shall be by majority vote if its members are three or more; otherwise any such action shall be by unanimous vote.

8. Executive means an active employee of the Company or an Affiliate who is employed in one of the following positions with the Company: Chief Executive Officer, Chief Financial Officer, Chief Marketing Officer, Chief of Staff, Chief Supply Chain Officer, Chief Commercial Officer, Chief Legal Officer, Senior Vice President, Human Resources, and Senior Vice President, Strategy, with such changes or additions as the Company's Human Resources and Compensation Committee may make from time to time.

9. Good Reason. For termination by Executive of Executive's employment, Good Reason means the occurrence (without Executive's express written consent) of any one of the following acts by the Company or failures by the Company to act:

   (a) a reduction in Executive's Base Pay or performance bonus opportunity;

   (b) any material breach by the Company of any material provision of any agreement between Executive and the Company;

   (c) the Company's failure to obtain an agreement from any successor to the Company to assume and agree to perform any agreement between Executive and the Company in the same manner and to the same extent that the Company would be required to perform if no succession had taken place, except where such assumption occurs by operation of law;

   (d) an adverse change in Executive's title, authority, duties, or responsibilities (other than temporarily while Executive is physically or mentally incapacitated or as required by applicable law); or

   (e) an adverse change in the reporting structure applicable to Executive.

   "Good Reason" for Executive's termination of employment will exist only if (i) Executive gives written notice to the Company of the Executive's intention to terminate the Executive's employment on account of a Good Reason, with the notice stating in detail the particular act or acts or the failure or failures to act that constitute the grounds on which Executive's Good Reason termination is based and given within six (6) months of the occurrence of the act or acts or the failure or failures to act which constitute the grounds for Good Reason, (ii) the Company fails to cure the conduct within sixty (60) days following receipt of Executive's written notice, and (iii) Executive terminates employment with the Company effective not later than sixty (60) days after the end of the Company's cure period.

10. Termination Date. The Eligible Employee's Termination Date will be such date as is designated by the Company.

THE CLAIMS PROCESS

A. Submission of Claims

Any claims concerning eligibility, participation, benefits or other aspects of this Plan must be submitted in writing and directed to the Plan Administrator. Except as provided below, from the date a claim is received, the Plan Administrator has sixty days in which to review the claim to determine whether or not benefits are payable in accordance with the terms and conditions of this Plan or ERISA.

B. Additional Time to Process a Claim

If the Plan Administrator requires additional time to process a claim because of special circumstances, the Plan Administrator, in its sole discretion, may extend the period an additional sixty days. The Plan Administrator must notify the employee in writing of any such extension prior to the expiration of the sixty-day period commencing from the date the Plan Administrator first received written submission of the claim. If additional information is required to make a determination on the claim, the employee will receive a written request specifying the nature of the information needed and an explanation as to why it is needed.

C. No Response to Claim

If the employee is not notified of the status of the claim within sixty days from the date it is received by the Plan Administrator and the employee has not been notified that an extension is required to review the claim, the employee may request a review of the claim by following the procedures set out below for denial of a claim.

D. Denial of Benefits

If the claim is partially or wholly denied, the Plan Administrator will provide a written denial to the employee no later than sixty days from receipt of the claim request (or 120 days if an extension is required). The written denial will include (1) the specific reason or reasons for the adverse determination; (2) reference to the specific Plan provisions on which the determination is based; (3) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and (4) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under ERISA § 502(a) following an adverse benefit determination on review (as described below).

E. Claims Review Procedure

The employee may request in writing to the Plan Administrator a review of the denied claim within sixty days of receipt of such denial. Such written request must contain an explanation as to why the employee is seeking a review. If such request is not received within sixty days, the employee will be deemed to have waived his or her right to a review by the Plan Administrator. In preparation for filing such a request for review, the employee or his or her duly authorized representative may review pertinent Plan documents and employment records, and as part of the written request for review, may submit issues and comments concerning the claim.

Once the Plan Administrator receives a request for review, a prompt review of the claim will take place. Upon completion of the review, the Plan Administrator will notify the employee in writing of the decision, referencing Plan provisions that affect the decision. The Plan Administrator has sixty days from receipt of the request for review to notify the employee of its

decision unless special circumstances require an extension of time in which case the Plan Administrator, in its sole discretion, may extend the period an additional sixty days. If an extension is required, the Plan Administrator must notify the employee in writing of any such extension prior to the expiration of the sixty-day period commencing from the date the Plan Administrator received the request for review.

In the event that the Plan Administrator confirms the denial of the claim, in whole or in part, a written notice will set forth, in a manner calculated to be understood by the employee, (i) the specific reason(s) for upholding the denial, (ii) specific reference to the Plan provision(s) on which the denial is based, (iii) a statement that the employee is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the employee's claim for benefits (as defined under ERISA), and (iv) a statement of the employee's right to bring an action under ERISA Section 502(a).

No legal action for benefits under the Plan may be brought until this claims procedure has been exhausted as provided in this Plan and applicable law.

MISCELLANEOUS PROVISIONS

A. Termination, Changes to and Interpretation of the Plan

The Company reserves the right to amend, modify or terminate all or part of this Plan at any time without prior notice or consideration to any employee with regard to such changes, except that the Company will not reduce any benefits for employees who have prior to such amendment, modification or termination become entitled to benefits as a result of a qualifying termination of employment and executed a Release Agreement. Upon discontinuance of participation by a Company Affiliate, its employees shall no longer be Eligible Employees. Any such amendment,

modification or termination will be adopted by the Board or such other person or committee that has been delegated authority by the Board to amend, modify or terminate the Plan.

The Plan Administrator has the power and authority to interpret the Plan and to exercise its discretion in carrying out such power and authority. Without limitation of the foregoing, the Plan Administrator shall have the discretion to make any findings of fact needed in the administration of the Plan, and shall have the discretion to interpret or construe ambiguous, unclear, implied or omitted terms in any fashion the Plan Administrator deems appropriate in its sole and exclusive judgment. The validity of any such finding of fact, interpretation, construction or decision shall not be given de novo review if challenged in court, by arbitration or any other forum, and shall be upheld unless clearly arbitrary or capricious. The Plan Administrator's prior exercise of any of its authority with respect to the Plan shall not obligate it to exercise its authority in a like fashion thereafter, whether or not under similar circumstances. If the Plan Administrator determines that any Plan provision does not accurately reflect its intended meaning, as determined by the Plan Administrator in its sole and exclusive judgment, the provision will be considered ambiguous and will be interpreted by the Plan Administrator in a fashion consistent with its intent, as determined by the Plan Administrator in its sole and absolute discretion. The Plan Administrator, without the need for the Company's approval, may amend the Plan retroactively to cure any such ambiguity.

