Safe Harbor

Use of Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward looking statements include information, among other things, concerning: the expected impact of the COVID-19 pandemic and related public health measures on our business, results of operations, financial condition and liquidity; our possible or assumed future results of operations; future demands for solar energy solutions; business strategies; technology developments; new products and services; financing and investment plans; dividend policy; competitive position; industry and regulatory environment; general economic conditions; potential growth opportunities; and the effects of competition.

Forward-looking statements are only predictions based on our current expectations and are inherently subject to risks and uncertainties. They should not be considered guarantees of future results, which could differ materially from the results set forth in, contemplated by, or underlying this presentation.

Factors that could cause actual results to differ materially from our expectations are described in the reports filed by SolarEdge with the Securities and Exchange Commission and we encourage you to review our filings carefully, especially the sections entitled “Risk Factors” in our annual report on Form 10-K and our quarterly reports on Form 10-Q, noting that many of the risks, uncertainties and other factors identified therein are, and will be, amplified by the COVID-19 pandemic.

SolarEdge undertakes no duty or obligation to update any forward-looking statements contained in this presentation as a result of new information, future events or changes in its expectations.

This presentation describes non-GAAP revenues, gross margin, operating expenses, operating income, net income and non-GAAP net diluted earnings per share, which are not measures prepared in accordance with U.S. GAAP (i.e. "Non-GAAP" measures). The Non-GAAP measures are presented in this presentation as we believe that they provide investors with a means of evaluating and understanding how SolarEdge’s management evaluates the company’s operating performance. These Non-GAAP measures should not be considered in isolation from, as substitutes for, or superior to financial measures prepared in accordance with U.S. GAAP.
SolarEdge in Numbers

58.5M
Power Optimizers Shipped

>1.6M
Monitored systems around the world

#1
Solar Inverter Company

28
Countries Presence

358
Awarded Patents and 282 Additional Patent Applications

2.4M
Inverters Shipped

19.5GW
of our systems shipped worldwide

2,726
employees
Q2/2020 Financial Results

$331.9M Revenue

$52.1M Non-GAAP Net Income

31.0% GAAP Gross Margin

$59.3M Cash Flow From Operations

$36.7M GAAP Net Income

$592.7M Cash, Deposits and Investment Balance
Energy Demand is on the Rise

Global Population Forecast 2050 (in B)

- **Population (Billions)**
  - Developing
  - Developed

- **Energy Consumption (Qbtu/yr)**
  - 7.7
  - 9.7
  - +26%

- **World Population**
  - 1990: 5.5
  - 2000: 6.1
  - 2010: 6.9
  - 2020: 7.7
  - 2030: 8.4
  - 2040: 9.1
  - 2050: 9.7

- **World Energy Consumption**
  - 1990: 724 Qbtu/yr
  - 2000: 1050 Qbtu/yr
  - 2010: 1400 Qbtu/yr
  - 2020: 1754 Qbtu/yr
  - 2030: 2108 Qbtu/yr
  - 2040: 2462 Qbtu/yr
  - 2050: 2816 Qbtu/yr

**Source:** McKinsey energy Insights’ Global Perspective, January 2019

- **Population (Billions)**
  - 2020: 7.7
  - 2050: 9.7 (+26%)

- **Energy consumption per capita is expected to increase with 16% by 2050**

- **Urbanization will increase from 55% to 68% (+2.4B people)**

**Source:** [https://www.researchgate.net/figure/World-population-vs-energy-demand_fig1_317635346](https://www.researchgate.net/figure/World-population-vs-energy-demand_fig1_317635346)
Energy Demand is on the Rise

Expansion of global and local transport fueled by coal and oil

Unprecedented rise in Western living standards

By 2050 almost a \( \frac{1}{3} \) of the global electricity demand will come from renewable energy

Global Primary Energy Demand, Millions of Terajoules

Source: McKinsey energy Insights' Global Perspective, January 2019
Global Renewable Energy Market Mix

2016 Renewables
- Other: 74%
- Hydropower: 18%
- Wind: 4%
- Solar: 4%

2030 Renewables
- Other: 54%
- Hydropower: 15%
- Wind: 14%
- Solar: 17%

Solar GW Installations by Region

Source: IHS PV installation tracked Q2 2020
A Complete Residential Solution

A single solution for PV, storage, smart energy, and EV charging

Smart Modules with Pre-assembled Power Optimizers

Smart Energy Products

Inverters

Monitoring Platform

StorEdge
The SolarEdge Commercial Solution

Power Optimizers
2-to-1 configuration with P600–P850

Inverters
15kVA – 100kVA

Monitoring Platform
Commercial Gateway
Environmental Sensors
Grid Interaction
Annual Growth

