

SolarEdge Technologies Nasdaq | SEDG

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CFO

November 2021

Forward Looking Statements

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: our possible or assumed future results of operations; future demands for solar energy solutions; business strategies; technology developments; 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 Form.

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.

SolarEdge in Numbers

78.8M 
Power Optimizers
Shipped

31
Countries
Presence


380 Awarded
Patents and **368**
Additional Patent
Applications

>2.3M
Monitored systems
around the world

#1 
Solar
Inverter
Company *

3,922
employees



3.3M
Inverters
Shipped 

27.6GW
of our systems
shipped worldwide

* Revenue wise - PV Inverter Market Tracker – Third Quarter 2021

solaredge

Q3/2021 Financial Results

\$526.4M



GAAP Revenue

\$82.1M

Non-GAAP Net Income



32.8%

GAAP Gross Margin



\$61.8M

Cash Flow From Operations

\$53.0M

GAAP Net Income

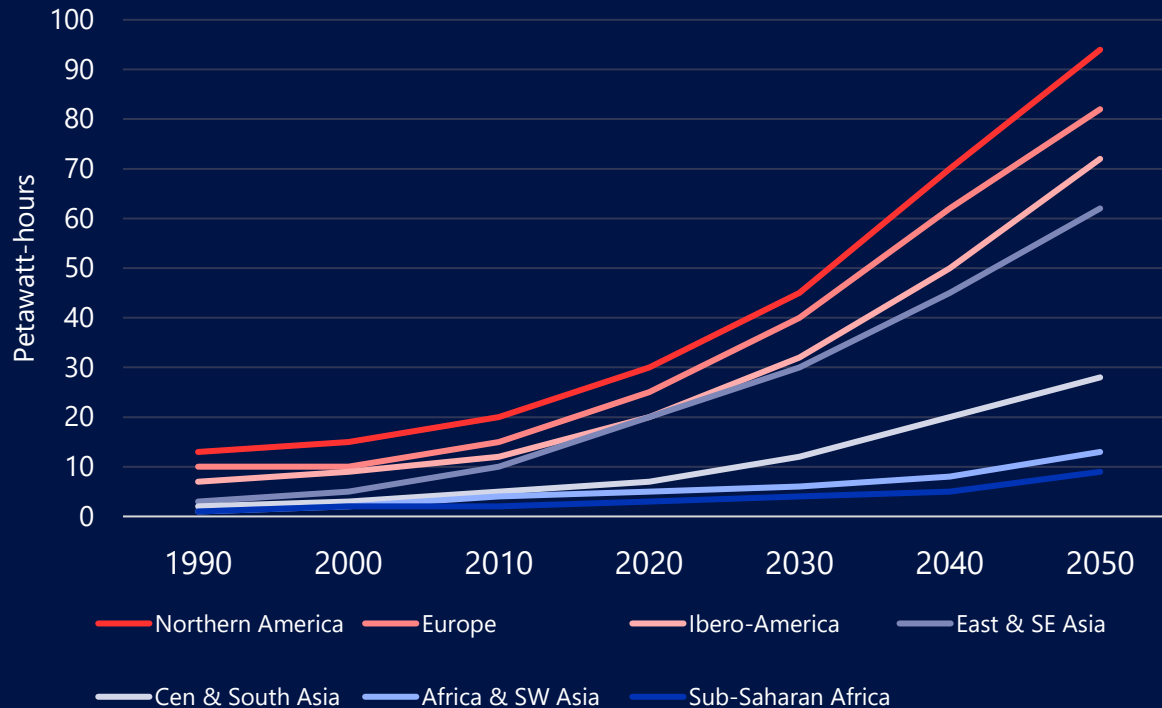
\$524.1M

Cash, Deposits
and Investments,
Net of Debt

Electricity demand is on the rise

Estimated Electricity Consumption Requirements

Benjamin Deniston, 2020. Only nations with electricity data in 1990.



+2B people (+26%) 2020-50



Urbanization will increase by **(+ ~2.5B people)**



Growing trend of electrification in areas previously dominated by fossil fuels



Total global primary energy consumption is expected to double in 15 years (2035) and triple by 2050

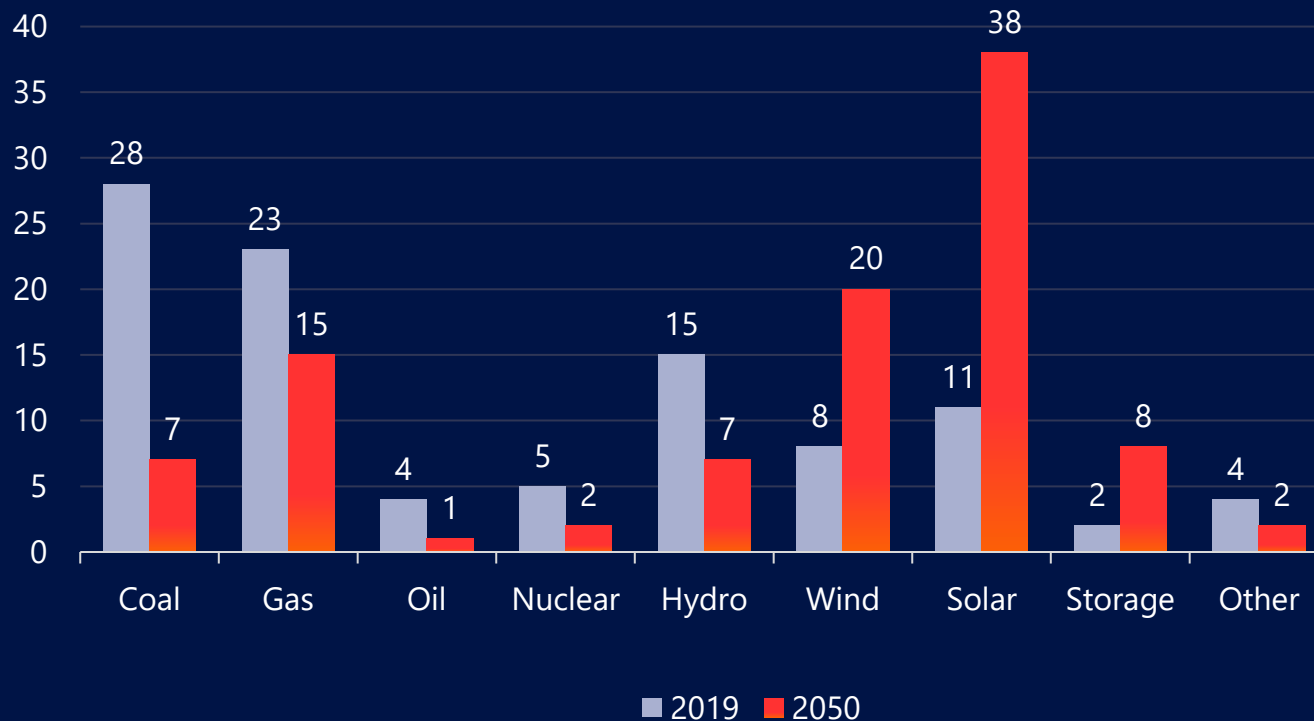
Source: https://www.larouchepac.com/efd_5