This Section may not be invoked by any person to require the Plan to be interpreted in a manner which is inconsistent with its interpretation by the Plan Administrator. All actions taken and all determinations made in good faith by the Plan Administrator will be final and binding upon all persons claiming any interest in or under the Plan.

B. Exclusive Severance Plan

This Plan supersedes any and all prior plans, policies, practices or arrangements regarding the subject matter hereof; other than the terms of any written employment agreement or contract entered into, or which may hereafter be entered into, between an employee, the Company and/or an Affiliate.

C. No Right to Continued Employment

Nothing in this Plan shall be deemed an agreement, consideration, inducement or condition of employment, nor shall the rights or obligations of the Company or any Affiliate, or any employee employed by the Company or an Affiliate, to continue or terminate employment at any time be affected by this Plan.

D. No Right to Assign Benefit

No employee shall have the right to alienate, assign, commute or otherwise encumber his or her Severance Benefits under this Plan for any purpose whatsoever, and any attempt to do so shall be disregarded completely as null and void.

E. The Effective Date of the Plan

This Plan will be effective as of _____, 202_.

F. Summary Plan Description

The Plan and the Summary Plan Description are a combined document.

Celsius, Inc.
Executive Severance Pay Plan
and Summary Plan Description

ERISA REQUIRED INFORMATION

Plan Name:	Celsius, Inc. Executive Severance Pay Plan and Summary Plan Description
Effective Date:	The Plan is effective _____ 1, 202_.
Plan Sponsor:	Celsius, Inc. 2424 N. Federal Hwy., Suite 208 Boca Raton, FL 33431 Tel.: _____
Plan Administrator:	Celsius, Inc. 2424 N. Federal Hwy., Suite 208 Boca Raton, FL 33431 Tel.: _____
Plan Sponsor Identification Number	_____
Plan Number:	**5XX**
Type of Plan:	Unfunded welfare benefit severance plan
Type of Administration:	The Plan is administered directly by the Plan Administrator and its delegate(s).
Plan Year: (basis on which Plan records are kept)	Calendar Year
Agent for Service of Legal Process:	Name: _____ Address: Celsius, Inc. 2424 N. Federal Hwy., Suite 208 Boca Raton, FL 33431 Tel.: _____
Contribution Source:	Celsius, Inc. and/or its affiliates pay all amounts required to provide severance and other benefits under the Plan directly from its or their general assets.

Celsius, Inc.
Executive Severance Pay Plan
and Summary Plan Description

STATEMENT OF ERISA RIGHTS

As a participant in the Celsius, Inc. Executive Severance Pay Plan and Summary Plan Description you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all Plan participants shall be entitled to:

A. Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plan, including a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

B. Continue Group Health Plan Coverage

- Continue group health care coverage for you, your spouse or dependents if there is a loss of coverage under the group health plan as a result of a qualifying event. You or your dependents may have to pay for such coverage. Please note that this summary plan description only addresses the allocation of costs for COBRA coverage and not the rules governing your COBRA continuation coverage rights—such rules can be found in the summary plan description and the documents governing the group health plan.

C. Prudent Actions by Plan Fiduciaries

- In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

D. Enforce Your Rights

- If your claim for a welfare (severance) benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

- Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the Plan and do not receive them within thirty days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court. If it should happen that the Plan fiduciaries misuse the Plan's money (if any) or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds that your claim or lawsuit is frivolous.

E. Assistance with Your Questions

- If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

IN WITNESS WHEREOF, this Plan, effective as of _____, 202_, is hereby approved by its authorized officer of Celsius, Inc., below, on behalf of Celsius, Inc., this __ day of _____, 202_.

Celsius, Inc.

By: _____
Name/Title: _____

CELSIUS, INC.

Executive Change in Control and Indemnity Agreement

THIS AGREEMENT is made and entered into as of the ____ day of _____, 20__ (the "Effective Date"), by and between Celsius, Inc. (hereinafter referred to as the "Company") and _____ (hereinafter referred to as the "Executive").

WHEREAS, the Board has approved the Company's entering into change in control and indemnity agreements with certain key executives of the Company; and

WHEREAS, the Executive is a key executive of the Company;

NOW THEREFORE, to assure the Company that it will have the continued dedication of the Executive and the availability of the Executive's advice and counsel notwithstanding the possibility, threat, or occurrence of a Change in Control of the Company, and to induce the Executive to remain in the employ of the Company, and for other good and valuable consideration, the Company and the Executive agree as follows:

Article 1. Establishment, Term, and Purpose

This Agreement will commence on the Effective Date and will continue in effect for a three (3) year term, until the third anniversary of the Effective Date. Upon the expiration of the third anniversary of the Effective Date (and each applicable anniversary thereafter, to the extent the Agreement is extended as provided herein), the term of this Agreement will be extended automatically for one (1) additional year, unless either party to this Agreement delivers written notice at least twelve (12) months prior to such anniversary to the other party that this Agreement will not be extended. In such case, this Agreement will terminate at the end of the term or extended term. Executive hereby acknowledges, for avoidance of doubt, that any termination of this Agreement vis-a-vis notice provided pursuant to this Article 1 shall not constitute an act subject to Section 2.14 or Article 3.

However, in the event a Change in Control occurs during the original or any extended term, this Agreement will remain in effect for the longer of: (i) twenty-four (24) months beyond the month in which such Change in Control occurred; or (ii) until all obligations of the Company hereunder have been fulfilled, and until all benefits required hereunder have been paid to the Executive.

Article 2. Definitions

Whenever used in this Agreement, the following terms will have the meanings set forth below and, when the meaning is intended, the initial letter of the word is capitalized.

2.1 Agreement - see the recitals to this Agreement.

2.2 Accrued Obligations means the aggregate of (i) an Executive's earned but unpaid Base Salary through the Executive's date of termination; (ii) payment in respect of any paid time off days accrued but unused through the Executive's date of termination, to the extent provided by Company policy; (iii) reimbursement for all business expenses properly incurred in accordance

with Company policy prior to the Executive's date of termination and not yet reimbursed by the Company; and (iv) subject to Section 3.3, any earned but unpaid annual bonus in respect of any of the Company's fiscal years preceding the fiscal year in which the termination occurs (provided, however, that if Executive's termination is by the Company for Cause and such event(s) and/or action(s) that constitute Cause are materially and demonstrably injurious to the business or reputation of the Company, then no payment will be made pursuant to this clause (iv)).

2.3 Base Salary means the salary of record as of the date of a Termination of Employment paid to an Executive as annual salary, excluding amounts received under incentive or other bonus plans, whether or not deferred.

