

An aerial photograph of a house with a dark grey roof covered in solar panels. The house is surrounded by lush green trees and a lawn. The solar panels are arranged in a grid pattern across the roof. The house has a prominent chimney on the left side.

solar**edge**

SolarEdge
Technologies

Nasdaq | SEDG

Safe Harbor

Use of Forward-Looking Statements and Non-GAAP Measures

Statements contained in this presentation may contain forward-looking statements that are based on our management's expectations, estimates, projections, beliefs and assumptions in accordance with information currently available to our management. This discussion contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, technology developments, new products and services, financing and investment plans, competitive position, industry and regulatory environment, effects of acquisitions, growth opportunities, and the effects of competition. Forward-looking statements include statements that are not historical facts and can be identified by terms such as "anticipate," "believe," "could," "seek," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "will," "would" or similar expressions and the negatives of those terms.

Forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Given these uncertainties, you should not place undue reliance on forward-looking statements. Forward-looking and other statements regarding our sustainability efforts and aspirations are not an indication that these statements are necessarily material to investors or requiring disclosure in our filing with the Securities and Exchange Commission ("SEC"). In addition, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve and assumptions that are subject to change in the future, including future rule-making. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation. Important factors that could cause actual results to differ materially from our expectations include: future demand for renewable energy including solar energy solutions; our ability to forecast demand for our products accurately and to match production to such demand as well as our customers' ability to forecast demand based on inventory levels; macroeconomic conditions in our domestic and international markets, as well as inflation concerns, rising interest rates, and recessionary concerns; the retail price of electricity derived from the utility grid or alternative energy sources; interest rates and supply of capital in the global financial markets in general and in the solar market specifically; competition, including introductions of power optimizer, inverter and solar photovoltaic system monitoring products by our competitors; developments in alternative technologies or improvements in distributed solar energy generation; historic cyclicality of the solar industry and periodic downturns; product quality or performance problems in our products; shortages, delays, price changes, or cessation of operations or production affecting our suppliers of key components; delays, disruptions, and quality control problems in manufacturing; our dependence upon a small number of outside contract manufacturers and limited or single source suppliers; capacity constraints, delivery schedules, manufacturing yields, and costs of our contract manufacturers and availability of components; disruption in our global supply chain and rising prices of oil and raw materials as a result of the conflict between Russia and Ukraine; performance of distributors and large installers in selling our products; consolidation in the solar industry among our customers and distributors; our ability to manage effectively the growth of our organization and expansion into new markets; our ability to recognize expected benefits from restructuring plans; any unauthorized access to, disclosure, or theft of personal information or unauthorized access to our network or other similar cyber incidents; our ability to integrate acquired businesses; disruption to our business operations due to the evolving state of war in Israel and political conditions related to the Israeli government's plans to significantly reduce the Israeli Supreme Court's judicial oversight; our dependence on ocean transportation to timely deliver our products in a cost-effective manner; fluctuations in global currency exchange rates; the impact of evolving legal and regulatory requirements, including emerging environmental, social and governance requirements; existing and future responses to and effects of pandemics, epidemics, or other health crises; changes to net metering policies or the reduction, elimination or expiration of government subsidies and economic incentives for on-grid solar energy applications; federal, state, and local regulations governing the electric utility industry with respect to solar energy; changes in tax laws, tax treaties, and regulations or the interpretation of them, including the Inflation Reduction Act; changes in the U.S. trade environment, including the imposition of import tariffs; business practices and regulatory compliance of our raw material suppliers; our ability to maintain our brand and to protect and defend our intellectual property; volatility of our stock price; our customers' financial stability, creditworthiness, and debt leverage ratio; our ability to retain key personnel and attract additional qualified personnel; our ability to effectively design, launch, market, and sell new generations of our products and services; our ability to retain, and events affecting, our major customers; our ability to service our debt; and the other factors set forth under "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed on February 26, 2024, and in other documents we file from time to time with the SEC that disclose risks and uncertainties that may affect our business. The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

Included in this presentation are certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP") that are designed to supplement, and not substitute, SolarEdge's financial information presented in accordance with GAAP. These measures include but are not limited to non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, including as percentage of revenues, non-GAAP operating income, non-GAAP financial income, non-GAAP other income, non-GAAP income tax benefit, non-GAAP equity method investments income, non-GAAP net income, non-GAAP net basic earnings per share, and non-GAAP diluted earnings per share. The non-GAAP measures, as defined by SolarEdge, may not be comparable to similar non-GAAP measures presented by other companies. The Non-GAAP measures are presented in this presentation because we believe that they provide investors with a means of evaluating and understanding how SolarEdge's management evaluates the company's operating performance. The presentation of such measures, which may include adjustments to exclude non-recurring items, should not be construed as an inference of SolarEdge's future results, cash flows, or leverage will be unaffected by other non-recurring items. Refer to Appendix A for reconciliation of these non-GAAP measures to the most comparable GAAP measures.

Our vision

is to create a world powered by clean, sustainable energy.

Our mission

is to develop and scale renewable energy technologies that improve the way we generate, manage, store and use electrical power in every aspect of our lives.

2MW, Kollund, Denmark
Installed by Sveigaard

solaredge

Global leader in smart energy production, storage and management



4M+
monitored
systems

128.2 M
Power Optimizers
shipped

54.5GW
Systems shipped
worldwide

5.7M
Inverters
shipped



Serving global,
diverse markets

Systems installed in
140+
countries

3.6M+
Homes

50%+
of Fortune-100
Companies¹

68,000+
SolarEdge
Installers²



**Our
edge**

4,600+
employees

647
patents granted

527 patents pending



Power electronics and engineering



Software development, Data Science, Cyber & Security



Automated manufacturing



Installer experience, service and learning services

Data as of Q2 2024

¹ Have SolarEdge technology on their rooftops

² Based on the number of installer accounts on our monitoring portal

Financial Results Q2/2024

\$265.4M

GAAP Revenues

\$(101.2)M

Non-GAAP Net Income (loss)*

\$(44.8)M

Cash Used in Operations

(4.1)%

GAAP Gross Margin

\$(130.8)M

GAAP Net Income (loss)

\$165.3M

Cash, Deposits and
Investments, Net of Debt

* Non-GAAP financial measures; see definition and reconciliation in Appendix

Renewable energy transformation

13MW Wu Shan Tou Reservoir, Tainan City, Taiwan
Installed by Star Energy



Electrification

Exponential increase in energy demand due to rapid growth of electric vehicles and devices.



Decarbonization

Renewables set to replace fossil fuels as the dominant source for electricity.



Digitalization

Software controlled and cyber secured energy networks.



Decentralization

Transition from centralized energy networks to distributed energy topology.



Transformation

Rapidly growing worldwide demand for electricity



+1.7B

Global population
(+22%)* 2022-2050



80%

Urbanization increase
from 55%*



86%

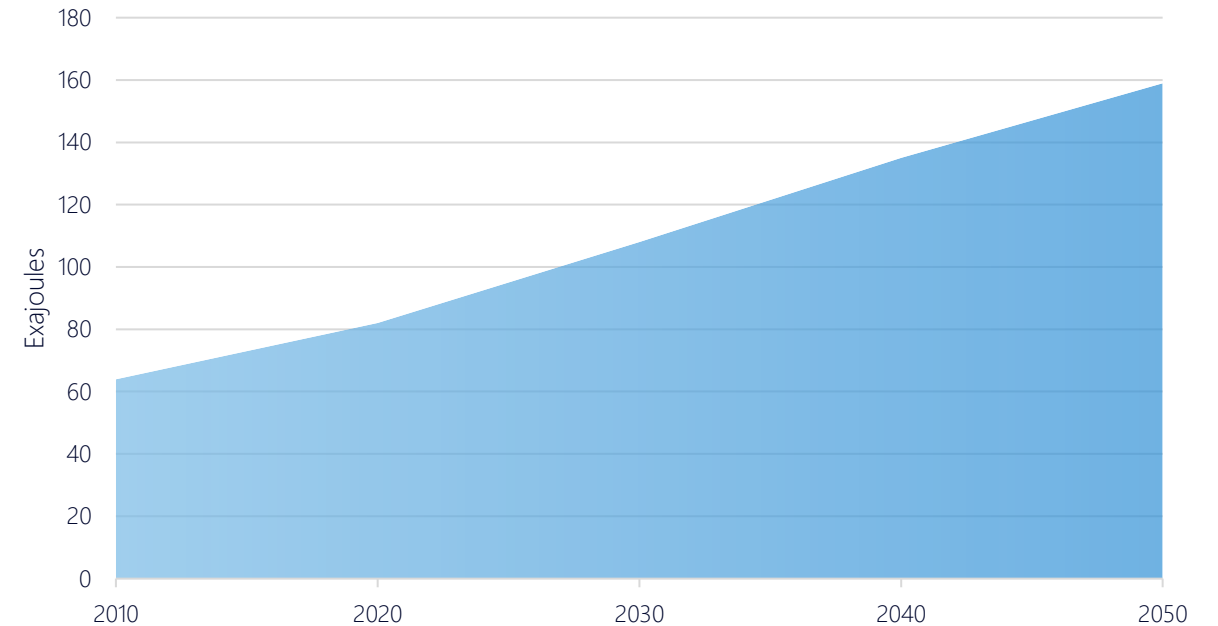
Electric Vehicle Penetration
from 1% to 86%
2020 – 2050**



10x

Heat Pumps Installed,
from 180 to 1800 million
2020 – 2050**

Global Energy Consumption



Source: International Energy Agency World Energy Outlook 2023 (World Final Energy Consumption)
<https://www.iea.org/reports/world-energy-outlook-2023>, page 265

*Source: United Nations Department of Economic and Social Affairs, World Population Prospects 2022: Highlights, page 5/ Visualizing the material impact of global urbanization by Bruno Venditti, Visual Capitalist | APRIL 28, 2022 (from 2022 to 2050)

**Source: Net Zero by 2050 – A Roadmap for the Global Energy Sector; International Energy Agency; Revised version, October 2021 (4th revision) page 72

Renewables set to be the dominant electricity source



Individuals

Growing demand for electrification and drive for energy independence.