Revenues ($M)

Our Winning Method

- Strong product offering that answers customers needs
- Sales force focused on demand creation with installers
- Backed by marketing and service

US Residential Market

Source: Wood Mackenzie US PV Leaderboard Q2 2020
Strategic Growth Engines

Geographic Expansion

Segment Development

Market Share Growth

ARPI Increase
Geographical Expansion

- Started with 3 markets, operations today in more than 30
- Maintain leadership position in core developed markets
- Significantly grow in new markets to answer demand

Local presence
SolarEdge Segment Development

2019

Market Position

Entry

Basic | Portfolio | Complete

Residential

Commercial

Utility

Looking ahead

Basic | Portfolio | Complete

Commercial

Residential

Utility
## Market Share Growth

### Global Inverter Market Tracker: World PV Inverter Supplier Rankings ($ Revenues)

<table>
<thead>
<tr>
<th>2014 Rank</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SMA</td>
</tr>
<tr>
<td>2</td>
<td>ABB</td>
</tr>
<tr>
<td>3</td>
<td>Omron</td>
</tr>
<tr>
<td>4</td>
<td>TEMIC</td>
</tr>
<tr>
<td>5</td>
<td>Tabuchi</td>
</tr>
<tr>
<td>6</td>
<td>Schneider Electric</td>
</tr>
<tr>
<td>7</td>
<td>Enphase Energy</td>
</tr>
<tr>
<td>8</td>
<td>Sungrow</td>
</tr>
<tr>
<td>9</td>
<td>Huawei</td>
</tr>
<tr>
<td>10</td>
<td>SolarEdge</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2017 Rank</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Huawei</td>
</tr>
<tr>
<td>2</td>
<td>SMA</td>
</tr>
<tr>
<td>3</td>
<td>Sungrow</td>
</tr>
<tr>
<td>4</td>
<td>SolarEdge</td>
</tr>
<tr>
<td>5</td>
<td>Enphase Energy</td>
</tr>
<tr>
<td>6</td>
<td>ABB</td>
</tr>
<tr>
<td>7</td>
<td>Schneider Electric</td>
</tr>
<tr>
<td>8</td>
<td>Omron</td>
</tr>
<tr>
<td>9</td>
<td>Fronius</td>
</tr>
<tr>
<td>10</td>
<td>Goodwe</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2019 Rank</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SolarEdge</td>
</tr>
<tr>
<td>2</td>
<td>SMA</td>
</tr>
<tr>
<td>3</td>
<td>Huawei</td>
</tr>
<tr>
<td>4</td>
<td>Enphase Energy</td>
</tr>
<tr>
<td>5</td>
<td>Sungrow</td>
</tr>
<tr>
<td>6</td>
<td>Fronius</td>
</tr>
<tr>
<td>7</td>
<td>Power Electronics</td>
</tr>
<tr>
<td>8</td>
<td>ABB</td>
</tr>
<tr>
<td>9</td>
<td>Growatt</td>
</tr>
<tr>
<td>10</td>
<td>Omron</td>
</tr>
</tbody>
</table>

Source: IHS PV Inverter Market tracker 2015-20
Increasing SolarEdge ARPI – Average Revenue Per Installation

PV System (2014)
- Modules
- Inverter
- Hardware BOS
- Labor
- Other Soft Cost

Advanced PV System (2020)
- Inverter
- Battery
- Other Soft Cost
- Hardware BOS
- Labor
- Smart Modules
Technology Roadmap

Inverter Gen1
3kW – 6kW (1ph)

Inverter Gen2
2.2kW – 7.6kW (1ph)
5kW – 20kW (3ph)

Single phase inverters
with HD-Wave technology
2.2kW – 11.4kW

Three phase inverters
with synergy technology
Up to 100kW

StorEdge three phase inverter

Utility inverter
250/380kW


Optimizer Gen1

Optimizer Gen2

Optimizer Gen3

Single phase inverters
with HD-Wave technology
2.2kW – 11.4kW

StorEdge three phase inverter

Utility inverter
250/380kW


Optimizer Gen4

Residential battery

ESS Utility storage

Commercial battery

Efficiency

Power Rating

$/Watt

Future
Moving Beyond PV
One-Stop-Shop for Smart Energy Solutions

- Smart Modules
- Residential and Commercial PV Inverters
- EV Charging
- Smart Energy Management
- Monitoring Platform and Grid Services
- Batteries, UPS, and EV Powertrains
Strengths of SolarEdge Critical Power Division