2.4 Board means the Board of Directors of the Company.

2.5 Cause for termination by the Company of Executive's employment with the Company means any of the following:

(a) An action or omission of Executive which constitutes a material breach of, or failure or refusal (other than by reason of Executive's Disability) to perform Executive's material duties which is not cured within fifteen (15) days after receipt by Executive of written notice of same;

(b) Executive's fraud, embezzlement, or misappropriation of funds in connection with Executive's performance of services for the Company;

(c) Executive's conviction of any crime which involves dishonesty, moral turpitude or any felony;

(d) Gross negligence of Executive in connection with the performance of Executive's material duties for the Company, which is not cured within fifteen (15) days after written receipt by Executive of written notice of same;

(e) Violation by Executive of **Article 4** of this Agreement; or

(f) The entry by a court of competent jurisdiction of permanent injunctive or other declaratory relief prohibiting or determining that Executive's service as an officer, director or employee of the Company, as the case may be, violates a prior agreement between Executive and a prior employer of Executive.

Termination of Executive's employment shall not be deemed to be for Cause unless and until the Company delivers to Executive a copy of a resolution duly adopted by the affirmative vote of the Board after the expiration of applicable notice, hearing and cure provisions.

2.6 Change in Control means the first to occur of the following events:

(a) the acquisition, directly or indirectly, by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 50% of either the then outstanding voting securities of

the Company (the "Outstanding Company Common Stock") or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (w) any acquisition directly from the Company, (x) any acquisition by the Company or any of its subsidiaries, (y) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (z) any acquisition by any corporation pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (c) of this definition;

(b) individuals who, as of the Effective Date, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(c) consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets of another entity (a "Corporate Transaction"), in each case, unless, immediately following such Corporate Transaction, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction beneficially own, directly or indirectly, more than 50% of, respectively, the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any corporation resulting from such Corporate Transaction or employee benefit plan (or related trust) of the Company or such corporation resulting from such Corporate Transaction) beneficially owns, directly or indirectly, 50% or more of, respectively, the then-Outstanding Company Common Stock resulting from such Corporate Transaction or the Outstanding Company Voting Securities resulting from such Corporate Transaction, except to the extent that such ownership existed prior to the Corporate Transaction, and (C) at least a majority of the members of the Board resulting from the Corporate Transaction were members

of the Incumbent Board at the time of the execution of the initial plan or action of the Board providing for such Corporate Transaction; or

(d) approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

2.7 Code means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.

2.8 Common Stock means the common stock, $0.001 par value, of the Company.

2.9 Company - see the recitals to this Agreement.

2.10 Disability means that Executive becomes "disabled" within the meaning of Section 409A(a)(2)(C) of the Code or any successor provision and the applicable regulations thereunder.

2.11 Effective Date - see recitals to this Agreement.

2.12 Exchange Act means the Securities Exchange Act of 1934.

2.13 Executive - see recitals to this Agreement.

2.14 Good Reason for termination by Executive of Executive's employment means the occurrence (without Executive's express written consent) of any one of the following acts by the Company or failures by the Company to act:

(a) a reduction in Executive's Base Salary or performance bonus opportunity;

(b) any material breach by the Company of any material provision of this Agreement or any material provision of any other agreement between Executive and the Company;

(c) the Company's failure to obtain an agreement from any successor to the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no succession had taken place, except where such assumption occurs by operation of law;

(d) an adverse change in Executive's title, authority, duties, or responsibilities (other than temporarily while Executive is physically or mentally incapacitated or as required by applicable law); or

(e) an adverse change in the reporting structure applicable to Executive.

"Good Reason" for Executive's termination of employment will exist only if (i) Executive gives written notice to the Company of the Executive's intention to terminate the Executive's employment on account of a Good Reason, with the notice stating in detail the particular act or acts or the failure or failures to act that constitute the grounds on which Executive's Good Reason termination is based and given within six (6) months of the occurrence of the act or acts or the

failure or failures to act which constitute the grounds for Good Reason, (ii) the Company fails to cure the conduct within sixty (60) days following receipt of Executive's written notice, and (iii) Executive terminates employment with the Company effective not later than sixty (60) days after the end of the Company's cure period.

2.15 Main Office means 2424 N. Federal Hwy., Suite 208, Boca Raton, Florida, or such office as may constitute the main office from time to time.

2.16 Taxes means the incremental United States federal, state and local income, excise and other taxes payable by Executive with respect to any applicable item of income.

2.17 Termination of Employment means a termination by the Company or by Executive of Executive's employment with the Company that constitutes a separation from service under Code Section 409A.

Article 3. Severance Benefits

3.1 Right to Severance Benefits. The Executive will be entitled to receive from the Company Severance Benefits, as described in this Article 3 herein, if the Executive satisfies the conditions set forth in this Article 3. Except with respect to the Accrued Obligations (and subject to Section 3.3, as applicable), in no event herein, except as may be required by applicable federal and/or state law, shall the Executive be entitled to receive any other Severance Benefits if the Executive's employment is terminated (i) for Cause or (ii) due to a voluntary termination without Good Reason.

3.2 Severance Benefits. If, during the three month period preceding and the 2-year period following a Change in Control, Executive is terminated by the Company other than for Cause, or if Executive voluntarily resigns for Good Reason, Executive shall receive: (i) the Accrued Obligations; and (ii) subject to Section 3.3, (A) cash payments equal to the product of 2 times the sum of (x) Executive's Base Salary plus (y) 100% of Executive's target annual bonus for the year of the Termination of Employment, payable in a lump sum on the sixtieth (60th) day following such Termination of Employment, (B) a prorated amount of Executive's target annual bonus for the year of Termination of Employment, such proration to be equal to the length of Executive's employment with the Company in the year of Termination of Employment, prior to Termination of Employment, payable in a lump sum on the sixtieth (60^{th}) day following such Termination of Employment, and (C) a lump sum amount equal to the total premiums for medical, dental and vision benefits for an eighteen month period which the Executive may, but is not required to, use to pay for COBRA continuation coverage, if applicable. Except for amounts subject to Section 3.3, the remaining Accrued Obligations shall be paid to Executive in a lump sum amount within sixty (60) days following the Executive's date of termination.