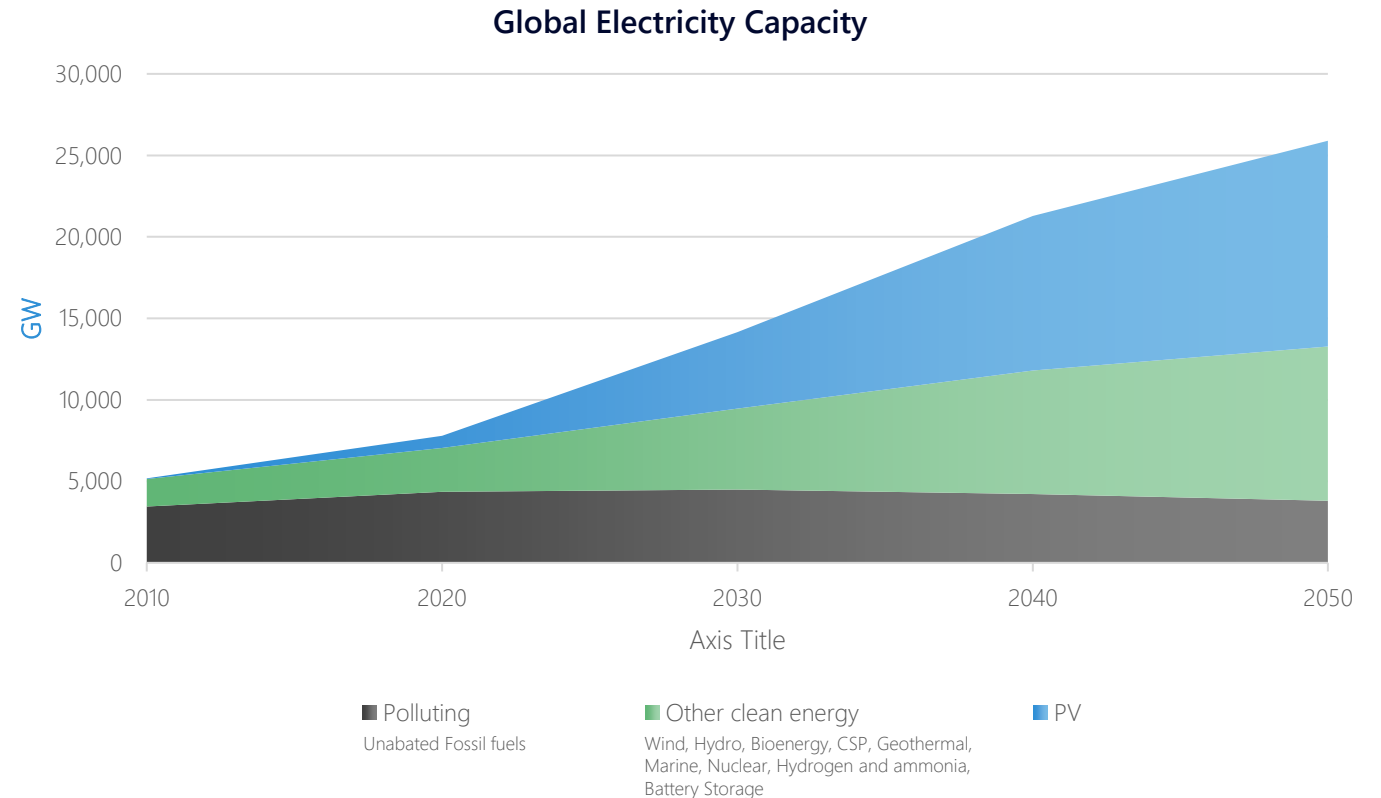
Corporations

Decarbonization commitments in most industries driven by ESG standards. "Going green" is a smart business choice.



Governments

Nation-level initiatives to decarbonize (Glasgow, Paris).



Source: International Energy Agency World Energy Outlook 2023, <https://www.iea.org/reports/world-energy-outlook-2023>, pages 267

Digitalization



Utilities, companies and governments are increasingly scaling digital technologies as a way to create long term value.



+68%

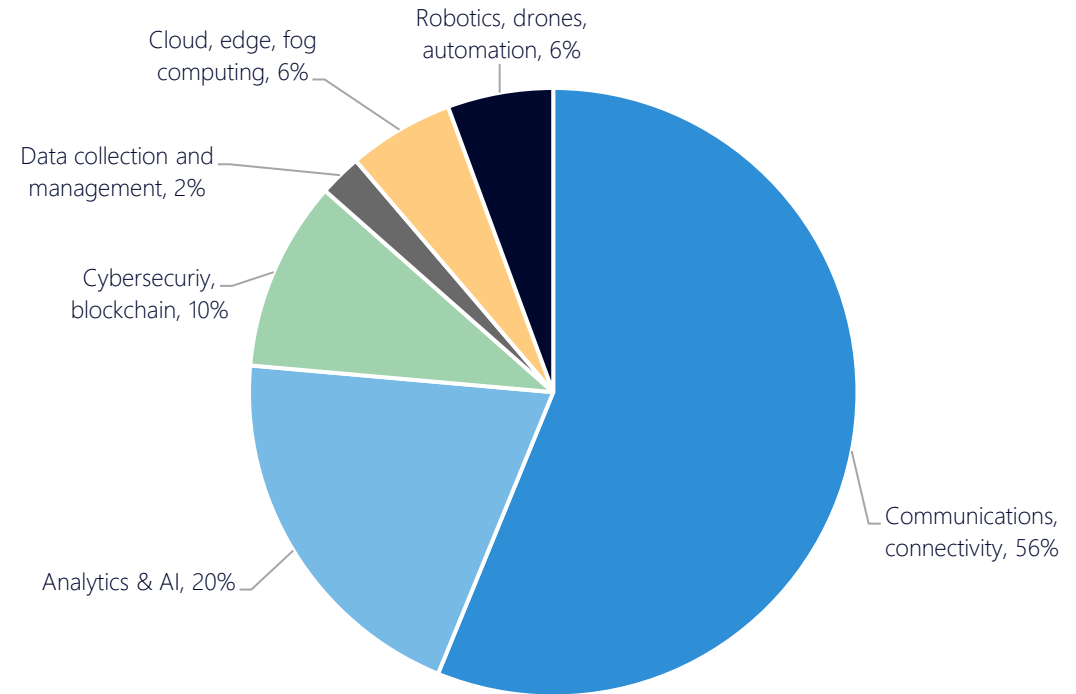
Increase in energy sector investment technologies, 2015-2022 (Total \$62B in 2022)*



+670%

Increase in number of power sector digital projects, 2017-2022**

Power sector digitalization by technology



Source : BloombergNEF, 1H 2023 Digital Trends in Power, page 7

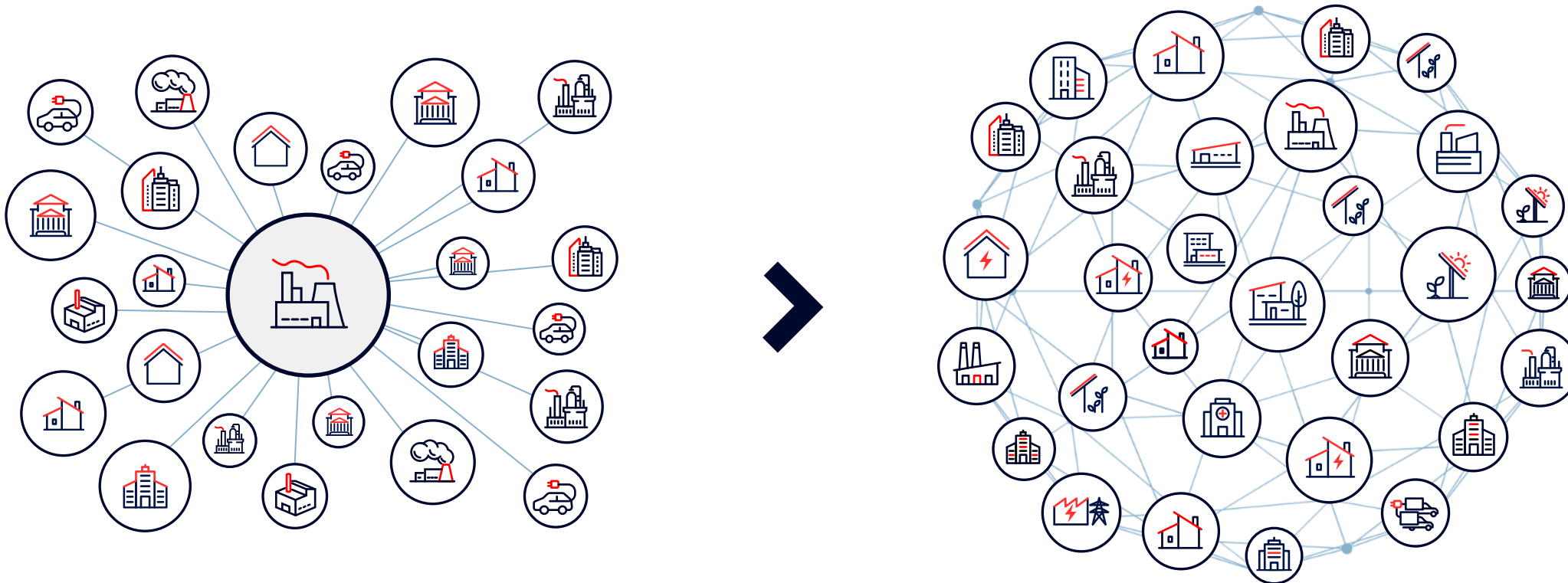
*Source: IEA analysis based on data from Guidehouse, IEA: Electricity Grids and Secure Energy Transitions <https://iea.blob.core.windows.net/assets/ea2ff609-8180-4312-8de9-494bcf21696d/ElectricityGridsandSecureEnergyTransitions.pdf>, page 31

** Source: Bloomberg NEF, 1H 2023 Digital Trends in Power, page 6

The distributed energy transformation



In the decentralized energy network, every node can be an energy producer, consumer and storage site.