<https://www.un.org/development/desa/en/news/population/2018-world-urbanization-prospects.html>

solaredge

Renewable energy supply is outgrowing fossil fuels

Global installed capacity mix, 2019 and 2050, %

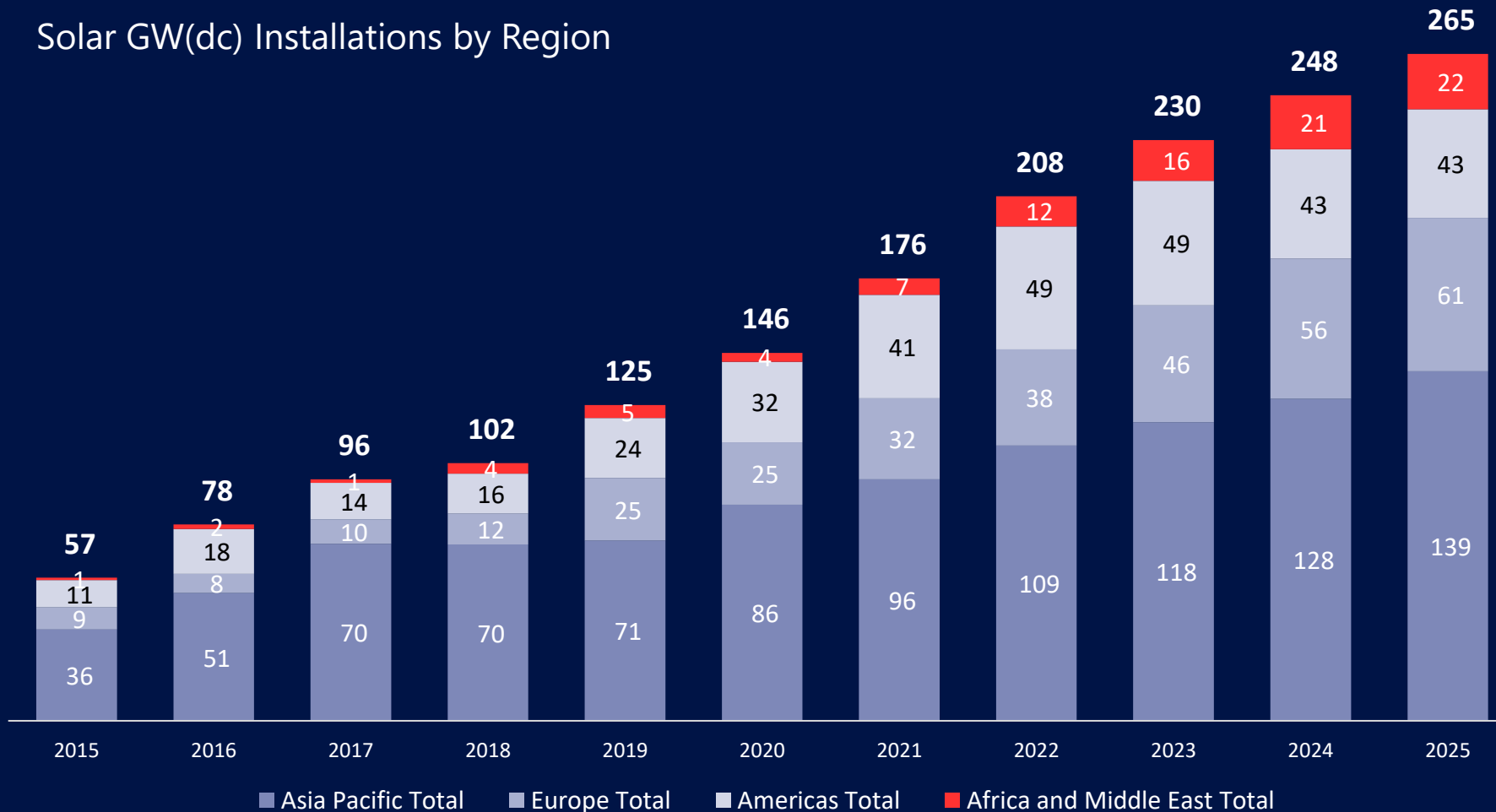


In 2019, global installed power generation capacity was 7,566 GW with solar PV accounting for **11%**. Analysts believe by 2050, solar PV is likely to lead all power generation capacity that will grow to 20,391 GW with a share of **38%**

Source: <http://taiyangnews.info/business/wind-pv-to-account-for-56-of-global-power-needs-in-2050/>