3.3 Release. Notwithstanding any other provision of this Agreement to the contrary, Executive acknowledges and agrees that any and all payments to which Executive is entitled under this Article 3, which are described as being subject to this Section 3.3 are conditioned upon and shall not be payable unless (A) Executive, or, if applicable, the Executive's estate's personal representative, executes a general release and waiver, in such reasonable and customary form as shall be prepared by the Company, of all claims Executive or Executive's estate or representatives may have against the Company and its directors, officers, subsidiaries and affiliates, except as to

(i) matters covered by provisions of this Agreement that expressly survive the termination of this Agreement and (ii) rights to which Executive is entitled by virtue of the Executive's participation in the employee benefit plans, policies and arrangements of the Company, within the minimum time period required under applicable state and federal laws, or if no such period, ten business days following the date of Executive's termination provided Company has timely delivered such release and waiver to Executive, and (B) Executive, or, if applicable, the Executive's estate's personal representative, has not revoked such release agreement within the time permitted under applicable law. Payments subject to this Section 3.3 shall commence or be made, as applicable, on the sixtieth (60th) day after the Termination of Employment, with any payments scheduled to occur between the Termination of Employment and such sixtieth (60th) day provided on such day.

3.4 Withholding of Taxes. The Company will be entitled to withhold from any amounts payable under this Agreement all Taxes as may be legally required (including, without limitation, any United States federal taxes and any other state, city, or local taxes).

Article 4. Covenants

(a) Confidentiality. Executive agrees that Executive shall, at no time during or after termination of this Agreement, directly or indirectly make use of, disseminate, or in any way disclose Confidential Information to any person, firm or business, except to the extent necessary for performance of this Agreement or as otherwise required by law. Executive agrees that Executive shall disclose Confidential Information only to the Company's employees, consultants and advisors who need to know such information and who Executive believes have previously agreed to be bound by the terms and conditions of a substantially similar confidentiality provision and shall be liable for damages for the intentional disclosure of Confidential Information. Executive's obligations with respect to any portion of Confidential Information shall terminate only when: (a) such information is lawfully in the public domain; or (b) the communication was in response to a valid order or subpoena issued under the authority of a court of competent jurisdiction, provided, however that Executive shall promptly notify the Company of Executive's notice of any such order or subpoena and Executive agrees to cooperate reasonably with the Company in an attempt to limit or avoid such disclosure. "**Confidential Information**" as used in this Agreement shall mean any and all technical and non-technical information, regardless of format, belonging to, or in the possession of, the Company or its officers, directors, executives, affiliates, subsidiaries, clients, vendors, or executives, including without limitation, patent, trade secret, and proprietary information; techniques, sketches, drawings, models, inventions, know-how, processes, apparatus, equipment, algorithms, source codes, object codes, software programs, software source documents, and formulae related to the Company's business or any other current, future and/or proposed business, product or service contemplated by the Company; and includes, without limitation, all information concerning research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, vendor lists, business forecasts, sales and merchandising, and marketing plans or similar information.

(b) Non-Compete. For a period of eighteen (18) months from the date of Termination of Employment (the "**Restricted Period**"), Executive agrees not to directly or indirectly own, manage, control, operate or serve as a director, manager, officer, director, partner or employee of, have any direct or indirect financial interest in (other than an interest in a prior employer), or assist in any way, any person or entity that engages in the Business in any geographic region in which the Company conducts the Business. For purposes of this Agreement, the "**Business**" shall mean companies that are in the same category or industry, as defined by Spins, Nielson, or IRI, as the Company as of the Termination Date or in the same category or industry, as defined by Spins, Nielson, or IRI, of any other line of business that the Company has an intention, as evidenced by the Company's written business plans as of the Termination Date, to engage in following the Termination Date.

(c) Non-Solicit. During the Restricted Period, Executive shall not, directly or indirectly, take any of the following actions, and, to the extent Executive owns, manages, operates, controls, is employed by or participates in the ownership, management, operation or control of, or is connected in any manner with, any business, Executive shall use Executive's best efforts to ensure that such business does not solicit employment or a similar relationship as an independent contractor or employ or retain as an independent contractor, any person who during the Restricted Period is or within one (1) year prior to the date of termination of Executive's employment with the Company was, an employee of or independent contractor to the Company or attempt to persuade any customer, prospective customer, vendor or supplier who during the Restricted Period is or within one (1) year prior to the date of termination of Executive's employment with the Company was, a customer, prospective customer, vendor or supplier of the Company, to cease doing business with the Company, or to reduce the amount of business it does with the Company

(d) Intellectual Property.

(1) All creations, inventions, ideas, designs, copyrightable materials, trademarks, and other technology and rights (and any related improvements or modifications), whether or not subject to patent or copyright protection (collectively, "**Creations**"), relating to any activities of the Company which are conceived by Executive or developed by Executive in the course of Executive's employment with the Company, whether prior to or during the Term, whether conceived alone or with others and whether or not conceived or developed during regular business hours, shall be the sole property of the Company and, to the maximum extent permitted by applicable law, shall be deemed "**works made for hire**" as that term is used in the United States Copyright Act.

(2) To the extent, if any, that Executive retains any right, title or interest with respect to any Creations delivered to the Company or related to Executive's employment with the Company, Executive hereby grants to the Company an irrevocable, paid-up, transferable, sub- licensable, worldwide right and license: (i) to modify all or any portion of such Creations, including, without limitation, the

making of additions to or deletions from such Creations, regardless of the medium (now or hereafter known) into which such Creations may be modified and regardless of the effect of such modifications on the integrity of such Creations; and (ii) to identify Executive, or not to identify Executive, as one or more authors of or contributors to such Creations or any portion thereof, whether or not such Creations or any portion thereof have been modified. Executive further waives any "**moral**" rights, or other rights with respect to attribution of authorship or integrity of such Creations that Executive may have under any applicable law, whether under copyright, trademark, unfair competition, defamation, and right of privacy, contract, tort or other legal theory.

(3) Executive will promptly inform the Company of any Creations. Executive will also allow the Company under reasonable conditions to inspect any Creations Executive conceives or develops within one (1) year after the termination of Executive's employment for any reason to determine if they are based on Confidential Information. Executive shall (whether during Executive's employment or after the termination of Executive's employment) execute such written instruments and do other such acts as may be reasonable and necessary to secure the Company's rights in the Creations, including obtaining a patent, registering a copyright, or otherwise (and Executive hereby irrevocably appoints the Company and any of its officers as Executive's attorney in fact to undertake such acts in Executive's name). Executive's obligation to execute written instruments and otherwise assist the Company in securing its rights in the Creations will continue after the termination of Executive's employment for any reason. The Company shall reimburse Executive for any out-of-pocket expenses (but not attorneys' fees) Executive incurs in connection with Executive's compliance with this Section 4(d).

(e) Cooperation. Executive agrees that during the Executive's employment or following a Termination of Employment for any reason, Executive shall, upon reasonable advance notice, assist and cooperate with the Company as is reasonable with regard to any investigation or litigation related to a matter or project in which Executive was involved during Executive's employment. The Company shall reimburse Executive for all reasonable and necessary expenses related to Executive's services under this Section 4(c) (i.e., travel, lodging, meals, telephone and overnight courier) within ten (10) business days of Executive submitting to the Company appropriate receipts and expense statements.