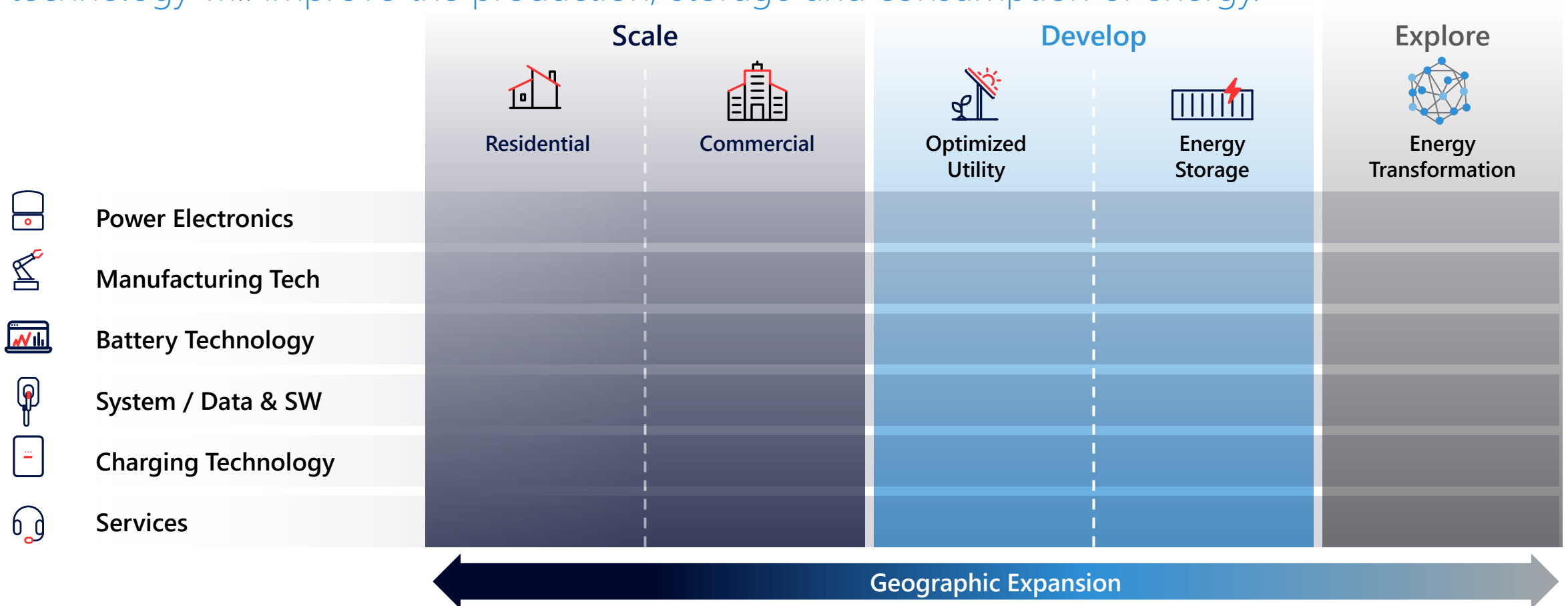


Our products and solutions



Our innovation strategy - solar and beyond

To be a leading global provider of HW, SW and services in renewable energy markets where technology will improve the production, storage and consumption of energy.





32kW BIPV; Architects House, Colombier, Switzerland
Installed by Freesuns

Residential solutions

World leader in smart energy solutions for the home



solar^{edge} Home

The smart energy ecosystem that maximizes energy efficiency and savings

Power Optimizers & Smart Modules



SolarEdge Power Optimizers



SolarEdge Smart Modules

Inverters and Batteries



SolarEdge Home Wave Inverters



SolarEdge Home Hub Inverters



SolarEdge Home Batteries



SolarEdge Home Backup Interface

EV Chargers



SolarEdge EV Charger



Future release
SolarEdge DC EV Charger

Energy Mgmt. Devices



Coming soon
SolarEdge ONE Controller



Coming soon
SolarEdge Home Smart Switch



SolarEdge Home Load Controller



SolarEdge Home Hot Water Controller



SolarEdge Home Inline Meter

SolarEdge ONE 



SolarEdge Home Network



SolarEdge Go



mySolarEdge



More Power



Optimized Energy Ecosystem

Enhanced Safety & Security

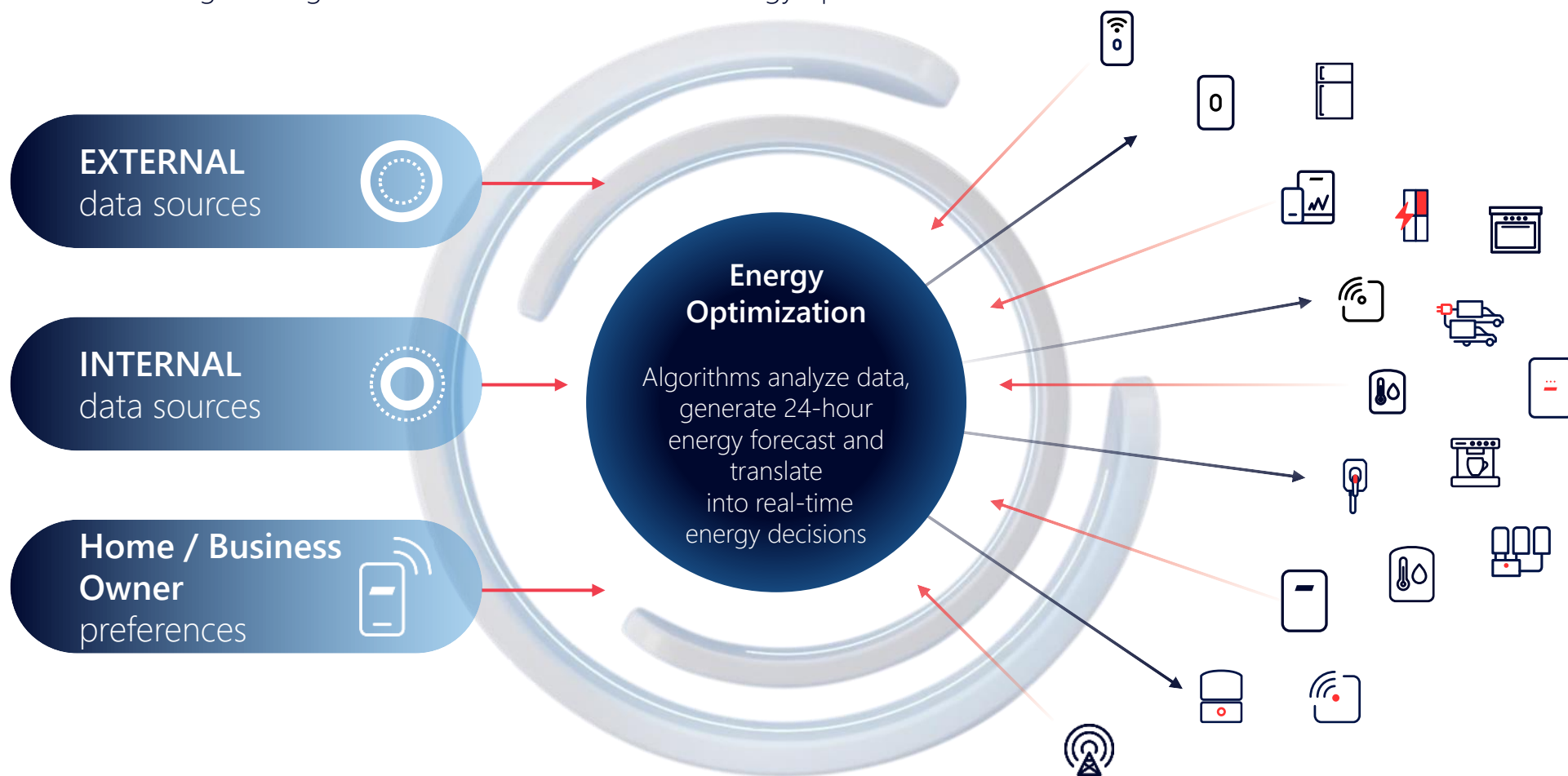
Reliability

SolarEdge ONE

STEP 1 Data gathering

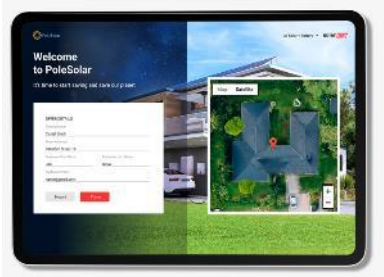
STEP 2 Energy optimization

STEP 3 Executes decisions

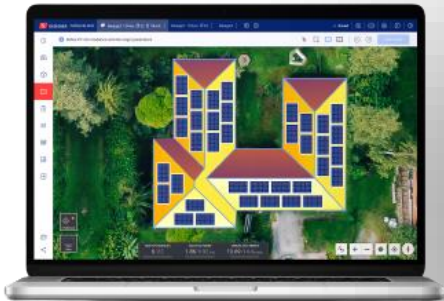


The SolarEdge Installer Software Suite

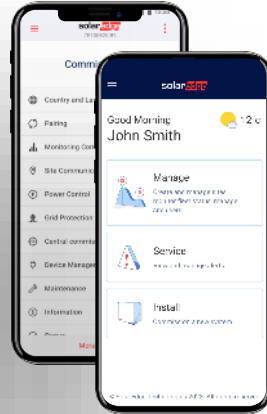
SolarEdge Proposal
-beta



SolarEdge Designer



SolarEdge Go



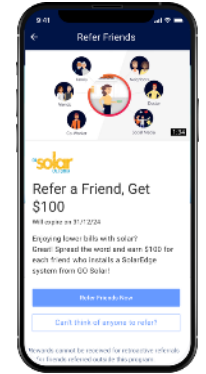
SolarEdge Monitoring



mySolarEdge



SolarEdge Referral



Sell

Design

Install

Monitor &
Operate

Control
(Homeowner)

Upsell



400kWp carport and 768kWp on roof Evolv 1, Waterloo, Canada
Installed by VCT Group

Commercial solutions

World leader in smart energy solutions for commercial applications



As of Q1 2024

** Over 50% of Fortune-100 companies have SolarEdge technology on their rooftops

***Installers of both commercial and residential will be counted twice.

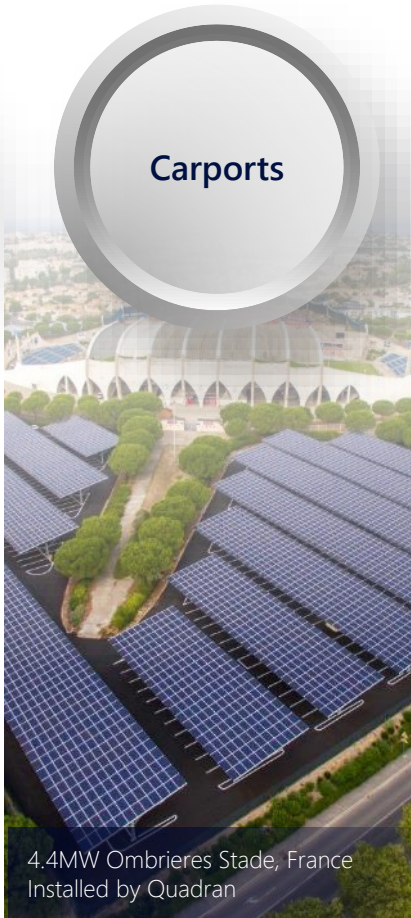
Commercial solutions

Retail



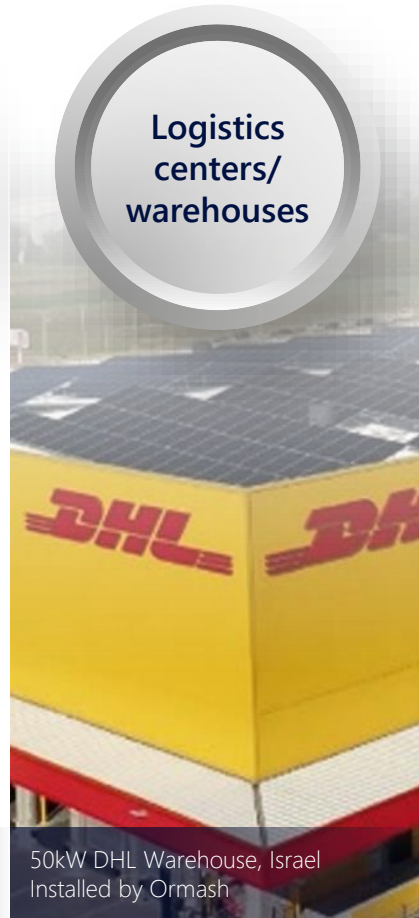
740kW IKEA Kaoshiung City, Taiwan
Installed by Innos Taiwan

