



SOLARUS CEO STATEMENT

AUGUST 2017



Leen Zeuenergen - CEO

Over the past 6 months the company has been awarded with several prestigious awards, like the Accenture Innovation Award 2017, the EY Award at the Hannover Messe and the Erasmus Technology Business Award 2017.



When I joined Solarus at the end of 2013 the company was based in Sweden. It had just received a very positive report from the Arizona based TÜV on the performance of its prototype/product. However, it took us another three years to field test the prototype and redesign it for production.



In the meantime the company moved to The Netherlands to a city called Venlo. Reason for moving was twofold; we did receive substantial investments in The Netherlands for further development and we found numerous very good suppliers in the Eastern part of The Netherlands to support the finalization of the product and the development of the production facilities.

Over the past 4 years it became very clear, on many technical conferences, that Solarus is the furthest in the development of its PV-T product in comparison to its competitors, and moreover the company can mass produce at market-acceptable price.

Over the past 6 months the company has been awarded with several prestigious awards, like the Accenture Innovation Award 2017, the EY Award at the Hannover Messe and the Erasmus Technology Business Award 2017. All these awards have directed lots of attention to the company, both from potential customers as potential investors.



At the end of 2016 the company finalized its production facility and since the beginning of 2017 the company is producing at a larger scale and has been delivering hundreds of products to the market since. In 2017 the first larger scale projects were installed at both the hospitality industry as well as in the food industry. Both sectors are in large demand of heat, which is produced by the Solarus product.

After production became possible, the company started to slowly move from R&D towards production and sales. Sales is a totally different animal, since the PV-T product in general is hardly known to the global market. There are currently around 3 to 4 companies in the world that can produce anything that is viable in this new field of energy. So, developing a market with examples and training is what lies ahead of Solarus and its competitors. This is sometimes called missionary marketing or plainly business development. Solarus has hired several very experienced market development and sales people, who have started to build a network of global partners by the beginning of the second quarter of 2017.



With a pipeline filling and sales starting, the company expects to see a ramp-up of orders to fill the order book in the second half of 2017. The delay of this development has been caused mainly by a delay in finalizing the second round of financing. In August 2017 the company closed the first tranche of the current financial round. The total round is aiming for 9.3 million euro and the first tranche, just closed, was 6.7 million euro. So, the second tranche, hopefully to be closed before the end of November, encompasses an amount of 2.6 million euro. Initially the goal for this round was 6 million, but due to the delays the need of capital went up. A large portion of this round has been provided by the existing



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shareholders and a very successful crowdfunding round performed in The Netherlands. On top of that some new investors joined in, that also have the capacity and willingness to step in at a next capital round.



With the money currently raised the company will be able to proof sales and mass production, on the basis of which a next valuation of the company can be made by the end of 2017.

Solarus currently has three executives with substantial experience in the fields of solar energy, business development, sales and production (of around 20 years per executive). This strong team of three is surrounded by 5 directors with substantial experience in Finance, R&D, Channel Development and Strategic Sales. The team now being on board, the final step to be made will be the installation of a Supervisory Board. Several former members stepped down at the closing of this financial round and at least three new Supervisory Board members will step in Q3 of this year, making this Board to a very strong supportive force of the Executive Team.



Solarus made a very important step in the beginning of 2017 by passing positively its re-certification with B Lab. This re-certification was even more important since it even involved a site visit by the certification team of B Lab. From Q1 of 2017 onwards, Solarus will be and stay a B Corp for the coming two years and has agreed with all new investors that it will always stay a B Corp. For the company, being and staying B Corp is essential since it expresses the reason for being for the company.

Solarus is being mentioned as case 53 in the famous book of Professor Gunter Pauli, "The Blue Economy". This means that Solarus can call itself a Blue Economy company, which means that it adheres to the principles of this "movement", being the strong support of local production, use of local sourcing, re-use of materials and working with a holistic view on sustainability, which goes one step beyond the principles of the circular economy. Being a Blue Economy company does not have a certification or a score, which being a B Corp indeed does provide.

Over the coming year the company has its full focus on sales and installation of projects, in the areas of hospitality, food industry and social housing. Both on-grid as well as off-grid are elementary to the business and we will see a strong growth of off-grid cooling solutions coming into our portfolio.



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