(f) Survivability. The duties and obligations of Executive pursuant to this Section 4 shall survive the termination of this Agreement and Executive's Termination of Employment for any reason.

(g) Remedies. Executive acknowledges that the protections of the Company set forth in this Section 4 are fair and reasonable. Executive agrees that remedies at law for a breach or threatened breach of the provisions of this Section 4 would be inadequate and, therefore, the Company shall be entitled, in addition to any other available remedies, without posting a bond, to equitable relief in the form of

specific performance, temporary restraining order, temporary or permanent injunction, or any other equitable remedy that may be then available.

(h) Limitation. If the duration, scope, or nature of any restriction on business activity covered by any provision of Section 4(b) above is in excess of what is valid and enforceable under applicable law, such restriction shall be construed to limit duration, scope or activity to an extent that is valid and enforceable, with such extent to be the maximum extent possible under applicable law. For Section 4(b) above, Executive hereby acknowledges that such Section shall be given the construction which renders its provisions valid and enforceable to the maximum extent, not exceeding its express terms, possible under applicable law.

Article 5. Tax Adjustment Payment

5.1 Tax Adjustment Payment. In the event that the Executive becomes entitled to Severance Benefits or any other payment or benefit under this Agreement, or under any other agreement with or plan of the Company (in the aggregate, the "Total Payments"), whether or not the Executive has terminated employment with the Company, if all or any part of the Total Payments will be subject to the tax imposed by Section 4999 of the Code (or any similar tax that may hereafter be imposed) (the "Excise Tax"), the Total Payments shall be reduced (but not below zero) such that the value of the Total Payments shall be one dollar ($1) less than the maximum amount of payments which the Executive may receive without becoming subject to the tax imposed by Section 4999 of the Code; provided, however, that the foregoing limitation shall not apply in the event that it is determined that the Total Payments on an after-tax basis (i.e., after payment of federal, state, and local income taxes, penalties, interest, and Excise Tax) if such limitation is not applied would exceed the after-tax benefits to the Executive if such limitation is applied. The Executive shall bear the expense of any and all Excise Taxes due on any payments that are deemed to be "excess parachute payments" under Section 280G of the Code.

5.2 Tax Computation. The determination of whether any of the Total Payments will be subject to the Excise Tax and the assumptions to be used in arriving at such determination, shall be made by a nationally recognized certified public accounting firm that does not serve as an accountant or auditor for any individual, entity or group effecting the Change in Control as designated by the Company (the "Accounting Firm"). The Accounting Firm will provide detailed supporting calculations to the Company and the Executive within fifteen (15) business days of the receipt of notice from the Executive or the Company requesting a calculation hereunder. All fees and expenses of the Accounting Firm will be paid by the Company.

Article 6. The Company's Payment Obligation

The Company's obligation to make the payments and the arrangements provided for herein will be absolute and unconditional, and will not be affected by any circumstances, including, without limitation, any offset, counterclaim, recoupment, defense, or other right which the Company may have against the Executive or anyone else. All amounts payable by the Company hereunder will be paid without notice or demand.

The Executive will not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Agreement, and the obtaining of any such other employment will in no event effect any reduction of the Company's obligations to make the payments and arrangements required to be made under this Agreement.

Notwithstanding anything in this Agreement to the contrary, if Severance Benefits are paid under this Agreement, no severance benefits under any program of the Company, other than benefits described in this Agreement, will be paid to the Executive.

Article 7. Indemnification

7.1 Indemnity of Executive. To the fullest extent permitted by law, and subject only to the exclusions set forth in Sections 7.2 and 7.10 of this Agreement, the Company hereby agrees to hold harmless and indemnify the Executive from and against any and all reasonable costs and expenses (including, but not limited to, attorneys' fees) and any liabilities (including, but not limited to, judgments, fines, penalties and reasonable settlements) paid by or on behalf of, or imposed against, the Executive in connection with any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative, investigative or other (including any appeal relating thereto), whether formal or informal, and whether made or brought by or in the right of the Company or otherwise, in which the Executive is, was or at any time becomes a party or witness, or is threatened to be made a party or witness, or otherwise, by reason of the fact that the Executive is, was or at any time becomes a director, officer, employee or agent of the Company or, at the Company's request, a director, officer, partner, manager, trustee, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise.

7.2 Limitations on Indemnity. No Indemnity pursuant to Section 7.1 of this Agreement shall be paid by the Company:

(a) if a court of competent jurisdiction renders a final adjudication on the merits, in an action, suit or proceeding in which the Executive is a party, that such indemnification is prohibited by law;

(b) in connection with any transaction with respect to which a court of competent jurisdiction renders a final adjudication on the merits, in an action, suit or proceeding in which the Executive is a party, (i) that the Executive's personal financial interest was in conflict with the financial interests of the Company or its shareholders and (ii) that the Executive derived an improper personal benefit;

(c) on account of acts or omissions of the Executive to the extent a court of competent jurisdiction renders a final adjudication on the merits, in an action, suit or proceeding in which the Executive is a party, that such acts or omissions (i) were not in good faith, or (ii) involved intentional misconduct, or (iii) were known to the Executive to be a violation by law;

(d) in respect of any liability to the extent that a court of competent jurisdiction renders a final adjudication on the merits, in an action, suit or proceeding in which the Executive is a party, that such liability arises under any federal or state statute

providing for personal liability by reason of the fact that the Executive is or was a director or officer of the Company, including, by way of example and not limitation, liability under Section 16(b) of the Securities Exchange Act of 1934, as amended, but excluding any liability resulting from actions taken or omitted by the Executive as a fiduciary of an employee benefit plan of the Company to the extent otherwise indemnifiable hereunder;

(e) in connection with any claim, action, suit or proceeding if such claim, action, suit or proceeding was initiated by the Executive or the Executive's personal or legal representative, or involved the voluntary solicitation or intervention by the Executive or the Executive's personal or legal representative (other than an action to enforce indemnification rights or an action initiated with the approval of a majority of the Board of Directors).

7.3 Continuation of Indemnity. All agreements and obligations of the Company contained in this Article 7 shall continue during the period the Executive serves in any capacity entitling the Executive to indemnification under this Article 7 and shall continue thereafter so long as the Executive shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative or otherwise (including any appeal relating thereto), whether formal or informal, arising as a result of acts or omissions occurring during the period the Executive served as a director or officer of the Company or otherwise performed services for the Company.