Carports



4.4MW Ombrieres Stade, France
Installed by Quadran

Logistics centers/
warehouses



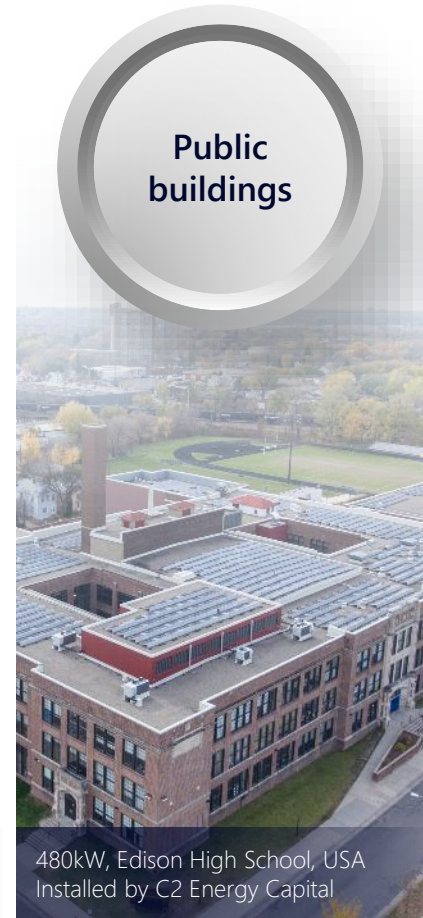
50kW DHL Warehouse, Israel
Installed by Ormash

Industrial rooftops /
factories



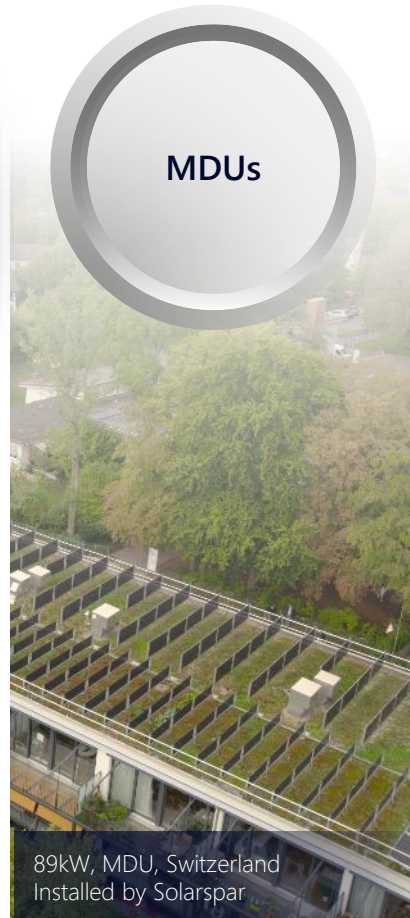
3.5MW, Mercedes-Benz, Turkey
Installed by Naturel Yenilenebilir Enerji

Public buildings



480kW, Edison High School, USA
Installed by C2 Energy Capital

MDUs



89kW, MDU, Switzerland
Installed by SolarSpar

Optimized Energy Ecosystem for C&I Rooftops

Designed for a variety of Commercial and Industrial applications



SolarEdge ONE for C&I **



SolarEdge ONE



SolarEdge ONE Controller

Power Optimizers



SolarEdge Power Optimizers

Inverters



SolarEdge Three Phase Inverter with Synergy Technology



SolarEdge Three Phase Commercial Inverter

Storage



Commercial Storage System CSS-OD



Coming soon Commercial Storage System CSS-ID

EV Chargers



SolarEdge EV Charger

Not all products are available in all regions.

** Available for selected customers



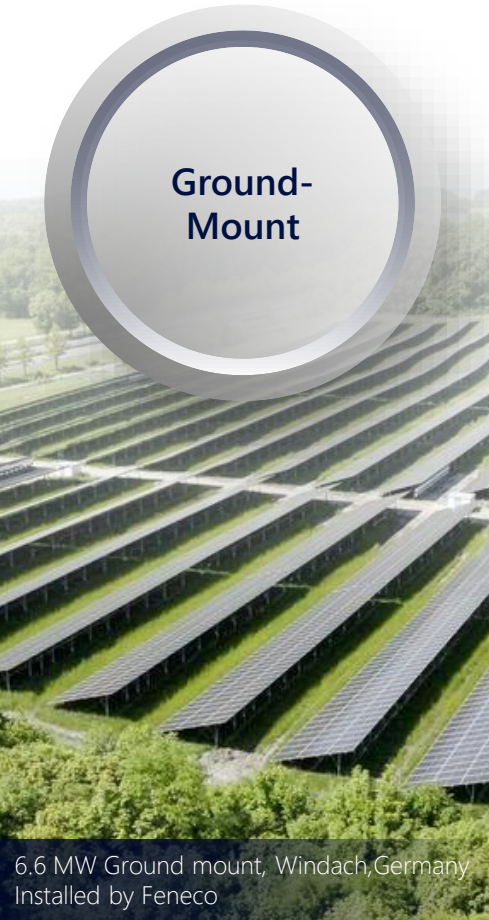
6.2MW, Hartford Pike, Rhode Island, USA
Installed by Sunlight General

Optimized utility solutions

Ground Mount and Dual Use

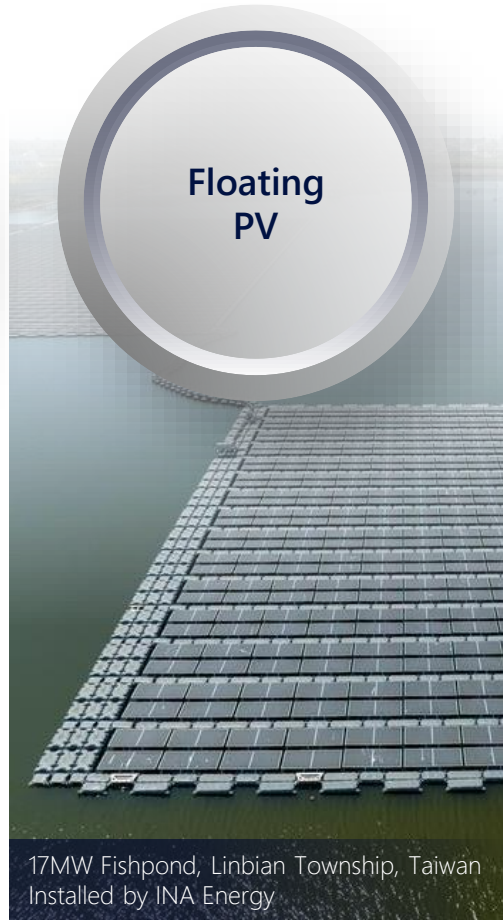
Optimized utility solutions

Ground-Mount



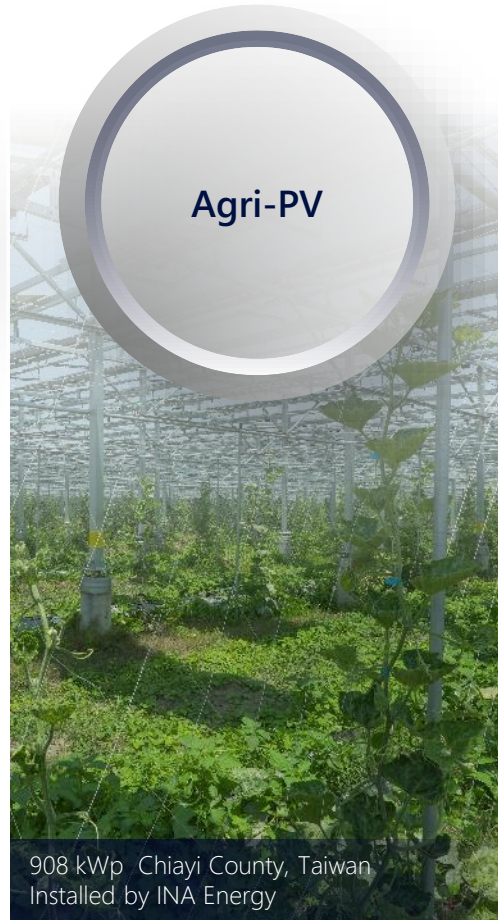
6.6 MW Ground mount, Windach, Germany
Installed by Feneco

Floating PV



17MW Fishpond, Linbian Township, Taiwan
Installed by INA Energy

Agri-PV



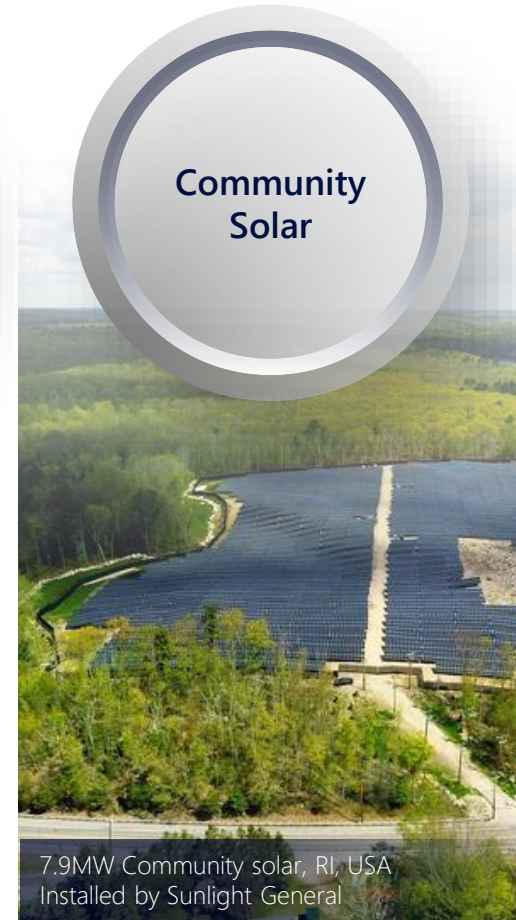
908 kWp Chiayi County, Taiwan
Installed by INA Energy

