

Market Data

SolarMax Technology, Inc.
Nasdaq: **SMXT**

Fiscal Year	Dec. 31
Price ¹	\$4.01
Market Cap ¹	\$180M
Shares Out.	45.0M
Float	27.7M
Insider Ownership	38.5%
Revenue (FY23)	\$54.1M
Net Income (FY23)	\$0.4M
Cash (mrq)	\$11.9M
LT Debt (mrq)	\$13.4M

¹ As of July 17, 2024

Auditor:

Marcum LLP

Legal Counsel:

Ellenoff Grossman & Schole LLP

Transfer Agent:

Continental Stock Transfer

solarmaxtech.com

Company Overview

SolarMax Technology, a US company based in California and founded in 2008, is a leader within the solar and renewable energy sector focused on making sustainable energy both accessible and affordable. SolarMax has established a robust presence in the US and began expanding operations to China in 2016. SolarMax has completed more than 15,000 installations for residential and commercial customers in the US, is ranked in the top 1% of US solar installers, and achieved \$96 million in EPC sales in China in 2021.

Looking ahead, SolarMax is poised for robust growth with strategic initiatives that aim to scale commercial EPC services and LED lighting solutions in the US while extending its geographical footprint in residential solar operations.

The Company's current EPC deal pipeline includes \$170 million in China and an anticipated \$70 million in the US for 2024, with expectations for material acceleration in subsequent years. With a solid financial foundation, including a 21% increase in revenue in the year ended December 31, 2023, compared to the prior year, SolarMax is well-positioned to capitalize on the expanding market for photovoltaic and commercial LED lighting solutions.

Investment Highlights

Established leader in solar energy

- o Founded in 2008, SolarMax Technology has emerged as a frontrunner in the residential solar market in California; ranked in the top 1% of US solar installers with 15,000+ installations completed
- o Expanded operations into China in 2016, focusing on Engineering, Procurement, and Construction (EPC) services, reaching \$96M in sales in 2021

Strategic growth initiatives for 2024 and beyond

- o Focused on scaling commercial EPC services in the US
 - Leveraging extensive EPC experience from China to accelerate rollout of EPC services in the US, targeting a robust growth trajectory in the solar farm market
 - Current EPC deal pipeline: \$170M in China and an anticipated \$70M in the US for 2024; material acceleration expected in US in 2025 and beyond
- o Geographical expansion of US residential solar operations
- o Continued expansion of LED lighting solutions segment targeting commercial/government customers
 - Customers include Caltrans (installing state-of-the-art LED highway message board signs)
- o Developing solar-powered EV charging stations; \$60M near-term project pipeline with longer-term development targets of 1,000 charging stations over the next 3-5 years

Addressing substantial global market opportunities

- o US and China PV markets growing at double-digit CAGRs
- o US PV market forecasted to \$125B by 2030; China PV market forecasted to surpass \$137B by 2030

Solid financial foundation with increasing profitability

- o Generated \$54.1M revenue in FY23, up 21% over FY22
- o Expects to generate \$3M net income in 2024, up from \$400k in FY23
- o Raised \$18M gross proceeds in February 2024 IPO

Accomplished and experienced leadership team

- o Strong leadership team with diverse expertise in solar energy, finance, international law, and engineering

Partnerships



Value Proposition

SolarMax presents a strong value proposition, grounded in its leadership in the solar and renewable energy sector. Founded in 2008 and based in California, SolarMax has successfully completed over 15,000 installations, ranking it in the top 1% of US solar installers. Its foray into the Chinese market, which began in 2016 and reached peak annual sales of \$96 million in 2021, has notably enhanced the Company's engineering, procurement, and construction (EPC) services experience, which SolarMax now plans to leverage as it expands commercial operations in the US market.

SolarMax is strategically poised for significant growth, with a current EPC deal pipeline valued at \$170 million in China and an anticipated \$70 million in the US for 2024. This expansion is underpinned by a solid financial base, showcasing a 21% increase in revenue for the year ended December 31, 2023, compared to the previous year. SolarMax's ongoing initiatives to scale commercial EPC services, grow its commercial LED lighting solutions segment, and broaden its US residential solar operations are set to capitalize on the growing demand for renewable energy solutions, making it an attractive option for investors.

Four Pillars of Growth



Scaling Commercial EPC Services in the US

High-growth initiative leverages from proven track record in China to capture a leading role in the expanding US solar market.



Geographical Expansion of US Residential Solar Operations

Expanding residential solar operations to new states, tapping into the growing demand fueled by eco-consciousness and favorable policy environments.



Expansion of LED Lighting Solutions Segment

Rapid growth opportunity with proven track record of success delivering solutions for commercial and government customers.



Development of Solar-Powered EV Charging Stations

Advancing sustainable transportation with project-based development of solar-powered EV charging stations for commercial customers.

Leadership

David Hsu, CEO & Co-Founder

Has served as CDO and director since the company's founding in 2008, bringing over 20 years of experience in sales, international business development, and management across the automotive and energy sectors, with prior roles including a consultancy at China Sunergy, a leading solar energy company. His extensive industry expertise and valuable network of relationships notably qualify him for his roles as CEO and director of SolarMax.

Stephen Brown, CFO

Brown has held the position of CFO at SolarMax since 2017, bringing with him a robust 35-year career in finance, including key roles as CFO of STAAR Surgical Company and VP of Global Finance at Bausch & Lomb, as well as founding Degree Baby Products. His extensive experience is underpinned by an MBA from UCLA Anderson School of Management and a B.A. in Business Administration from California State University, Fullerton.