7.4 Notification of Claim. It shall be a condition precedent to indemnification under this Article 7 that, within thirty days after receipt by the Executive of actual notice that the Executive is or will be a party, witness or otherwise involved in any threatened or pending action, suit or proceeding described in Section 7.1, the Executive shall have notified the Company in writing of the assertion or commencement thereof. The omission to so notify the Company will not relieve the Company from any liability which it may have to the Executive otherwise than under this Article 7 and shall only relieve the Company of liability to the Executive under this Article 7 to the extent the Company was in fact prejudiced by such delay in notification.

7.5 Advancement of Costs and Expenses. The costs and expenses (including, but not limited to, attorneys' fees) incurred by the Executive in investigating, defending, being a witness in, appealing or otherwise participating in any threatened or pending claim or any threatened or pending action, suit or proceeding described in Section 7.1 shall, at the written request of the Executive, be paid by the Company in advance of final judgment or settlement with the understanding, undertaking and agreement hereby made and entered into by the Executive and the Company that the Executive shall, if it is ultimately determined in accordance with Section 7.2 or pursuant to Section 7.10 that the Executive is not entitled to be indemnified, or was not entitled to be fully indemnified, repay to the Company such amount within ten business days of written request by the Company to Executive, or the appropriate portion thereof, so paid or advanced. Such advancements shall be made within ten business days of written request therefor by the Executive. The Company shall not be permitted to settle any matter if such settlement includes an admission of wrongdoing or guilt on the part of Executive without the Executive's prior written approval.

7.6 Enforcement. If a claim for payment under this Article 7 is not paid in full by the Company within ninety days after a written demand has been delivered by the Executive to the Company, or within thirty days after delivery of a written demand by the Executive to the Company based upon a final and unappealable judgment of a court of competent jurisdiction, the Executive may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim and, if successful in whole or in part, the Executive shall also be entitled to be paid all costs and expenses (including, but not limited to, 'attorneys' fees) incurred by the Executive in prosecuting such suit. In any suit brought by the Executive to enforce this Article 7, the burden of proof shall be on the Company to establish that the Executive is not entitled to the relief sought under this Article 7.

7.7 Partial Indemnity. If the Executive is entitled under any provision of this Article 7 to indemnification by the Company for some or a portion of the costs, expenses, judgments, fines, penalties and amounts paid in settlement, but not for the total amount thereof, the Company shall nevertheless indemnify the Executive for the portion thereof to which the Executive is entitled.

7.8 Non-exclusivity. The rights of the Executive under this Article 7 shall be in addition to any other rights the Executive may have under the Articles of Incorporation or Bylaws of the Company or by agreement, vote of shareholders or disinterested directors, as a matter of law or otherwise.

7.9 Subrogation. In the event of any payment under this Article 7, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Executive, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents as may be necessary to enable the Company effectively to bring suit to enforce such rights.

7.10 No Duplication of Payments. The Company shall not be liable under this Article 7 to make any payment to the extent the Executive has otherwise actually received payment (under any insurance policy, bylaw or otherwise) of the amounts otherwise payable by the Company under this Article 7. The Executive shall use the Executive's reasonable best efforts to collect from all third parties any amounts otherwise payable by the Company under this Article 7. If the Executive is entitled to but has not received payment from a third party (under an insurance policy or otherwise) of amounts otherwise payable by the Company under this Article 7, the Company shall nevertheless pay the Executive such amounts with the understanding, undertaking and agreement hereby made and entered into by the Executive and the Company that the Executive will repay to the Company such amounts to the extent they are ultimately paid to the Executive by such third party.

7.11 Directors' and Officers' Liability Insurance. The Company agrees to maintain in effect throughout the term of Executive's employment with the Company and for a period of six years thereafter, directors' and officers' liability insurance policies for the benefit of the Executive in a form at least as comprehensive as, and in an amount that is at least equal to, that maintained by the Company at such time for any officer or director of the Company.

Article 8. Miscellaneous

8.1 Employment Status. The employment of the Executive by the Company is "at will," and may be terminated by either the Executive or the Company at any time, subject to applicable law.

8.2 Resolution of Disputes and Reimbursement of Legal Costs.

(a) The Company and Executive waive their right to seek remedies in court, including any right to a jury trial. Except as otherwise provided in Article 4, the Company and Executive agree that any dispute arising out of or relating to this Agreement, Executive's employment with the Company, or any termination of such employment, shall be resolved by binding arbitration before a single, neutral arbitrator in the county in which Executive worked at the time the dispute or claim arose, unless the Company and Executive mutually agree to a different location. The arbitration shall be administered in accordance with the applicable JAMS Employment Arbitration Rules and Procedures ("JAMS Rules") to the extent they are not inconsistent with this Agreement. The Company and Executive agree that nothing in this Agreement relieves either party from any obligation it may have to exhaust certain administrative remedies before arbitrating any claims or disputes under this Agreement. Each claim subject to arbitration must be initiated within the applicable statute of limitations. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

(b) EXECUTIVE ACKNOWLEDGES THAT EXECUTIVE HAS RECEIVED AND READ OR HAS HAD THE OPPORTUNITY TO READ THIS AGREEMENT AND THAT IT INCLUDES AN AGREEMENT TO ARBITRATE. EXECUTIVE ALSO UNDERSTANDS AND AGREES THAT EXECUTIVE HAS BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS AGREEMENT, AND HAS HAD AN OPPORTUNITY TO DO SO. EXECUTIVE AGREES THAT EXECUTIVE HAS READ THIS AGREEMENT CAREFULLY AND UNDERSTANDS THAT BY SIGNING IT, EXECUTIVE IS WAIVING ALL RIGHTS TO A COURT TRIAL OR HEARING BEFORE A JUDGE AND/OR JURY OF ANY AND ALL DISPUTES AND CLAIMS SUBJECT TO ARBITRATION UNDER THIS AGREEMENT.

(c) The prevailing Party shall be entitled to reasonable attorneys' fees and costs from the non-prevailing Party in connection with any action filed under this Section 8.2.

8.3 Governing Law. This Agreement will be governed by, and interpreted in accordance with, the laws of the State of Florida applicable to agreements made and to be wholly performed within the State of Florida, without regard to the conflict of laws provisions of any jurisdiction which would cause the application of any law other than that of the State of Florida.

8.4 Entire Agreement/Amendments. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, negotiations, representations or proposals, whether written or oral. This Agreement may not be altered, modified, or amended except by written instrument signed by the parties hereto. Articles 3, 4 and 7 of this Agreement shall survive the termination of Executive's employment with the

Company, except as otherwise specifically stated therein. Notwithstanding the preceding, and as set forth in Section 7.8 of the Agreement, the Indemnification provisions set forth in Article 7 of this Agreement shall not supersede, but instead, shall be in addition to any other rights the Executive may have under the Articles of Incorporation or Bylaws of the Company or by agreement, vote of shareholders or disinterested directors, as a matter of law or otherwise.