Grazing



170kW Animal Farm, Cook Campus, USA
Installed by Advanced Solar Products

Community Solar



7.9MW Community solar, RI, USA
Installed by Sunlight General

Optimized utility

Ground Mount and Dual Use

SolarEdge
ONE



SolarEdge ONE



SolarEdge ONE
Controller

Power
Optimizers



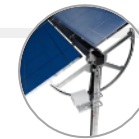
SolarEdge H1300
Power Optimizers

Inverters



SolarEdge
TerraMax™ Inverter

Trackers



SolarGik
Smart PV Trackers

The SolarEdge installer experience



Installer onboarding



Over 70,000 installers in the SolarEdge network *

Products designed for installability



Less than 15 mins for PV-only commissioning**

Full suite of installer software tools



284,300 projects completed on SolarEdge Designer***

Learning services



Over 516,000 courses completed***

Service and support



Less than 2:29 min support center call wait time****

* Based on the number of installer accounts on our monitoring portal

** For PV only residential installations, in selected regions

*** Q2 2024

**** Q2 2024 average wait time for call centers globally

***** H1 2024 globally



Sella 2, South Korea

Energy Storage Solutions

Premium manufacturer of high-energy, high-power, lithium-ion cells and BESS solutions for C&I and Utility markets.



Chemistry

Proprietary high-power Li-Ion cell technology



Manufacturing

Two cell manufacturing plants in Korea



Products

Energy storage systems
(stand alone or co-located)

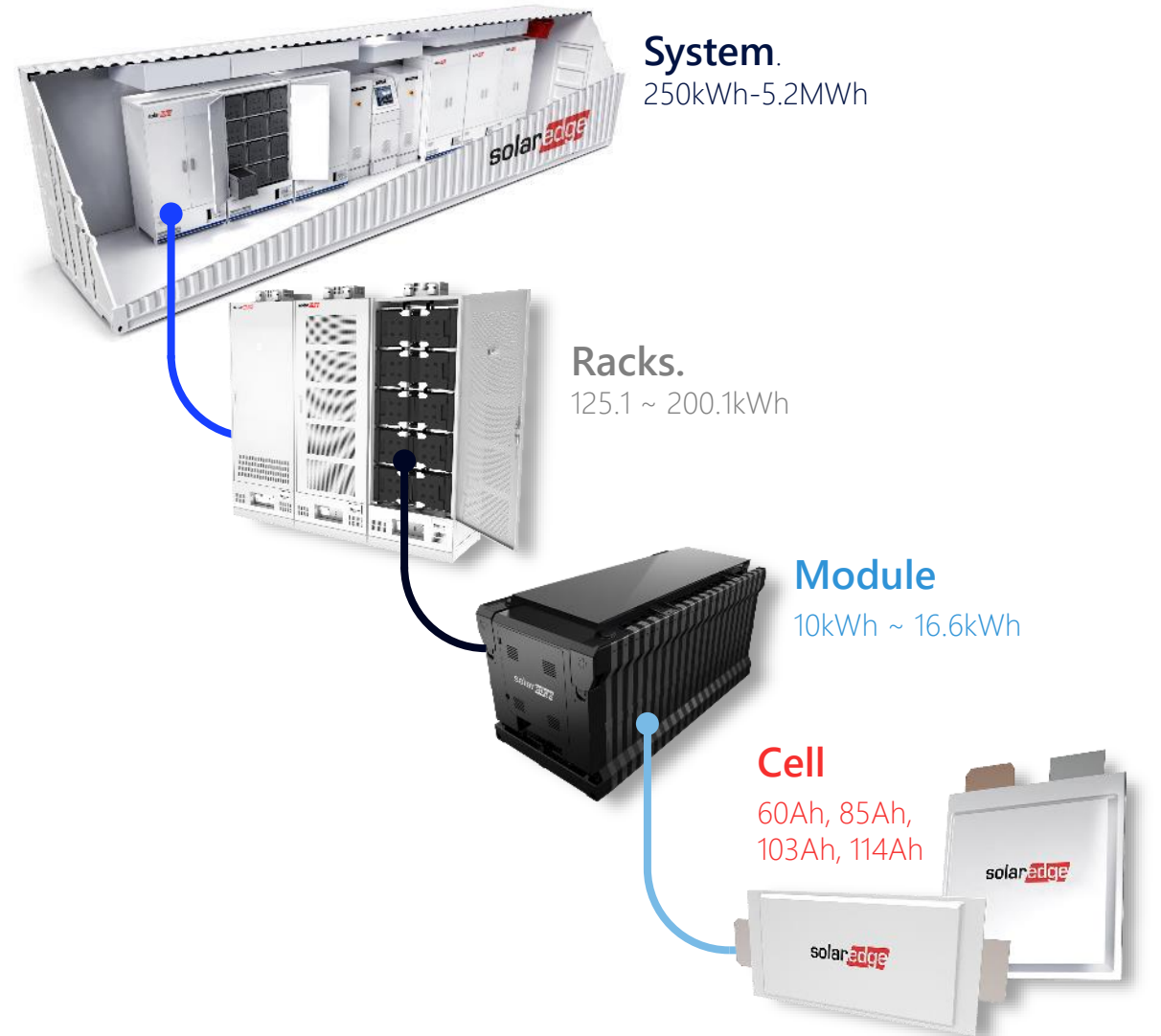
Energy storage solutions

SolarEdge Energy Storage Division is a manufacturer of high-energy, high-power, lithium-ion cells and BESS solutions for C&I and utility markets.

Diverse end markets across stationary energy storage (EV charging, utility, C&I), transportation (trains, trams, marine), and EPC projects.

Provides purpose-built components and solutions, **hardware and software**.

Capabilities include spinning reserves, frequency regulation, frequency response, voltage support, black-start services and rate arbitrage.