Growth is expected in all regions

Solar GW(dc) Installations by Region



Source: IHS PV installation tracked Q3 2021



SolarEdge Solutions

solar**edge**

A Complete Residential Solution

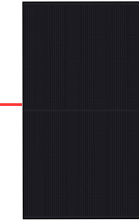
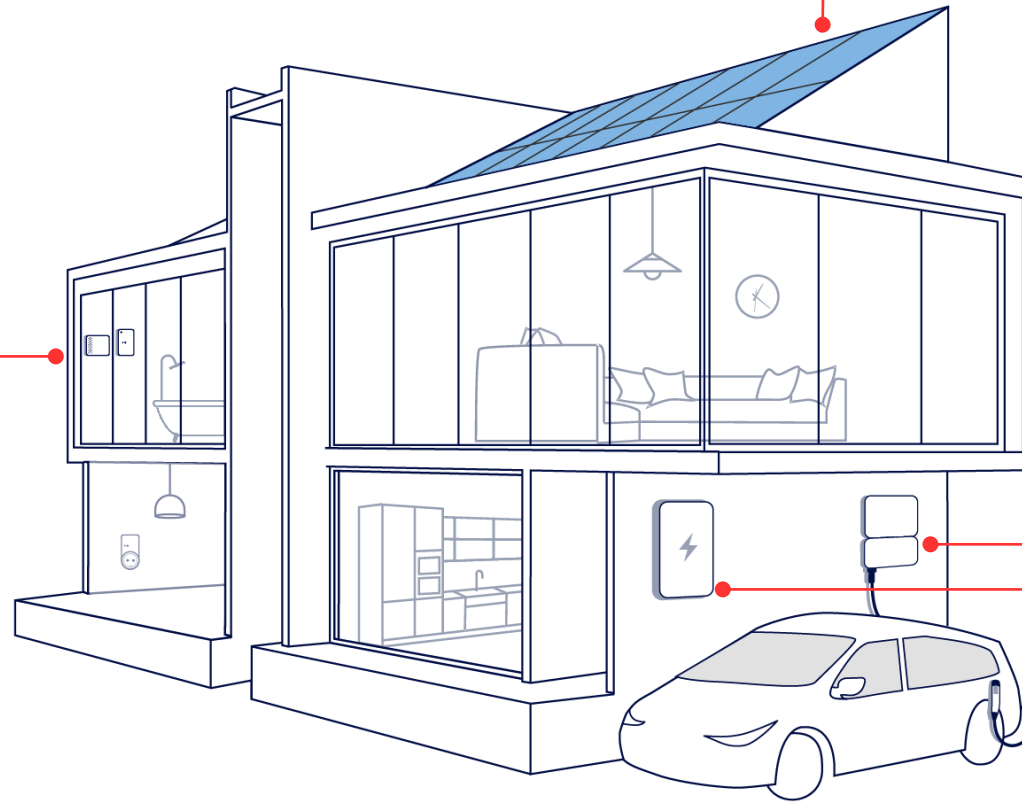
■ A single solution for PV, storage, smart energy, and EV charging