- Decades of experience designing and manufacturing UPS solutions for various applications
- Competitive product offering for the 3 phase 10 – 500 KW segment
- Significant synergy with SolarEdge R&D, manufacturing and global business infrastructure
- Opportunity for combined backup/UPS energy storage solution
Strengths of Kokam within SolarEdge

- A global Tier 1 provider of innovative battery solutions
- Battery provider for utility-scale ESS, UPS, EV, and more
- Proven technology with more than 600MWh deployed
  - Over 162MWh of utility-scale ESS installed globally
- Access to thousands of installers and EPCs as sales channel
- Innovative cell chemistry technology with long cycle life and high power Li-ion battery
SolarEdge E-Mobility Division

- Innovative integrated powertrain technology and electronics for LCVs, LGVs, e-motorcycles
- Innovative and high-performing powertrains with the gearbox, engine, battery, BMS, software, and accessories
- Provides SolarEdge fast-track access to the high-growth global EV market
- In pre-production phase with leading automotive manufacturers
Financial Performance
Solar vs. Non-Solar Revenues Growth

USD millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Q2-19</th>
<th>Q3-19</th>
<th>Q4-19</th>
<th>Q1-20</th>
<th>Q2-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>424.7</td>
<td>490.0</td>
<td>607.0</td>
<td>306.7</td>
<td>306.7</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td>387.8</td>
<td>387.8</td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td>389.0</td>
<td>389.0</td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td>407.6</td>
<td>407.6</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
<td>431.2</td>
<td>431.2</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
<td>331.9</td>
<td>331.9</td>
</tr>
</tbody>
</table>

Non-Solar
Solar

35.4% CAGR
Consolidated Gross Margin

**GAAP**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2-19</td>
<td>34.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3-19</td>
<td>33.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4-19</td>
<td>34.3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1-20</td>
<td>32.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2-20</td>
<td>31.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Non-GAAP**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2-19</td>
<td>35.7%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3-19</td>
<td>35.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4-19</td>
<td>35.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1-20</td>
<td>33.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2-20</td>
<td>32.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Operating Expenses as % of Revenues

**GAAP**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2-19</td>
<td>16.1%</td>
<td>18.3%</td>
<td>20.4%</td>
<td>19.2%</td>
<td>20.3%</td>
</tr>
<tr>
<td>Q3-19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4-19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1-20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2-20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Non-GAAP**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2-19</td>
<td>14.8%</td>
<td>16.2%</td>
<td>17.9%</td>
<td>16.0%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Q3-19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4-19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1-20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2-20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* GAAP Q1 20 Include non recurring operational income of $4.9M
** GAAP Q4 19 and Q3 19 Include non recurring operational expenses of $22.4M and $8.3M respectively
Consolidated Operating Profitability

USD millions

* GAAP Q1 20 Include non recurring operational income of $4.9M
** GAAP Q4 19 and Q3 19 Include non recurring operational expenses of $22.4M and $8.3M respectively
Consolidated Net Profitability

USD millions

* GAAP Q1 20 Include non recurring operational income of $4.9M
** GAAP Q4 19 and Q3 19 Include non recurring operational expenses of $22.4M and $8.3M respectively
Cash Flow from Operating Activities

<table>
<thead>
<tr>
<th>Year</th>
<th>USD millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>82.5</td>
</tr>
<tr>
<td>2017</td>
<td>136.7</td>
</tr>
<tr>
<td>2018</td>
<td>189.1</td>
</tr>
<tr>
<td>2019</td>
<td>259.0</td>
</tr>
<tr>
<td>2020 YTD</td>
<td>167.1</td>
</tr>
</tbody>
</table>

Cash Related

- $59.3M cash flow from operations in Q2 2020
- $592.7M cash and cash equivalents, deposits, restricted deposits and marketable securities (as of June 30, 2020)
- $15.3M debt related to acquired businesses
Cautionary Note Regarding Market Data & Industry Forecasts

This power point presentation contains market data and industry forecasts from certain third-party sources. This information is based on industry surveys and the preparer’s expertise in the industry and there can be no assurance that any such market data is accurate or that any such industry forecasts will be achieved. Although we have not independently verified the accuracy of such market data and industry forecasts, we believe that the market data is reliable and that the industry forecasts are reasonable.

Thank You!