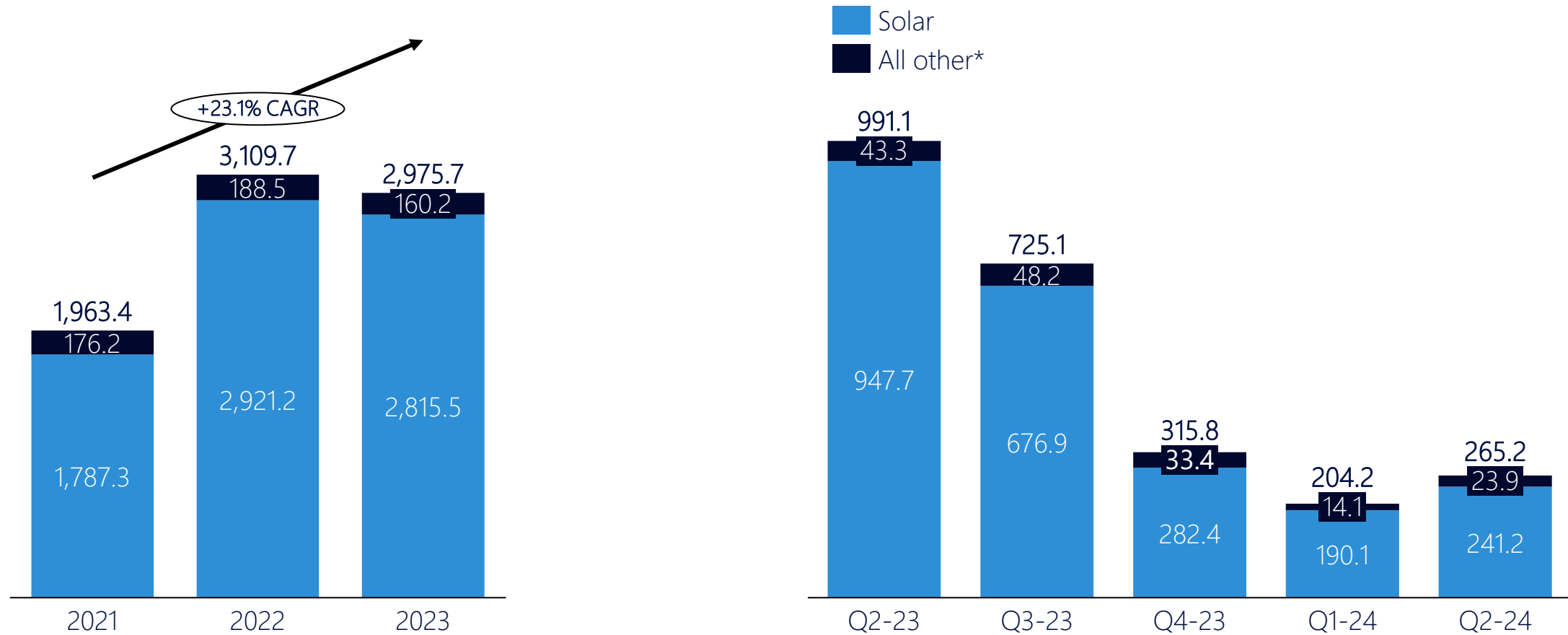


Financial update

5MW Floating PV, Mitzpe Ramon, Israel
Installed by EnerT

solar**edge**

Revenues growth by segment

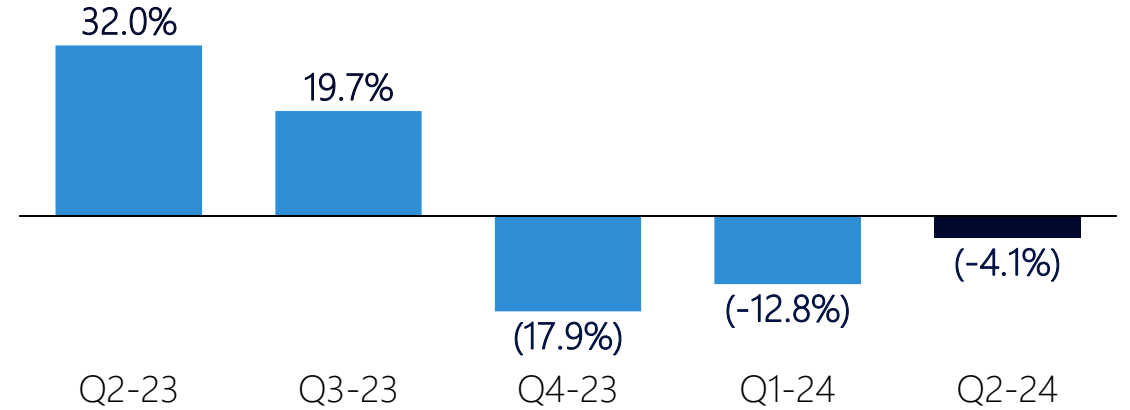
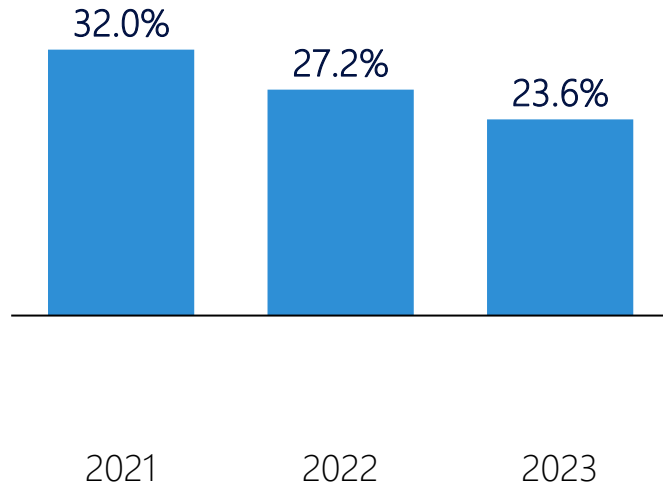


USD millions

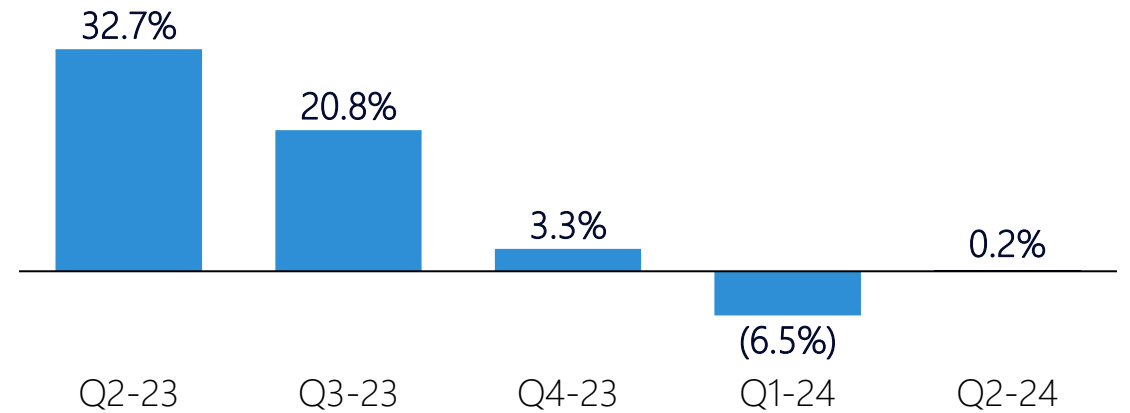
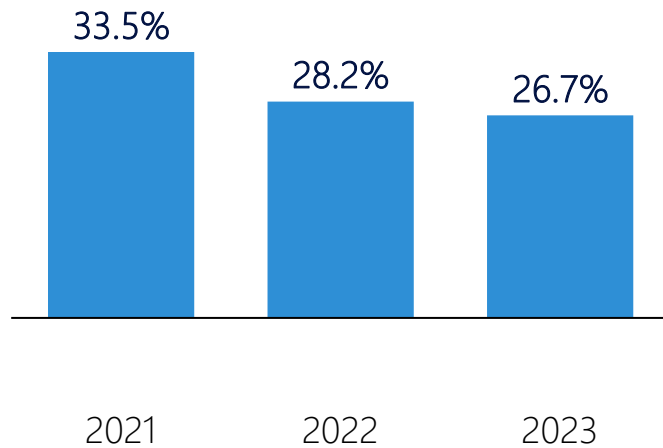
* All other refers to energy storage and automation machines

Consolidated* Gross Margin

GAAP



Non-GAAP **

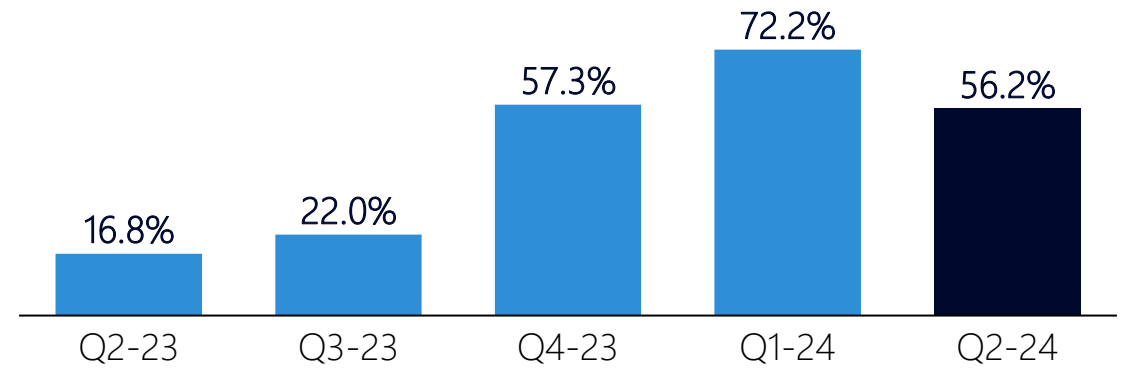
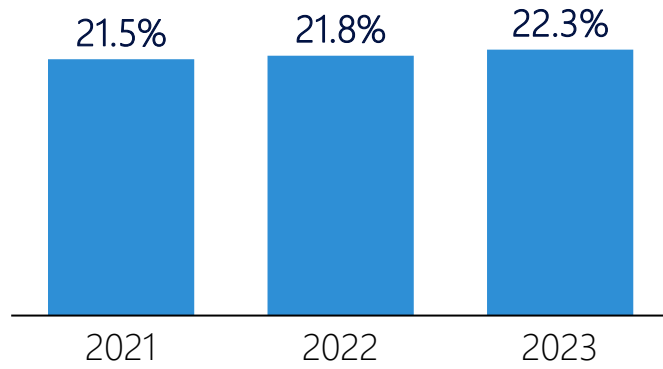


* For purposes of this presentation, "consolidated" refers to solar, energy storage, and "all other" segments

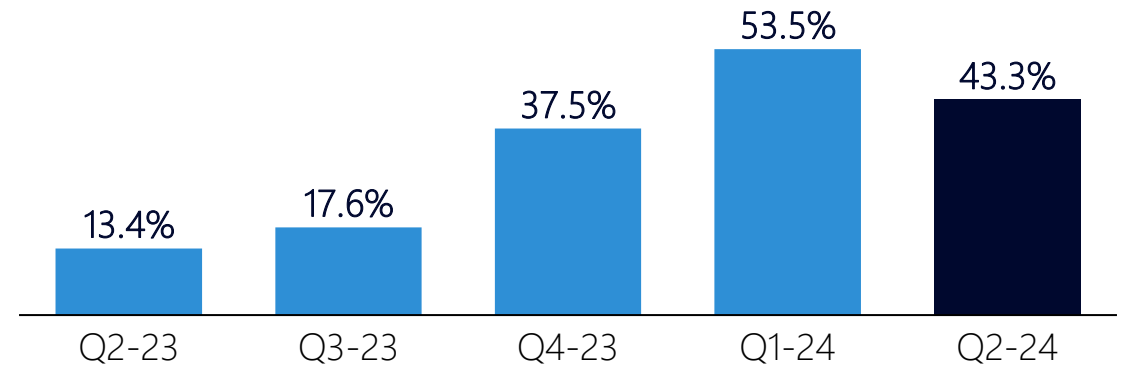
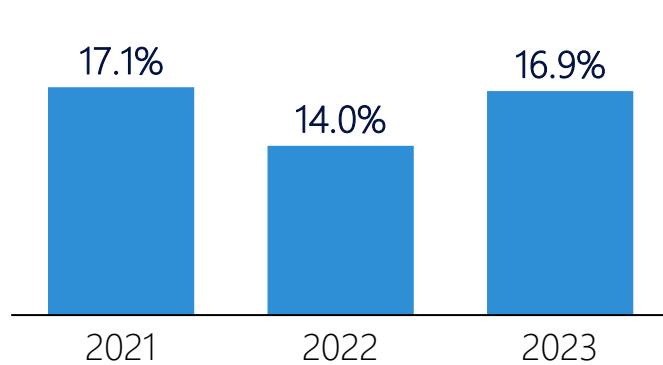
** Non-GAAP financial measures; see reconciliation in Appendix