Smart Energy Devices



Monitoring Platform



Smart Modules with Integrated Power Optimizers

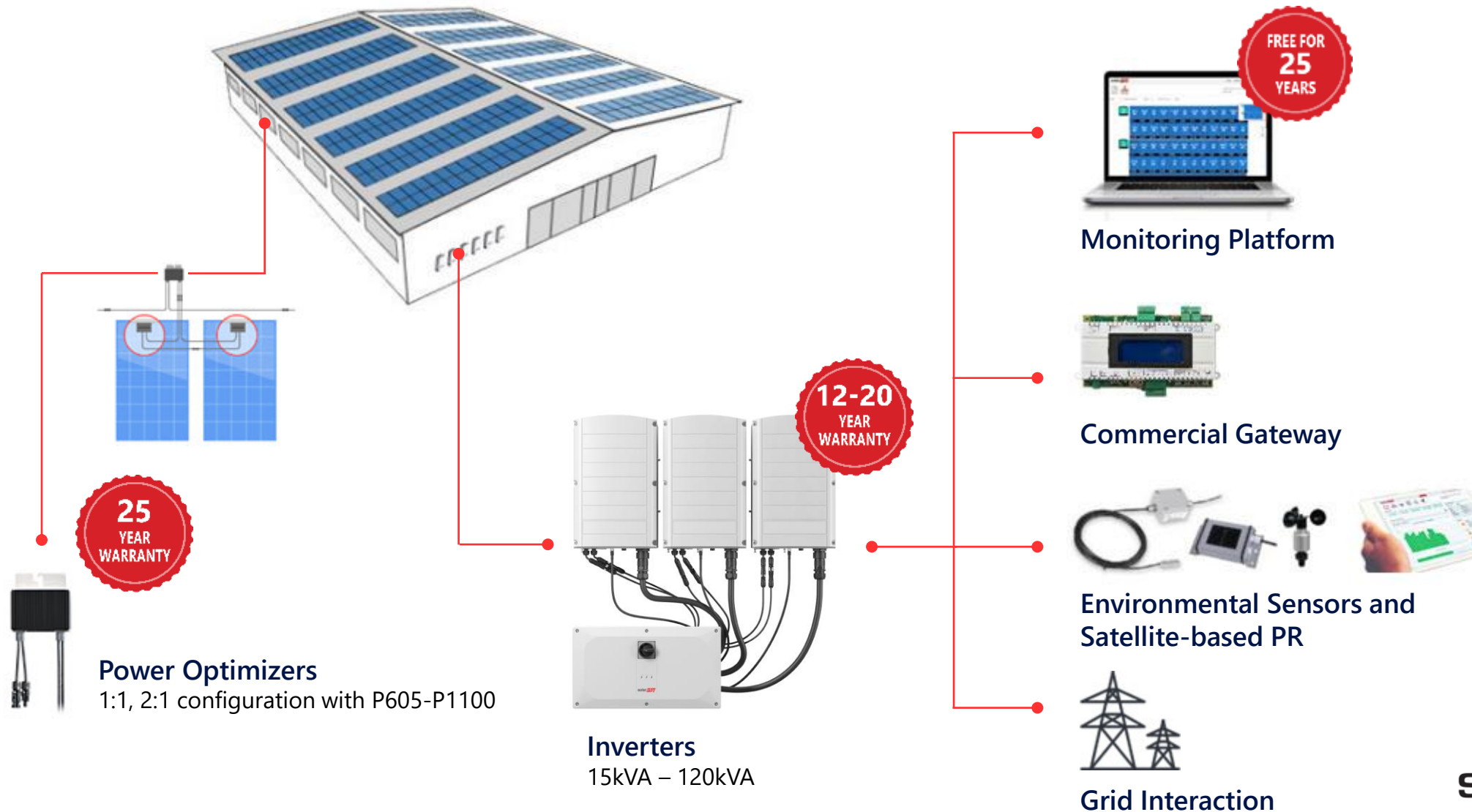


Solar Inverters + EV Charging



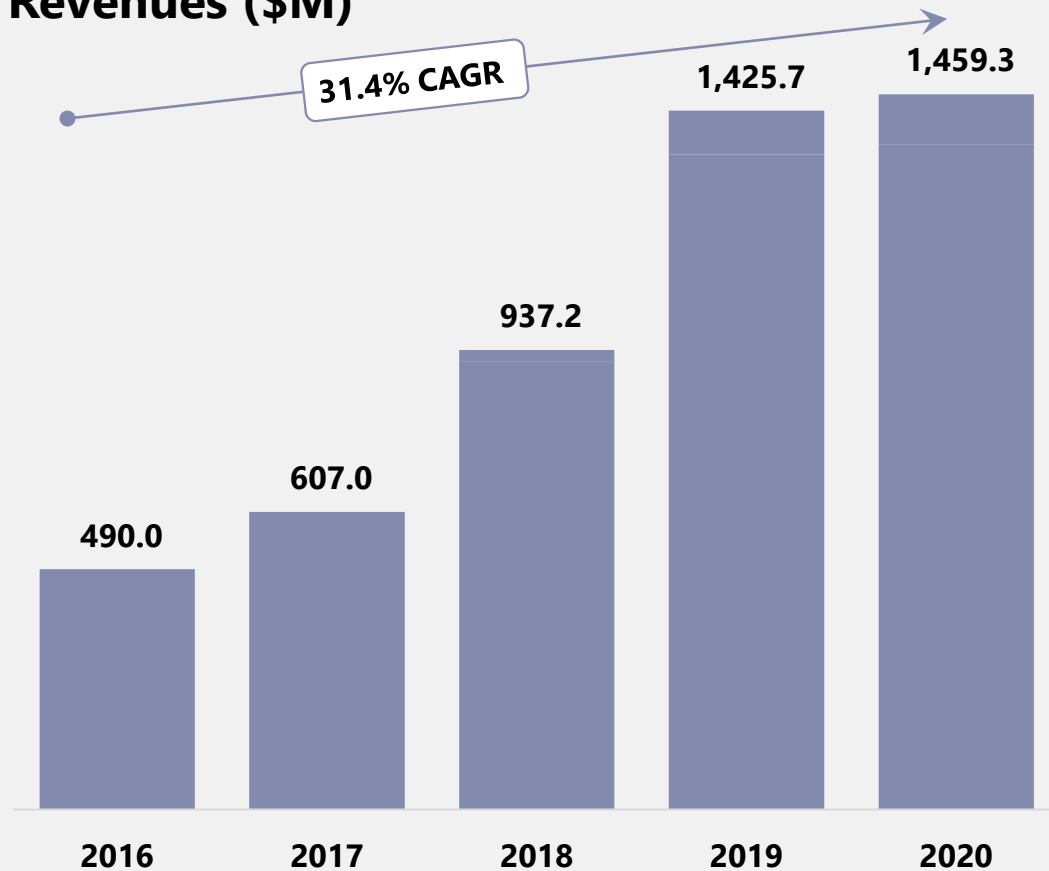
Energy Bank battery

The SolarEdge Commercial Solution



Annual Growth

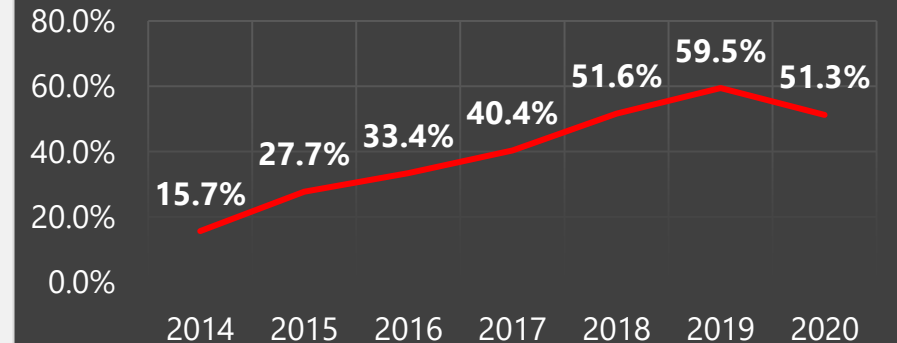
Revenues (\$M)



