TRANSFORM & TRANSCEND

Operational Excellence | Market Expansion | Global Value Capture

Transform & Transcend is Solésence's comprehensive, multi-year strategic initiative. It has been established to significantly increase the company's enterprise value through optimizing the company's operations and expanding its market footprint, enabling Solésence to amplify the innovation platform built on over 125 global patents (including US and foreign counterparts) and a manufacturing asset base capable of supporting over $200M in annual revenue.

Transform & Transcend is built on four core pillars that will drive long-term, sustainable, above-market growth and profitability:

First & Foundational Pillar:

Operational Excellence through Lean Management Principles

Initiated: Q4 2025

Embed Lean Management principles across the organization to improve our operational efficiency. While full-year 2026 impact will be modest, we expect this will increase the company's gross profit margin by at least 5% by Q4 of 2026.

- **Process Realignment to Lean Principles**: Reduce waste across the company's business and manufacturing processes to eliminate inefficiencies – **Initiated Q4 2025**
- **SIOP Implementation**: Implement new methodologies and tools for Sales, Inventory, and Operations Planning processes to improve inventory management, reduce working capital requirements, and shrink yield losses – **Initiated Q1 2026**
- **Implement Continuous Improvement Methodologies**: Empower the organization to drive increased brand partner satisfaction through continuous improvement – **Initiated Q2 2026**

Second Pillar:

Technology-Driven Expansion of our Addressable Market

Initiated: Q2 2026

Leverage Solésence's intellectual property, including 125+ patents, to introduce new and innovative formulations with a competitive advantage in new, high-growth health and beauty segments within a total addressable retail market worth more than $3B.

- **New Technology Commercialization**: Bring to market new proprietary technologies that integrate unique claims and benefits into skin care, color cosmetics, and sun care products – **Initiated Q2 2026**
- **New Category Expansion**: Commercialize new products to expand into adjacent segments such as scalp care and dermatitis – **Commencing Q3 2026**

Third Pillar:

Service Model Innovation to Increase Share of Value Chain

Initiated: Q1 2026

Evolve the company's service model to capture a greater share of the value chain for Solésence and its brand partners, expected to impact gross profit margin by at least 10% by the end of 2028.

- **Co-Marketing Initiatives**: Activate collaborative marketing programs with brand partners to drive product-level performance in market – **Initiated Q1 2026**
- **Turnkey Conversion**: Expand full-service turnkey supply of products to enable double digit growth for Solésence and our brand partners – **Commencing Q4 2026**
- **Consumer recognition of Solésence brand**: Increase consumer-level recognition of Solésence-branded technologies through brand education and collaborations – **Commencing Q4 2027**

Fourth Pillar:

Collaborative Globalization

Commencing: Q1 2027

Support strategic brand partner globalization through targeted efforts that address unique demands of international SPF markets worth more than $1B, contributing greater than 5% of total revenue by 2028.

- **Global Model**: Provide a tailored service model to support brand partner entry into selected geographies via regulatory support and product distribution – **Commencing Q1 2027**

Safe Harbor Provision

These marketing materials contain words such as “expects,” “shall,” “will,” “believes,” and similar expressions that are intended to identify forward-looking statements within the meaning of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Such statements in these marketing materials are made based on Solésence’s current beliefs, known events and circumstances at the time of publication, and as such, are subject in the future to unforeseen risks and uncertainties that could cause Solésence’s results of operations, performance, and achievements to differ materially from current expectations expressed in, or implied by, these forward-looking statements. These risks and uncertainties include, without limitation, the following: a decision by a customer to cancel a purchase order or supply agreement in light of Solésence’s dependence on a limited number of key customers; uncertain demand for, and acceptance of, Solésence’s engineered materials, ingredients, and fully formulated products; Solésence’s manufacturing capacity and product mix flexibility in light of customer demand; Solésence’s limited marketing experience; changes in development and distribution relationships; the impact of competitive products and technologies; Solésence’s dependence on patents and protection of proprietary information; the resolution of litigation in which Solésence may become involved; the impact of any potential new government regulations that could be difficult to respond to or too costly to comply with while remaining financially viable; the ability of Solésence to maintain an appropriate electronic trading venue; and other factors described in Solésence’s Form 10-K filed March 31, 2026. In addition, Solésence’s forward-looking statements could be affected by general industry and market conditions and growth rates. Except as required by federal securities laws, Solésence undertakes no obligation to update or revise these forward-looking statements to reflect new events, uncertainties, or other contingencies.