Consolidated* Operating Expenses as % of Revenues

GAAP



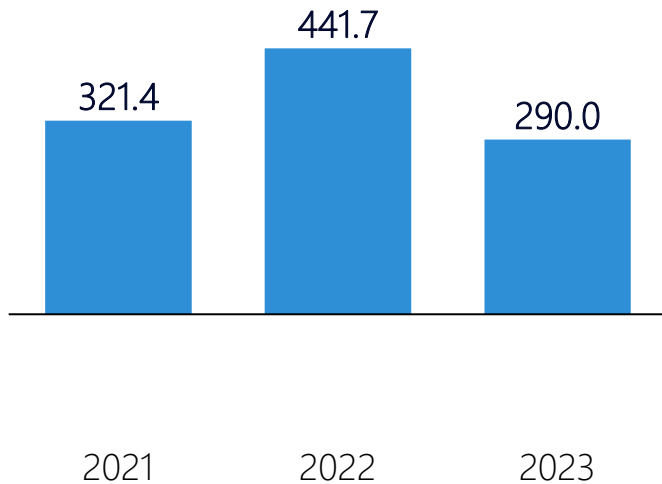
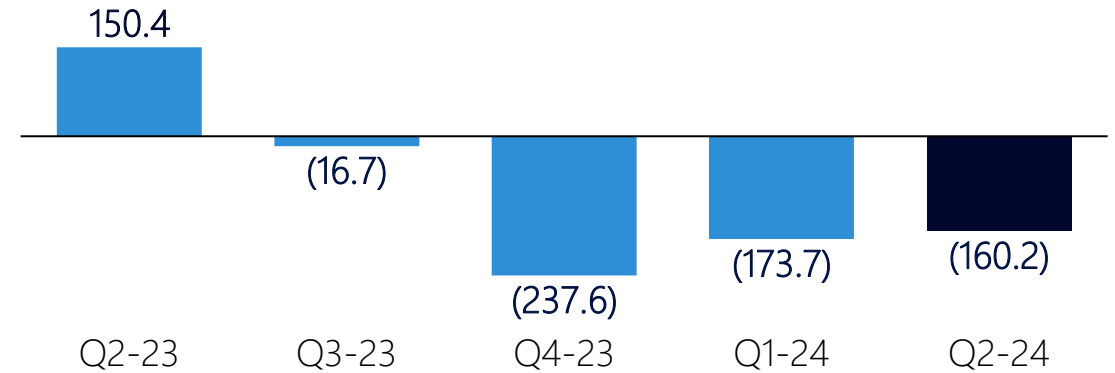
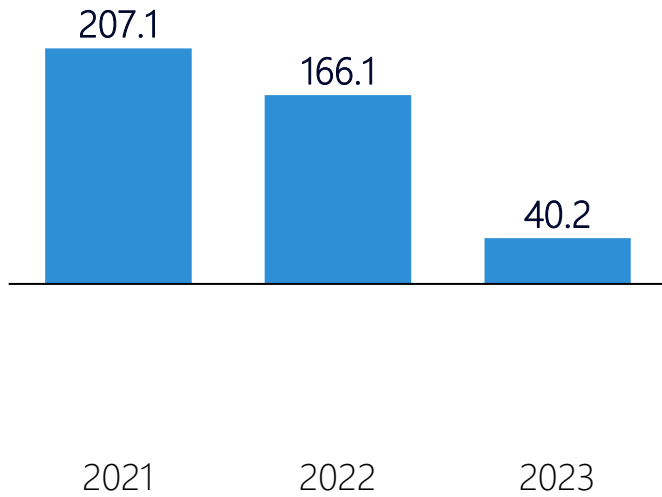
Non-GAAP **



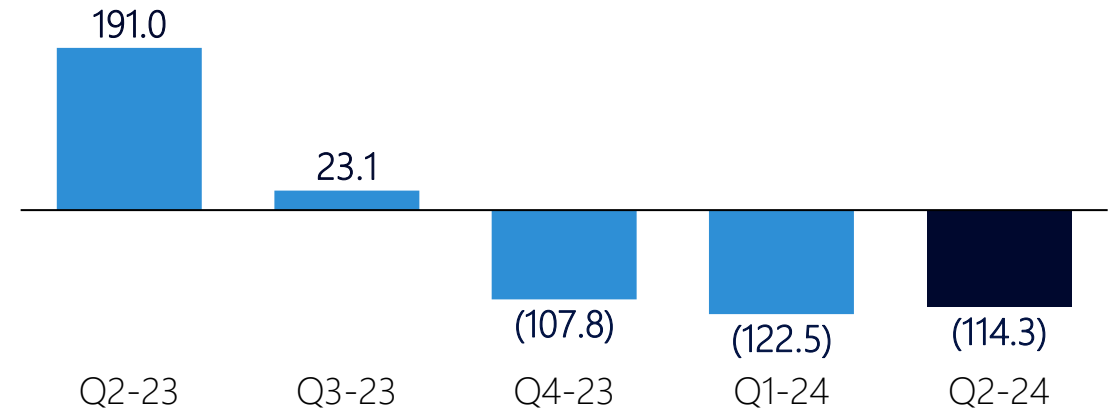
* For purposes of this presentation, "consolidated" refers to solar, energy storage, and "all other" segments

** Non-GAAP financial measures; see reconciliation in Appendix

Consolidated* Operating Income (loss)



Non-GAAP **

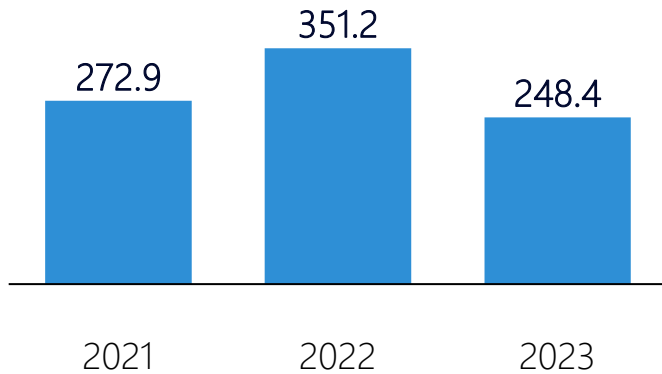
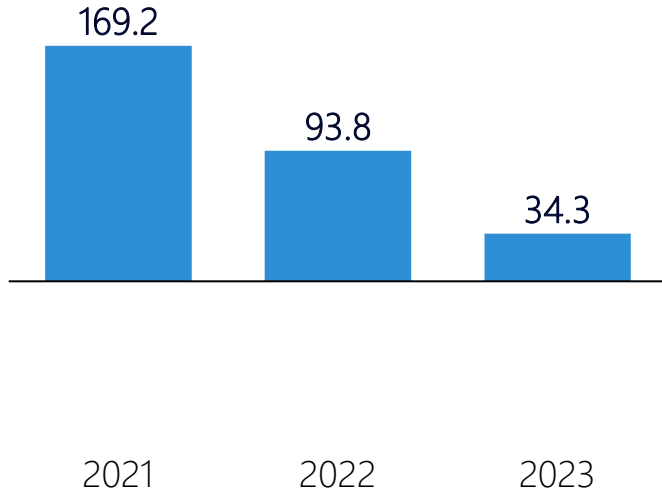


USD millions

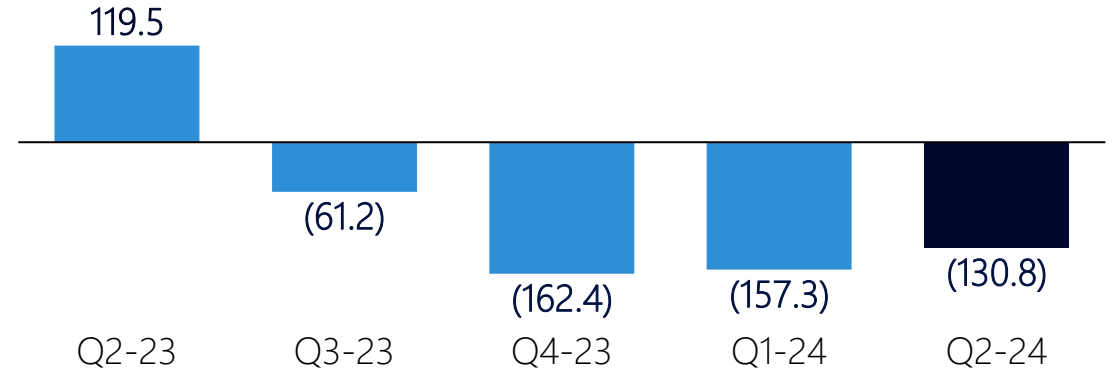
* For purposes of this presentation, "consolidated" refers to solar, energy storage, and "all other" segments

** Non-GAAP financial measures; see reconciliation in Appendix

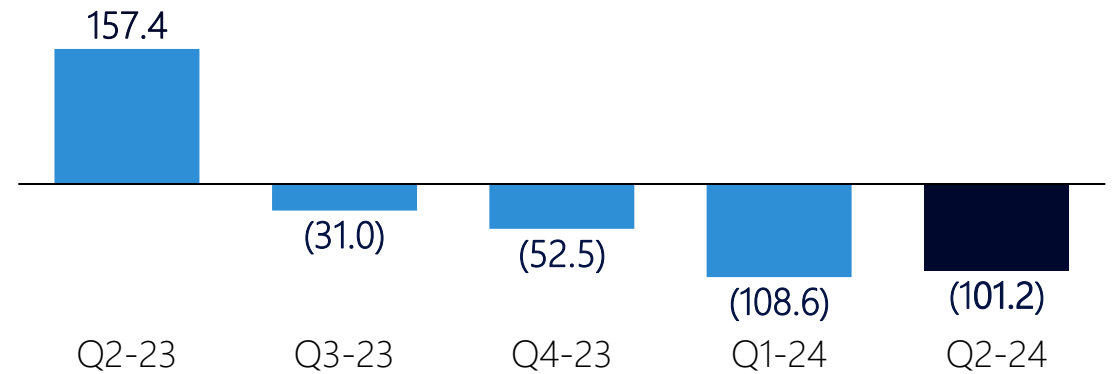
Consolidated* Net Income (loss)



GAAP



Non-GAAP **



USD millions

* For purposes of this presentation, "consolidated" refers to solar, energy storage, and "all other" segments

** Non-GAAP financial measures; see reconciliation in Appendix

An aerial photograph of a modern, two-story house with a grey metal roof. The roof is covered with a large array of solar panels. The house has a mix of grey and light wood siding. In front of the house is a large, paved stone patio area with several wooden benches and potted plants. The house is surrounded by lush greenery and trees.

Appendix

12kW, Treetop, UK
Installed by WeRSolar

solar**edge**

Reconciliation of GAAP to Non-GAAP

Reconciliation of GAAP to Non-GAAP Gross profit (loss)

	Reconciliation of GAAP to Non-GAAP Gross profit (loss)				
	June 30, 2024	March 31, 2024	Three months ended December 31, 2023	September 30, 2023	June 30, 2023
Gross profit (loss) (GAAP)	(10,969)	(26,187)	(56,425)	142,817	317,305
Revenues from finance component	(246)	(234)	(230)	(215)	(202)
Discontinued operation	(757)	(434)	36,648	----	----
Stock-based compensation	6,218	5,968	5,468	5,882	5,923
Amortization of stock-based compensation capitalized in inventories	362	197	343	441	316
Amortization and depreciation of acquired asset	1,343	1,551	1,555	2,096	872
Restructuring charges	4,519	5,822	23,154	----	----
Gross profit (loss) (Non-GAAP)	470	(13,317)	10,513	151,021	324,214

Reconciliation of GAAP to Non-GAAP Gross margin (loss)

	Reconciliation of GAAP to Non-GAAP Gross margin (loss)				
	June 30, 2024	March 31, 2024	Three months ended December 31, 2023	September 30, 2023	June 30, 2023
Gross margin (loss) (GAAP)	-4.1%	-12.8%	-17.9%	19.7%	32.0%
Revenues from finance component	0.0%	-0.1%	-0.1%	0.0%	0.0%
Discontinued operation	-0.3%	-0.2%	11.6%	0.0%	0.0%
Stock-based compensation	2.3%	2.9%	1.8%	0.8%	0.6%
Amortization of stock-based compensation capitalized in inventories	0.1%	0.1%	0.1%	0.0%	0.0%
Amortization and depreciation of acquired asset	0.5%	0.8%	0.5%	0.3%	0.1%
Restructuring charges	1.7%	2.8%	7.3%	0.0%	0.0%
Gross margin (loss) (Non-GAAP)	0.2%	-6.5%	3.3%	20.8%	32.7%