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 Leader board Q2 2021

Strategic Growth Engines



Geographic
Expansion



Segment
Development



Market
Share Growth



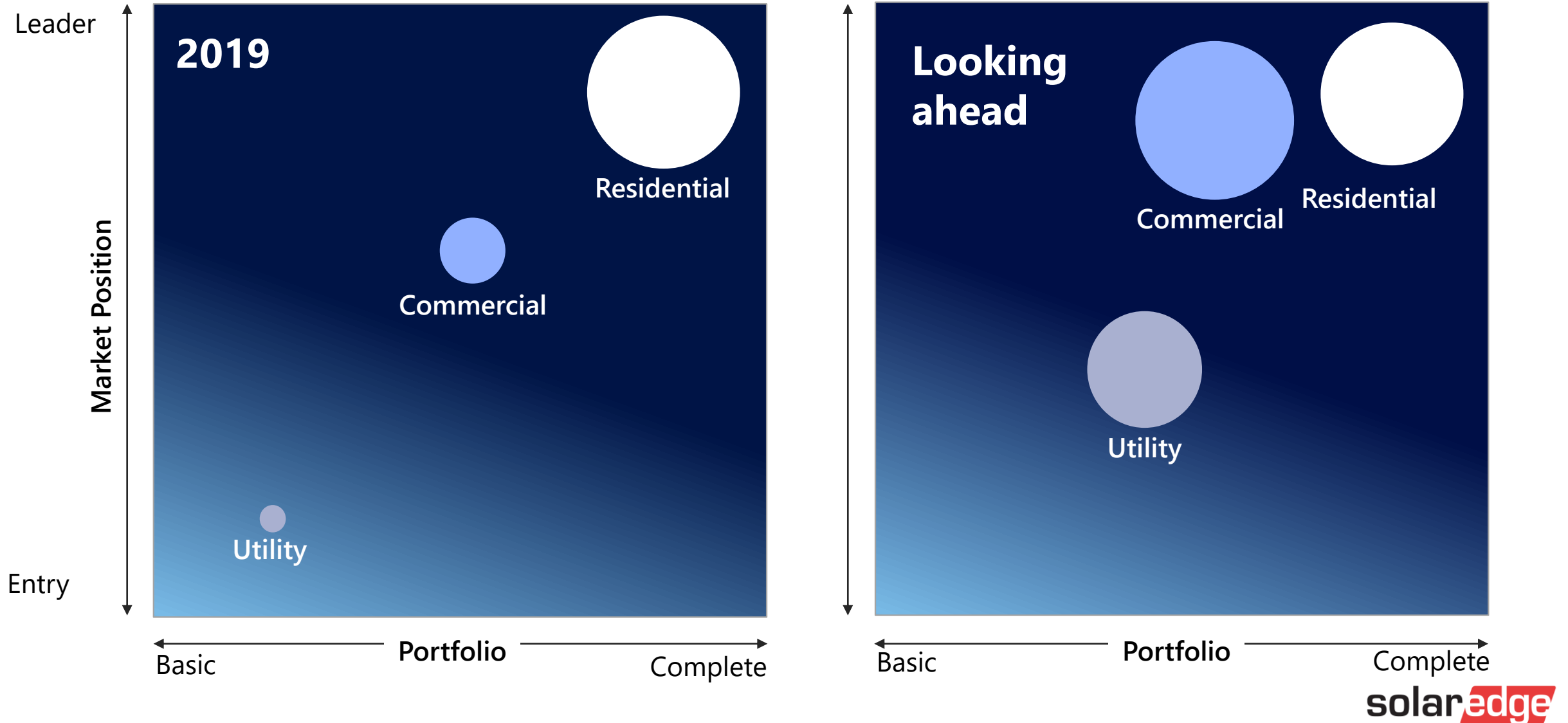
ARPI Increase

Geographic Expansion

- ▀ Systems installed in >130 countries with feet on the ground in the large sustainable ones
- ▀ Maintain leadership position in core developed markets
- ▀ Significantly grow in new markets to answer demand



SolarEdge Segment Development



Market Share Growth

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

2014

Rank	Company
1	SMA
2	ABB
3	Omron
4	TEMIC
5	Tabuchi
6	Schneider Electric
7	Enphase Energy
8	Sungrow
9	Huawei
10	SolarEdge

2017

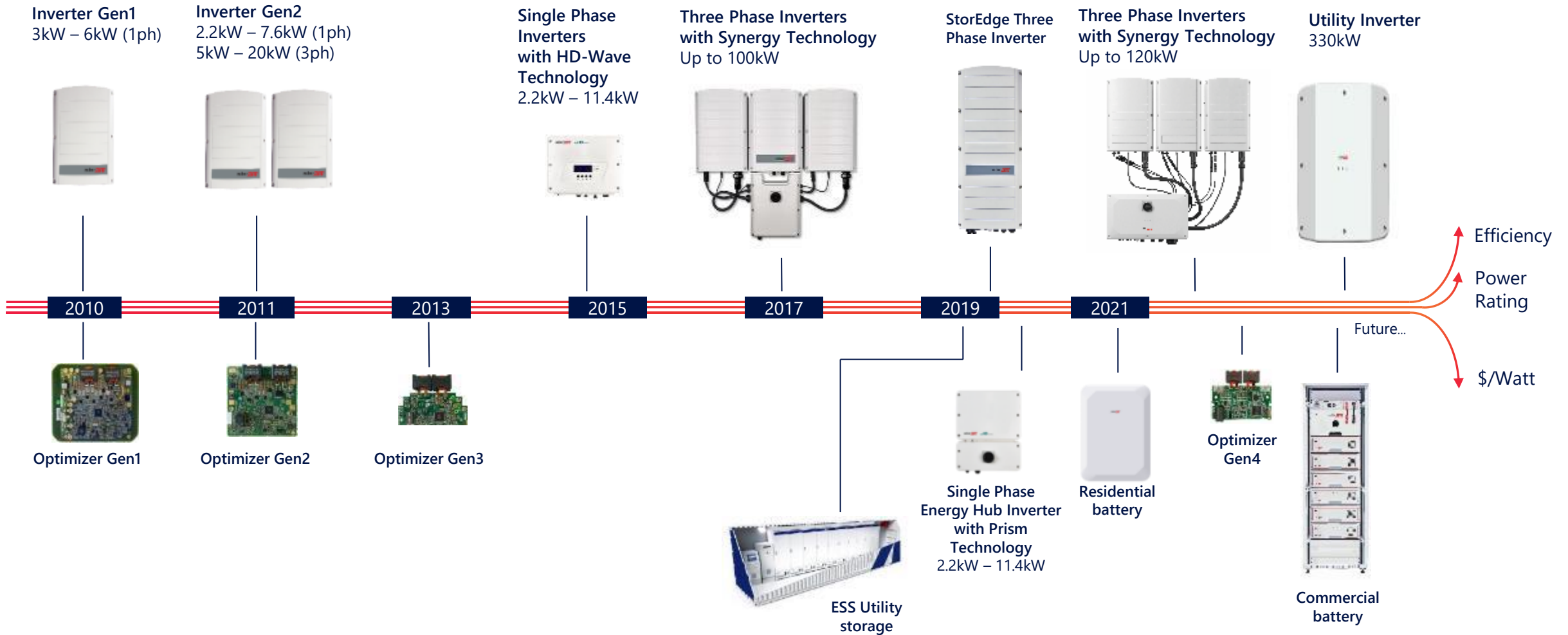
Rank	Company
1	Huawei
2	SMA
3	Sungrow
4	SolarEdge
5	Enphase Energy
6	ABB
7	Schneider Electric
8	Omron
9	Fronius
10	Goodwe

2020 (Ranked first since 2018)

Rank	Company
1	SolarEdge
2	Sungrow
3	SMA
4	Huawei
5	Enphase Energy
6	Fronius
7	Power Electronics
8	Fimer
9	Growatt
10	Ginlong

