

# SHAREHOLDERS CORPORATE UPDATE

Strategic Progress, Financial Health, and Vision for Growth

## Executive Summary

The first half of 2025 brought considerable uncertainty to the solar industry, with shifting tariffs and regulatory ambiguity causing many investors to pause funding activities. Despite these headwinds, Solvari successfully raised \$363K from 93 investors through our crowdfunding campaign. This critical funding allowed us to:

- Secure \$1.1M in purchase orders (POs)
- Exhibit at key industry tradeshows
- Expand our customer base
- Advance several key initiatives including:
  - Solvari online store for B2C
  - Solvari branded battery offering
  - Online solar system sizing tool
  - ERP systems evaluation
- Diversify our supply chain to mitigate the effects of the volatile tariff environment

Thanks to your support, Solvari is now “shovel-ready” for revenue generation and well-positioned to raise the additional \$1M needed to enter full-scale commercialization.

## State of the Residential Solar Market

The passage of the One Big Beautiful Bill Act (OBBBA) has brought clarity but also urgency due to the accelerated timelines for ending key tax credits and incentive programs for solar. Most notably is the 30% homeowner tax credit which will now sunset at the end of this year. However, residential systems can still qualify for tax credits through 2029 if they are structured as third-party owned systems such as leases or power purchase agreements (PPAs). As a result, third-party owned systems are projected to dominate residential solar sales over the next several years.

## Solvari’s Competitive Advantage in the Post-Tax Credit Era

In response to a recent RFP, one of our solar installation partners was able to quote an all-in system price of \$2.25/W by using Solvari instead of traditional technologies. This beats the \$2.33/W after the 30% tax credit for the 2024 average cost of \$3.34/W as stated in [SEIA’s 2024 Solar Market Insights Report](#). In addition, it is nearly at parity to the after-tax-credit cost for the \$3.00/W historical cost average.

Solvari is proving that its technology can deliver cost effective solutions independent of federal subsidies. This advantage will allow our partners to thrive in the post-tax credit landscape whether they sell direct to homeowners or through third-party ownership structures. Put simply, Solvari SR is the right product at the right time and is uniquely positioned to dominate the post-tax credit residential solar landscape.

## Financial Position & Funding Needs

While our crowdfunding campaign fell short of the \$1.235M target, raising \$363K was essential to our forward momentum. We remain focused on raising the additional \$1M needed to reach commercialization and revenue generation. To conserve resources, we made the difficult decision to reduce headcount. We’re proud that these team members continue to support our mission and we look forward to rehiring them as soon as funding allows. Meanwhile, we are making significant strides under our CalSEED grant in advancing two of our automated assembly stations where we have finalized assembly

methods, defined major equipment needs, identified vendors, and quantified costs.

We continue to actively engage with high-net-worth individuals, venture capitalists, and strategic partners to raise our target funds. Shareholders who can offer warm introductions to possible investors are encouraged to do so. We are shovel-ready for revenue and have a primed customer base, making us a market ready investment. Your ongoing support could be pivotal to our success. Please send any introductions to [struthseeker@solvarisolar.com](mailto:struthseeker@solvarisolar.com).

## Outlook and Guidance

Momentum is building. We receive weekly inbound interest from potential customers, and our supplier relationships remain strong. In fact, one of our vendors has invited us to co-exhibit in their booth at the RE+ tradeshow this September in Las Vegas.

While the OBBBA is predicted to slow the solar industry in general, several provisions offer strong tailwinds for our “Made in America” business. These include:

- Manufacturer tax credits
- 100% first-year equipment depreciation
- Deduction cap increased to \$2.5M
- Enhanced interest deductions
- Expanded QSBS (Qualified Small Business Stock) investment benefits

These pro small business policy changes coupled with the tougher solar market dynamics increase Solvari’s value proposition and, we believe, our attractiveness to investors. Therefore, we are even more optimistic about achieving our funding goals than ever before.

## Closing Thoughts

Solvari’s mission to fight climate change through democratizing solar by making it affordable, accessible, and easy has never been more urgent. As government incentives for clean energy are eliminated, the industry must evolve and deploy solutions that are cost effective without subsidies. Solvari stands on the frontline of this change with a technology that meets the needs of the day and makes obsolete the very debate of “saving money” vs “saving the planet”.

The demand for energy is accelerating and solar, being the fastest growing source of electricity generation in the nation, is positioned to be an important factor in meeting that demand. With your ongoing support and the dedication of the Solvari team, we hope to commercialize Solvari SR and to be a leader in accelerating clean energy’s contribution to the energy mix. Together, we can build energy abundance while saving the planet for generations to come.

Thanks again for your support,



Samuel Truthseeker  
Founder and CEO