Reconciliation of GAAP to Non-GAAP

Reconciliation of GAAP to Non-GAAP Operating expenses

	Three months ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Operating expenses (GAAP)	149,213	147,518	181,156	159,543	166,947
Stock-based compensation - R&D	(17,639)	(17,139)	(15,982)	(16,481)	(17,272)
Stock-based compensation - S&M	(8,149)	(7,911)	(7,347)	(7,739)	(7,822)
Stock-based compensation - G&A	(6,565)	(6,588)	(6,133)	(6,713)	(7,948)
Amortization and depreciation of acquired assets - R&D	(271)	(270)	(58)	(329)	(289)
Amortization and depreciation of acquired assets - S&M	(467)	(124)	(190)	(321)	(235)
Amortization and depreciation of acquired assets - G&A	(2)	(2)	(2)	(4)	17
Discontinued operation	---	47	(388)	---	---
Restructuring charges	(366)	(3,943)	---	---	---
Assets impairment	---	(1,732)	(30,790)	---	---
Gain (loss) from assets sales and disposal	(951)	(1,058)	(172)	---	---
Certain litigation and other contingencies	---	399	(1,786)	---	---
Acquisition costs	---	(9)	---	---	(135)
Operating expenses (Non-GAAP)	114,803	109,188	118,308	127,956	133,263

Reconciliation of GAAP to Non-GAAP Operating income (loss)

	Three months ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Operating income (loss) (GAAP)	(160,182)	(173,705)	(237,581)	(16,726)	150,358
Revenues from finance component	(246)	(234)	(230)	(215)	(202)
Discontinued operation	(757)	(481)	37,036	---	---
Stock-based compensation	38,571	37,606	34,930	36,815	38,965
Amortization of stock-based compensation capitalized in inventories	362	197	343	441	316
Amortization and depreciation of acquired assets	2,083	1,947	1,805	2,750	1,379
Restructuring charges	4,885	9,765	23,154	---	---
Assets impairment	---	1,732	30,790	---	---
Loss (gain) from assets sales and disposal	951	1,058	172	---	---
Certain litigation and other contingencies	---	(399)	1,786	---	---
Acquisition costs	---	9	---	---	135
Operating income (loss) (Non-GAAP)	(114,333)	(122,505)	(107,795)	23,065	190,951

Reconciliation of GAAP to Non-GAAP

Reconciliation of GAAP to Non-GAAP Financial income (expense), net

	Three months ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Financial income (expense), net (GAAP)	(865)	(7,064)	22,055	(7,901)	3,384
Non cash interest expense	3,636	3,536	3,422	3,284	3,105
Unrealized losses (gains)	----	----	----	----	----
Currency fluctuation related to lease standard	(1,523)	(1,276)	4,359	(2,788)	(2,107)
Financial income (expense), net (Non-GAAP)	<u>1,248</u>	<u>(4,804)</u>	<u>29,836</u>	<u>(7,405)</u>	<u>4,382</u>

Reconciliation of GAAP to Non-GAAP Other income (loss)

	Three months ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Other income (loss) (GAAP)	18,551	----	291	(484)	----
Loss (gain) from sale of equity and debt investments	(1,970)	----	(291)	484	----
Loss (gain) from business combination	(1,125)	----	----	----	----
Gain from the repurchase of convertible notes	(15,456)	----	----	----	----
Loss (gain) from sale of marketable securities	----	----	----	----	----
Other income (loss) (Non-GAAP)	<u>----</u>	<u>----</u>	<u>----</u>	<u>----</u>	<u>----</u>

Reconciliation of GAAP to Non-GAAP Income tax benefit (expense)

	Three months ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Income tax benefit (expense) (GAAP)	12,245	23,754	53,202	(36,065)	(34,232)
Uncertain tax positions	----	----	----	----	----
Income tax adjustment	(357)	(5,062)	(27,699)	(10,561)	(3,735)
Income tax benefit (expense) (Non-GAAP)	<u>11,888</u>	<u>18,692</u>	<u>25,503</u>	<u>(46,626)</u>	<u>(37,967)</u>

Reconciliation of GAAP to Non-GAAP equity method investment income (loss)

	Three months ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Equity method investments income (loss) (GAAP)	(567)	(296)	(350)	----	----
Loss from equity method investments	567	296	350	----	----
Equity method investments income (loss) (Non-GAAP)	<u>----</u>	<u>----</u>	<u>----</u>	<u>----</u>	<u>----</u>

Reconciliation of GAAP to Non-GAAP

	Reconciliation of GAAP to Non-GAAP Net income (loss)				
	June 30, 2024	March 31, 2024	Three months ended December 31, 2023	September 30, 2023	June 30, 2023
Net income (loss) (GAAP)	(130,818)	(157,311)	(162,383)	(61,176)	119,510
Revenues from finance component	(246)	(234)	(230)	(215)	(202)
Discontinued operation	(757)	(481)	37,036	----	----
Stock-based compensation	38,571	37,606	34,930	36,815	38,965
Amortization of stock-based compensation capitalized in inventories	362	197	343	441	316
Amortization and depreciation of acquired assets	2,083	1,947	1,805	2,750	1,379
Restructuring charges	4,885	9,765	23,154	----	----
Assets impairment	----	1,732	30,790	----	----
Loss (gain) from assets sales and disposal	951	1,058	172	----	----
Certain litigation and other contingencies	----	(399)	1,786	----	----
Acquisition costs	----	9	----	----	135
Non cash interest expense	3,636	3,536	3,422	3,284	3,105
Unrealized losses (gains)	----	----	----	----	----
Currency fluctuation related to lease standard	(1,523)	(1,276)	4,359	(2,788)	(2,107)
Loss (gain) from sale of equity and debt investments	(1,970)	----	(291)	484	----
Loss (gain) from business combination	(1,125)	----	----	----	----
Gain from the repurchase of convertible notes	(15,456)	----	----	----	----
Income tax adjustment	(357)	(5,062)	(27,699)	(10,561)	(3,735)
equity method adjustments	567	296	350	----	----
Net income (loss) (Non-GAAP)	(101,197)	(108,617)	(52,456)	(30,966)	157,366

Reconciliation of GAAP to Non-GAAP

	Reconciliation of GAAP to Non-GAAP Net basic earnings (loss) per share				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Net basic earnings (loss) per share (GAAP)	(2.31)	(2.75)	(2.85)	(1.08)	2.12
Revenues from finance component	0.00	(0.01)	(0.01)	0.00	(0.01)
Discontinued operation	(0.02)	(0.01)	0.65	---	---
Stock-based compensation	0.69	0.66	0.62	0.65	0.70
Amortization of stock-based compensation capitalized in inventories	0.00	0.01	0.00	0.00	0.00
Amortization and depreciation of acquired assets	0.04	0.03	0.04	0.05	0.03
Restructuring charges	0.08	0.17	0.40	---	---
Assets impairment	---	0.03	0.54	---	---
Loss (gain) from assets sales and disposal	0.02	0.02	0.01	---	---
Certain litigation and other contingencies	---	(0.01)	0.03	---	---
Acquisition costs	---	0.00	---	---	0.00
Non cash interest expense	0.07	0.06	0.06	0.06	0.05
Unrealized losses (gains)	---	---	---	---	---
Currency fluctuation related to lease standard	(0.04)	(0.02)	0.07	(0.05)	(0.03)
Loss (gain) from sale of equity and debt investments	(0.03)	---	0.00	0.01	---
Loss (gain) from business combination	(0.02)	---	---	---	---
Gain from the repurchase of convertible notes	(0.27)	---	---	---	---
Income tax adjustment	(0.01)	(0.09)	(0.49)	(0.19)	(0.07)
equity method adjustments	0.01	0.01	0.01	---	---
Net basic earnings (loss) per share (Non-GAAP)	(1.79)	(1.90)	(0.92)	(0.55)	2.79

Reconciliation of GAAP to Non-GAAP

	Reconciliation of GAAP to Non-GAAP Net diluted earnings (loss) per share				
	June 30, 2024	March 31, 2024	Three months ended December 31, 2023	September 30, 2023	June 30, 2023
Net diluted earnings (loss) per share (GAAP)	(2.31)	(2.75)	(2.85)	(1.08)	2.03
Revenues from finance component	0.00	(0.01)	(0.01)	0.00	(0.01)
Discontinued operation	(0.02)	(0.01)	0.65	---	---
Stock-based compensation	0.69	0.66	0.62	0.65	0.62
Amortization of stock-based compensation capitalized in inventories	0.00	0.01	0.00	0.00	0.00
Amortization and depreciation of acquired assets	0.04	0.03	0.04	0.05	0.03
Restructuring charges	0.08	0.17	0.40	---	---
Assets impairment	---	0.03	0.54	---	---
Loss (gain) from assets sales and disposal	0.02	0.02	0.01	---	---
Certain litigation and other contingencies	---	(0.01)	0.03	---	---
Acquisition costs	---	---	---	---	0.00
Non cash interest expense	0.07	0.06	0.06	0.06	0.04
Currency fluctuation related to lease standard	(0.04)	(0.02)	0.07	(0.05)	(0.03)
Loss (gain) from sale of equity and debt investments	(0.03)	---	0.00	0.01	---
Loss (gain) from business combination	(0.02)	---	---	---	---
Gain from the repurchase of convertible notes	(0.27)	---	---	---	---
Uncertain tax positions	---	---	---	---	---
Income tax adjustment	(0.01)	(0.09)	(0.49)	(0.19)	(0.06)
equity method adjustments	0.01	0.01	0.01	---	---
Net diluted earnings (loss) per share (Non-GAAP)	(1.79)	(1.90)	(0.93)	(0.55)	2.62

	Reconciliation of GAAP to Non-GAAP Number of shares				
	June 30, 2024	March 31, 2024	Three months ended December 31, 2023	September 30, 2023	June 30, 2023
Number of shares used in computing net diluted earnings (loss) per share (GAAP)	56,687,006	57,140,126	56,916,831	56,671,504	59,183,666
Stock-based compensation	---	---	---	---	986,527
Number of shares used in computing net diluted earnings (loss) per share (Non-GAAP)	56,687,006	57,140,126	56,916,831	56,671,504	60,170,193



Thank you

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