Source: IHS PV Inverter Market tracker 2015-21

Technology Roadmap





Moving Beyond PV

One-Stop-Shop for Smart Energy Solutions



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



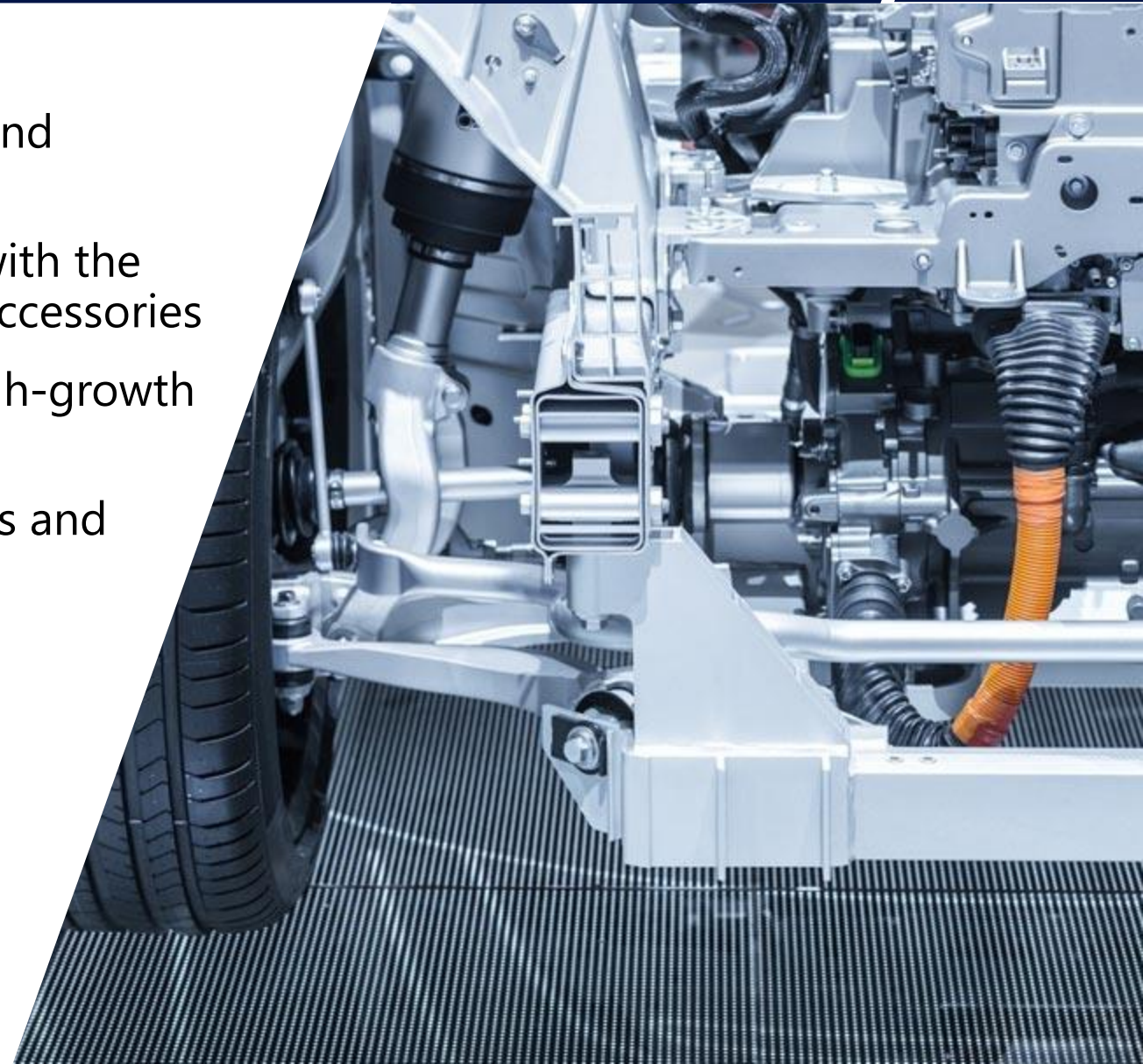
Strengths of Kokam within SolarEdge

- A global Tier 1 provider of innovative battery solutions
- Battery provider for utility-scale ESS, UPS, EV, and more
- Proven technology with more than 685MWh deployed
 - Over 175MWh 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
- "Sella 2", a 2GWh Li-ion cell factory under construction expected to begin production in early 2022



SolarEdge E-Mobility Division

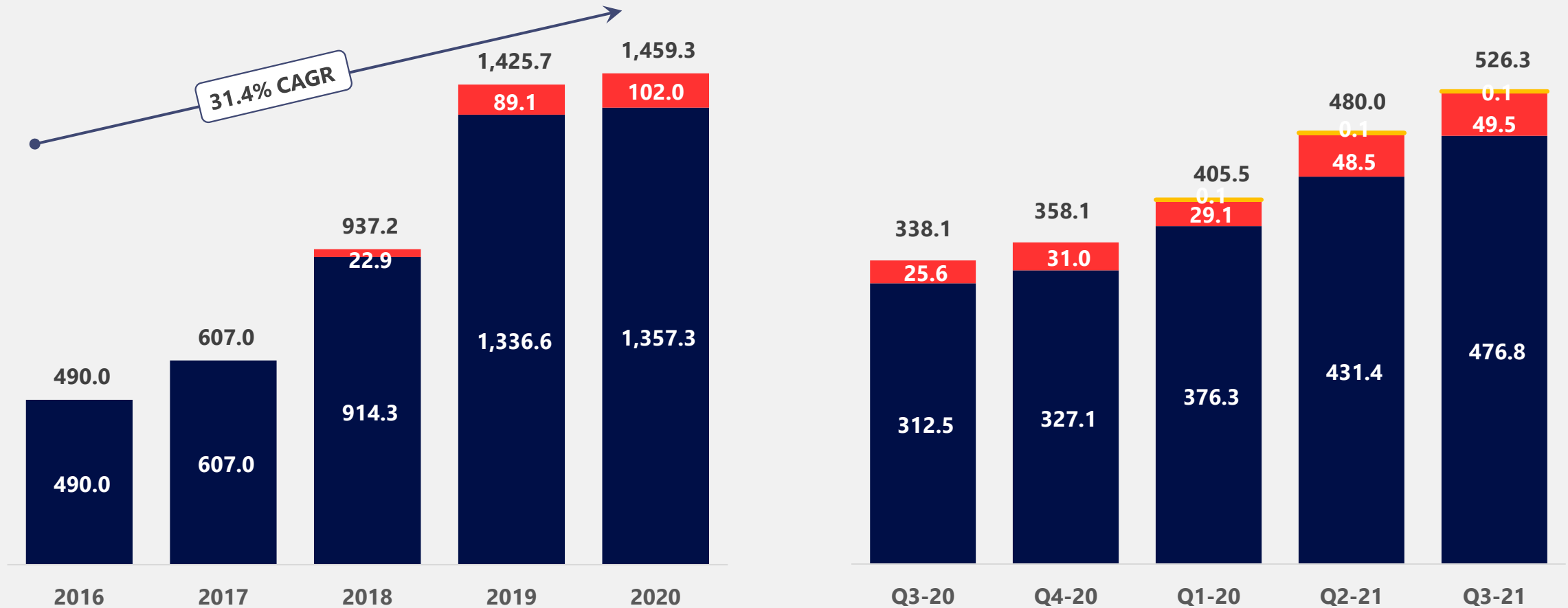
- Innovative integrated powertrain technology and electronics for LCVs, LGVs, e-motorcycles
- Innovative and high-performing powertrains with the gearbox, engine, battery, BMS, software, and accessories
- Provides SolarEdge fast-track access to the high-growth global EV market
- Selected as supplier of electric powertrain units and batteries for Fiat E-Ducato (Stellantis)



A nighttime photograph of a city skyline, featuring the CN Tower and other illuminated skyscrapers. A large red diagonal shape covers the right half of the image, serving as a background for the text.