8.5 Neutral Interpretation. This Agreement constitutes the product of the negotiation of the parties hereto and the enforcement of this Agreement shall be interpreted in a neutral manner, and not more strongly for or against any party based upon the source of the draftsmanship of the Agreement. Each party has been provided ample time and opportunity to review and negotiate the terms of this Agreement and consult with legal counsel regarding the Agreement.

8.6 No Waiver. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

8.7 Severability. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

8.8 Successors.

(a) This Agreement is personal to Executive and shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. The Company shall require any successor (whether direct or indirect, by purchase, merger, reorganization, consolidation, acquisition of property or stock, liquidation, or otherwise) to all or a substantial portion of its business and/or assets, by agreement in form and substance reasonably satisfactory to Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform this Agreement if no such succession had taken place. Regardless of whether such an agreement is executed, this Agreement shall be binding upon any successor of the Company and such successor shall be deemed the "Company" for purposes of this Agreement.

8.9 Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, if delivered by overnight courier service, if sent by facsimile transmission, if sent by electronic mail, or if mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses, sent via facsimile to the respective facsimile numbers, or sent via electronic mail to the respective email addresses, as the case may be, as set forth below, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only

upon receipt; provided, however, that (i) notices sent by personal delivery or overnight courier shall be deemed given when delivered; (ii) notices sent by facsimile or electronic mail transmission shall be deemed given upon the sender's receipt of confirmation of complete transmission, and (iii) notices sent by United States registered mail shall be deemed given two days after the date of deposit in the United States mail.

If to the Company, to:

Celsius, Inc.
Attn: Corporate Secretary
2424 N. Federal Hwy., Suite 208
Boca Raton, FL 33431
Legal@Celsius.com

with copy to:

Celsius, Inc. Attn: Chief Legal Officer
2424 N. Federal Hwy., Suite 208
Boca Raton, FL 33431
Rmattessich@Celsius.com

If to Executive, to

_____, at the mailing address or personal email address registered in the Celsius, Inc. Human Resources Information System.

8.10 Counterparts and Signatures. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Signatures delivered by facsimile or PDF file shall constitute original signatures.

8.11 Code Section 409A. It is intended that any amounts payable under this Agreement and the Company's and Executive's exercise of authority or discretion hereunder shall comply with Code Section 409A (including the Treasury regulations and other published guidance relating thereto) so as not to subject Executive to the payment of any interest or additional tax imposed under Code Section 409A. To the extent any amount payable under this Agreement would trigger the additional tax imposed by Code Section 409A, the Agreement shall be modified to avoid such additional tax. Notwithstanding the foregoing, to the extent required in order to avoid accelerated taxation and/or tax penalties under Code Section 409A and the rules and regulations thereunder ("Section 409A"), if Executive is a "specified employee" (as defined under Section 409A) as of the date of the Executive's "separation from service" (as defined under Section 409A) from the Company, then any payment of benefits scheduled to be paid by the Company to Executive during the first six (6) month period following the date of a termination of employment hereunder that constitutes deferred compensation under Code Section 409A shall not be paid until the earlier of (a) the expiration of the six (6) month period measured from the date of Executive's "separation from service" and (b) the date of Executive's death. All payments and benefits that are delayed pursuant to the immediately preceding sentence shall be paid to Executive in a lump sum as soon as practicable following the expiration of such period (or if earlier, upon Executive's death) but in

no event later than thirty (30) days following such period. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, no amount or benefit that is payable upon a termination of employment or services from the Company shall be payable unless such termination also meets the requirements of a "separation from service" under Section 409A. Each payment, including each installment payment, made under this Agreement shall be designated as a "separate payment" within the meaning of Section 409A. As such, and to the extent applicable and permissible under Section 409A, each such "separate payment" shall be made in a manner so as to satisfy Section 409A and Treasury Regulations promulgated thereunder, including the provisions which exempt certain compensation from Section 409A, including but not limited to Treasury Regulations Section l.409A-l(b)(4) regarding payments made within the applicable 2 ½ month period and Section l.409A-l(b)(9)(iii) regarding payments made only upon an involuntary separation from service. In addition, the parties shall cooperate fully with one another to ensure compliance with Section 409A, including, without limitation, adopting amendments to arrangements subject to Section 409A and operating such arrangements in compliance with Section 409A.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement on this ___ day of _____, 202_.

CELSIUS, INC.

By: _____
Name: _____
Its: _____

_____
(EXECUTIVE):

_____

RESTRICTED STOCK GRANT AGREEMENT

THIS RESTRICTED STOCK GRANT AGREEMENT (this "**Agreement**"), made and entered into as of **[ ]**(the "**Grant Date**"), between **CELSIUS HOLDINGS, INC.,** a Nevada corporation (the "**Company**") and **[ ]** (the "**Grantee**").

RECITALS

WHEREAS, the Company has adopted the Celsius Holdings, Inc. 2015 Stock Incentive Plan (the "**Plan**"); and

WHEREAS, the Grantee is an employee of the Company and the Compensation Committee of the Board of Directors of the Company has determined that it is in the best interests of the Company to issue to the Grantee a grant of Restricted Stock (the "**Stock Grant**"), under the terms and conditions of the Plan and this Agreement and the Grantee desires to accept the Stock Grant under the terms and conditions of the Plan and this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. **Recitals; Definition of Certain Terms.** The foregoing recitals are true and correct and incorporated herein by reference. Capitalized terms used but not otherwise defined in this Agreement have the meanings given to such terms in the Plan.

2. **Issuance of Stock Grant.** The Company hereby issues to the Grantee, a grant of **[ ]** shares of Restricted Stock Units (the "**Shares**") subject to, and in accordance with, the terms and conditions set forth in the Plan and this Agreement. In the event of any conflict between the Plan and this Agreement, the relevant provisions of the Plan shall control.

3. **Grant Price.** The price at which the Shares shall have been deemed to be issued shall be **$0.001** per Share. The Grantee acknowledges that the Stock Grant will be deemed to be taxable income to the Grantee, based on such price per Share at fair market value at time of exercise

4. **Vesting of Grant.** The Units shall be "Unvested" as of the Grant Date. The Units shall become "Vested" in three equal annual installments on the first, second and third anniversaries of the Grant Date in accordance with the terms of this Agreement and the Plan, provided, however, that the Grantee remains in the Continuous Employment of the Company or any of its subsidiaries or affiliates, as defined and provided for in the Plan. In addition, notwithstanding any provision of the Plan to the contrary, should Grantee's employment with the Company be terminated by the Company without "Cause" or by the Grantee for "Good Reason" in connection with a Change of Control (each, as defined in Grantee's Employment Agreement with the Company in effect on the Grant Date), the Units shall become fully vested upon such termination of employment.