Financial Performance

Revenues Growth by Segments (*)

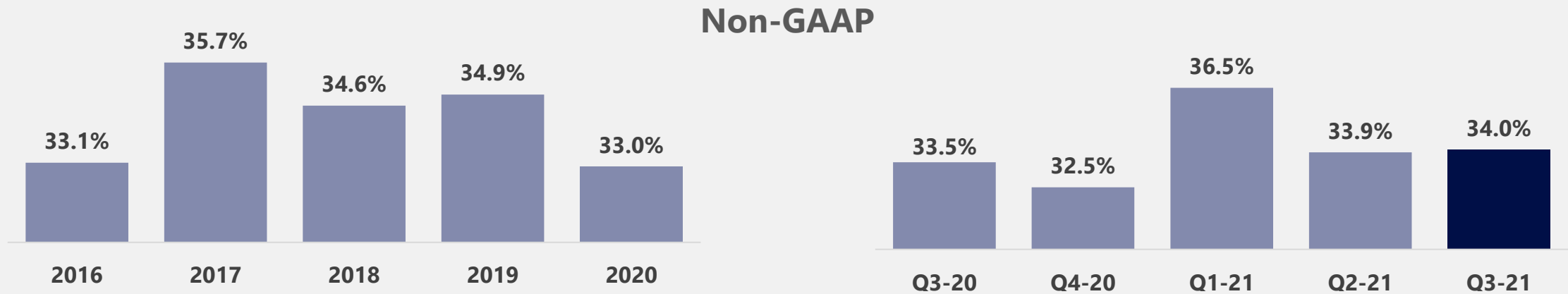
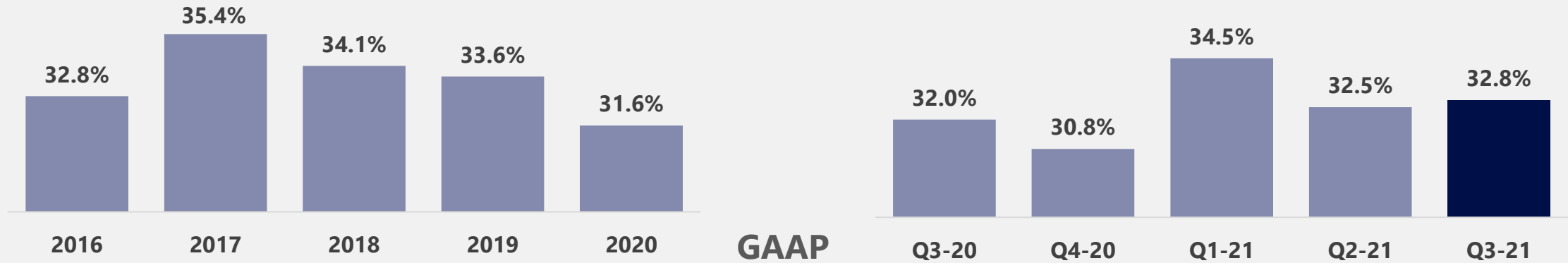


■ Solar ■ Non-Solar ■ Non allocated

USD millions

(*)GAAP Revenues are \$526.4 millions and include ASC606 items excluded from numbers presented above

Consolidated Gross Margin



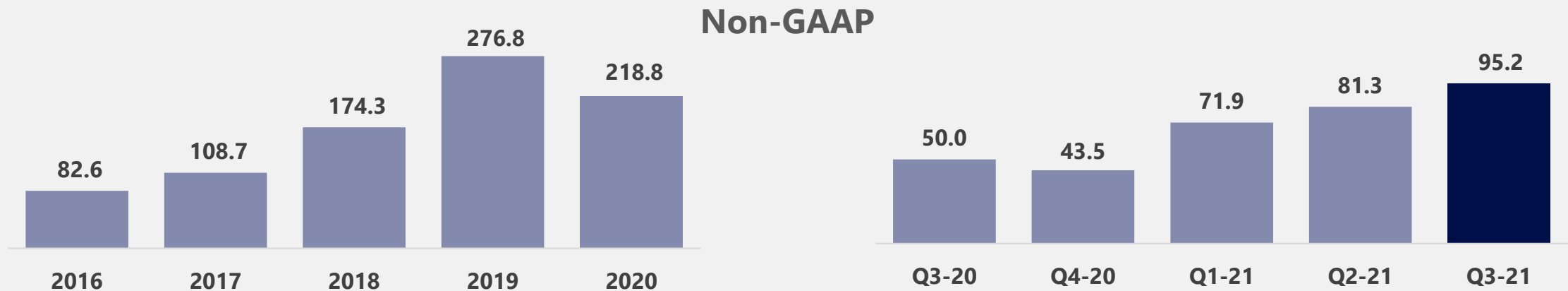
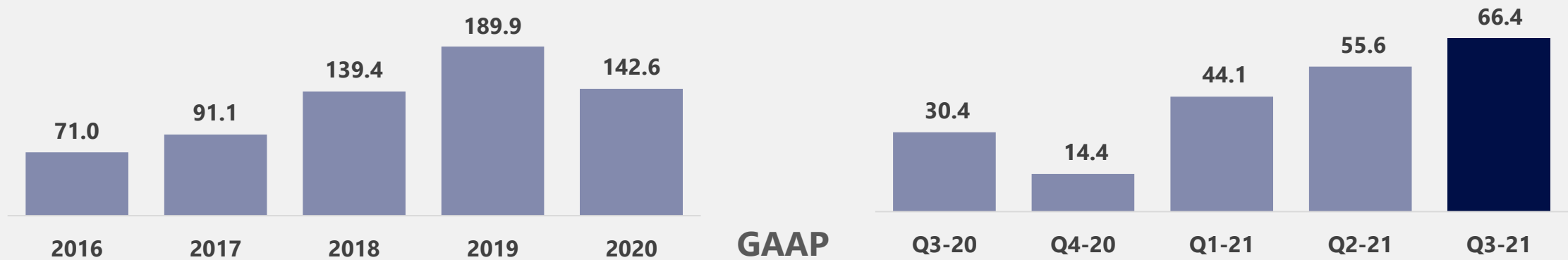
Operating Expenses as % of Revenues



Non-GAAP

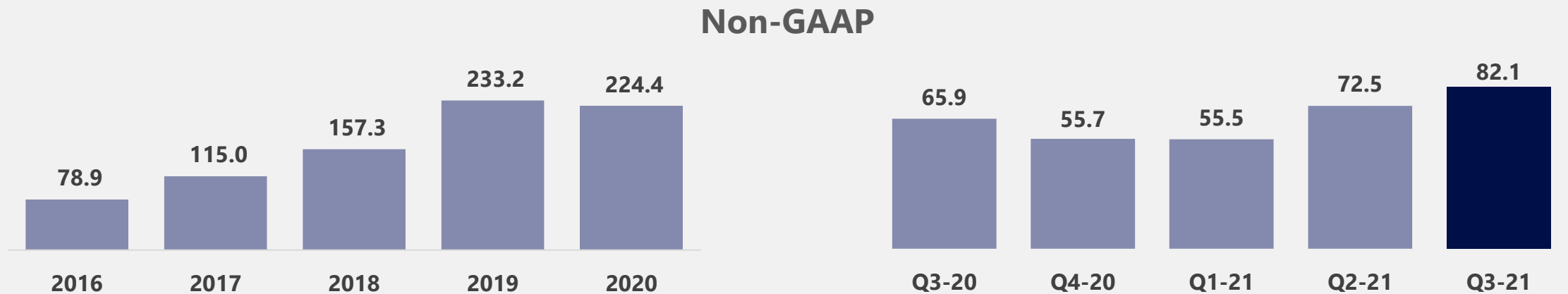
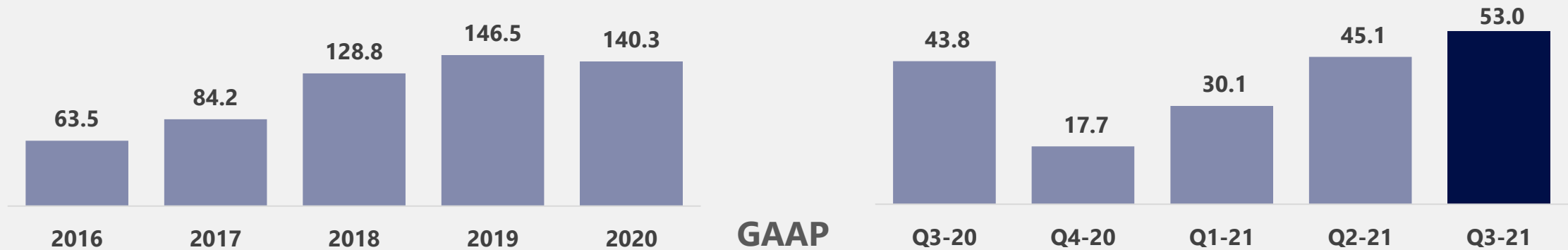


Consolidated Operating Profitability



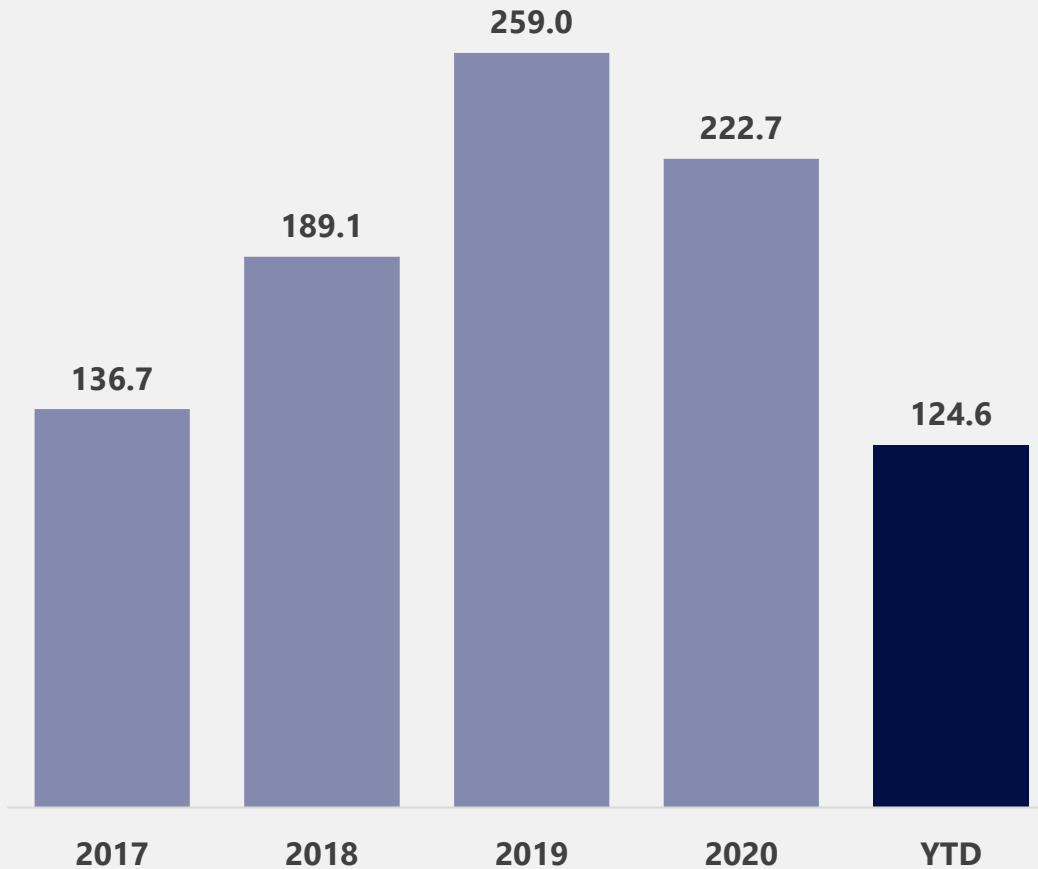
USD millions

Consolidated Net Profitability



USD millions

Cash Flow from Operating Activities



USD millions

Cash Position

- ▀ \$61.8M cash flow from operations in Q3 2021
- ▀ Net cash of \$524.1M, include cash equivalents, deposits, restricted deposits and marketable securities, net of debt (as of September 30, 2021)

Thank You!

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.

Version #: V.1.0