5. **Restrictions on Transfer of Units.** Unvested Units may not be transferred at any time. Grantee hereby acknowledges and agrees that the Vested Units and underlying Shares shall be subject to the restrictions on transfer applicable to "**Units**" and "**Shares**" to comply with all provisions of the Plan. Unvested Units may be designated to be placed in a deferred compensation or retirement plan, pursuant to IRC Section 409A, established

by the Company. Each and every transferee or assignee of Vested Units issued upon exercise thereof from the Grantee shall be bound by and subject to all the terms and conditions of the Plan and this Agreement on the same basis as the Grantee is bound. So long as this Agreement is in effect, the Company shall require, as a condition precedent to the transfer of any Vested Units by Grantee that the transferee agrees in writing to be bound by, and subject to, the terms and conditions of the Plan and this Agreement and to ensure that such transferees' transferees shall be likewise bound.

6. **Rights as Shareholder.** Until the Units granted under this Agreement become Vested and are exercised in accordance with the terms hereof, the Grantee shall have no rights as a shareholder (including, without limitation, voting and dividend rights) with respect to any underlying Shares.

7. **Termination of Units.** Unvested Units shall, without notice, terminate and will be cancelled and become null and void on the date on which Grantee's Continuous Service with the Company terminates. Except as specifically provided in the Plan or as otherwise determined in writing by the Committee or the Board in their sole discretion or as part of a Separation agreements for consideration provided to the employee. Any Vested Units, shall, without notice, terminate and become null and void, three months after the date on which Grantee's Continuous Service with the Company terminates.

8. **Employment of the Grantee**. The Grantee acknowledges that the Grantee is employed subject to the terms of his or her employment agreement, if any, with the Company. The Grantee agrees that this Agreement does not create an obligation of the Company or any other Person to employ the Grantee, nor does it give rise to any right or expectancy with respect thereto. Any change of the Grantee's duties as an employee of the Company shall not result in a modification of the terms of this Agreement. References in this Agreement to employment by the Company shall be deemed to include employment by any of its subsidiaries or affiliates.

9. **Modification of Agreement.** This Agreement may be modified, amended, suspended or terminated, and any terms or conditions may be waived, but only by a written instrument executed by the parties hereto. No waiver by either party hereto of any breach by the other party hereto of any provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions at the time or at any prior or subsequent time.

10. **Severability.** Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of this Agreement shall not be affected by such holding and shall continue in full force in accordance with their terms.

11. **Remedies**.

(a) The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have at law or in equity.

(b) Without limitation of the foregoing, the parties hereto agree that irreparable harm would occur in the event that any of the agreements and provisions of this Agreement were not performed fully by the parties hereto in accordance with their specific terms or were otherwise breached, and that money damages are an inadequate remedy for breach of the Agreement because of the difficulty of ascertaining and quantifying the amount of damage that will be suffered by the parties hereto in the event that this Agreement is not performed in accordance with its term or is otherwise breached. It is accordingly hereby agreed that the parties hereto shall be entitled to an injunction or injunctions to restrain, enjoin and prevent breaches of this Agreement, such remedy being in addition to and not in lieu of, any other rights and remedies to which the other parties are entitled to at law or in equity.

(c) Except where a time period is otherwise specified, no delay on the part of any party in the exercise of any right, power, privilege or remedy hereunder shall operate as a waiver thereof, nor shall any

exercise or partial exercise of any such right, power, privilege or remedy preclude any further exercise thereof or the exercise of any right, power, privilege or remedy.

12. **Governing Law; Venue.** This Agreement shall be governed by the laws of the State of Florida, without regard to its conflicts of law principles. In the event that any party brings suit against the other hereunder, such party shall bring such suit in, and each party consents to the jurisdiction of, any state or federal court located within Palm Beach County, State of Florida. Each party (a) consents that all service of process may be made by certified mail directed to it at its address stated herein; (b) waives any objection which it may have based on lack of personal jurisdiction or improper venue or forum non conveniens to any suit or proceeding instituted by the other party under this Agreement in any state or federal court located within Palm Beach County, Florida; (c) consents to the granting of such legal or equitable relief as is deemed appropriate by the court; and (d) agrees that the prevailing party in any such action shall be entitled to recover attorney's fees and costs from the non-prevailing party at both the trial and appellate levels.. This provision is a material inducement for each party to enter into this Agreement.

13. **Successors in Interest.** This Agreement shall inure to the benefit of and be binding upon any successor to the Company or of the Grantee, respectively. All obligations imposed upon the Grantee and all rights granted to the Company under this Agreement shall be final, binding and conclusive upon the Grantee's beneficiaries, heirs, executors, administrators and successors.

14. **Execution in Counterparts.** This Agreement may be executed in one or more counterparts (including by facsimile, .PDF or other electronic transmission), each of which shall be deemed an original, but all of which taken together shall constitute only one instrument, and shall become effective and binding upon the parties as of the Grant Date at such time as all the signatories hereto have signed a counterpart of this Agreement.

[*SIGNATURE PAGE FOLLOWS*]

IN WITNESS WHEREOF, the Company and the Grantee have executed this Agreement as of the day and year first written above.

THE COMPANY:

CELSIUS HOLDINGS, INC.

By: _____

Name:

Title:

THE GRANTEE:

_____

Signature

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John Fieldly, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of Celsius Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e)and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15 (f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 5, 2024

CELSIUS HOLDINGS, INC.

By: /s/ John Fieldly

John Fieldly, Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jarrod Langhans, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of Celsius Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e)and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15 (f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 5, 2024

CELSIUS HOLDINGS, INC.

By: /s/ Jarrod Langhans

Jarrod Langhans, Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Celsius Holdings, Inc., a Nevada corporation (the "**Company**") on Form 10-Q for the quarter ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "**Report**"), I, John Fieldly, the President and Chief Executive Officer, of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2024

CELSIUS HOLDINGS, INC.

By: /s/ John Fieldly

John Fieldly, Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Celsius Holdings, Inc., a Nevada corporation (the "**Company**") on Form 10-Q for the quarter ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "**Report**"), I, Jarrod Langhans, the Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2024

CELSIUS HOLDINGS, INC.

By: /s/ Jarrod Langhans

Jarrod Langhans, Chief Financial Officer
(Principal Financial and Accounting Officer)