



SolarEdge To Acquire Kokam

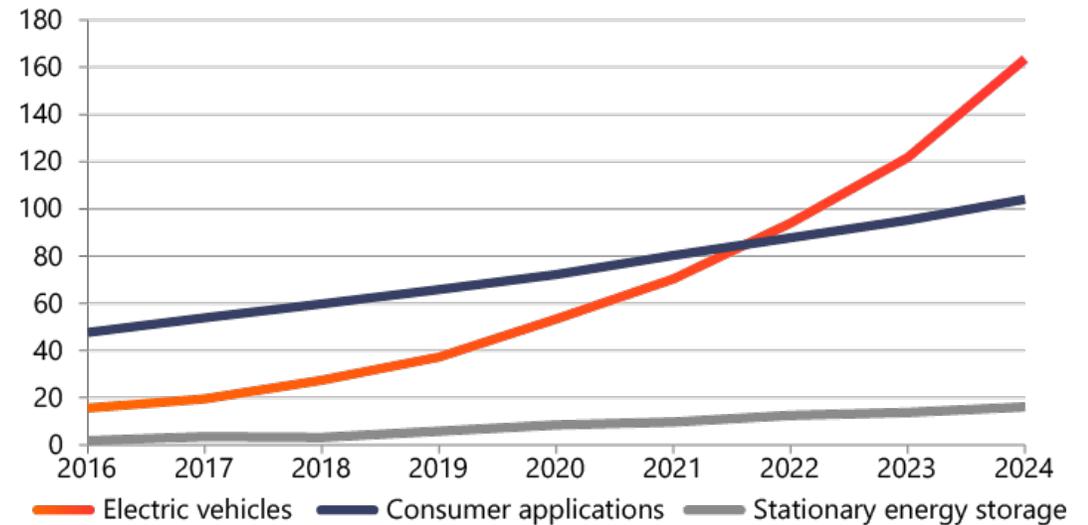
A provider of Li-ion cells,
batteries, and energy storage
solutions

October 11, 2018

Li-Ion Market Growth

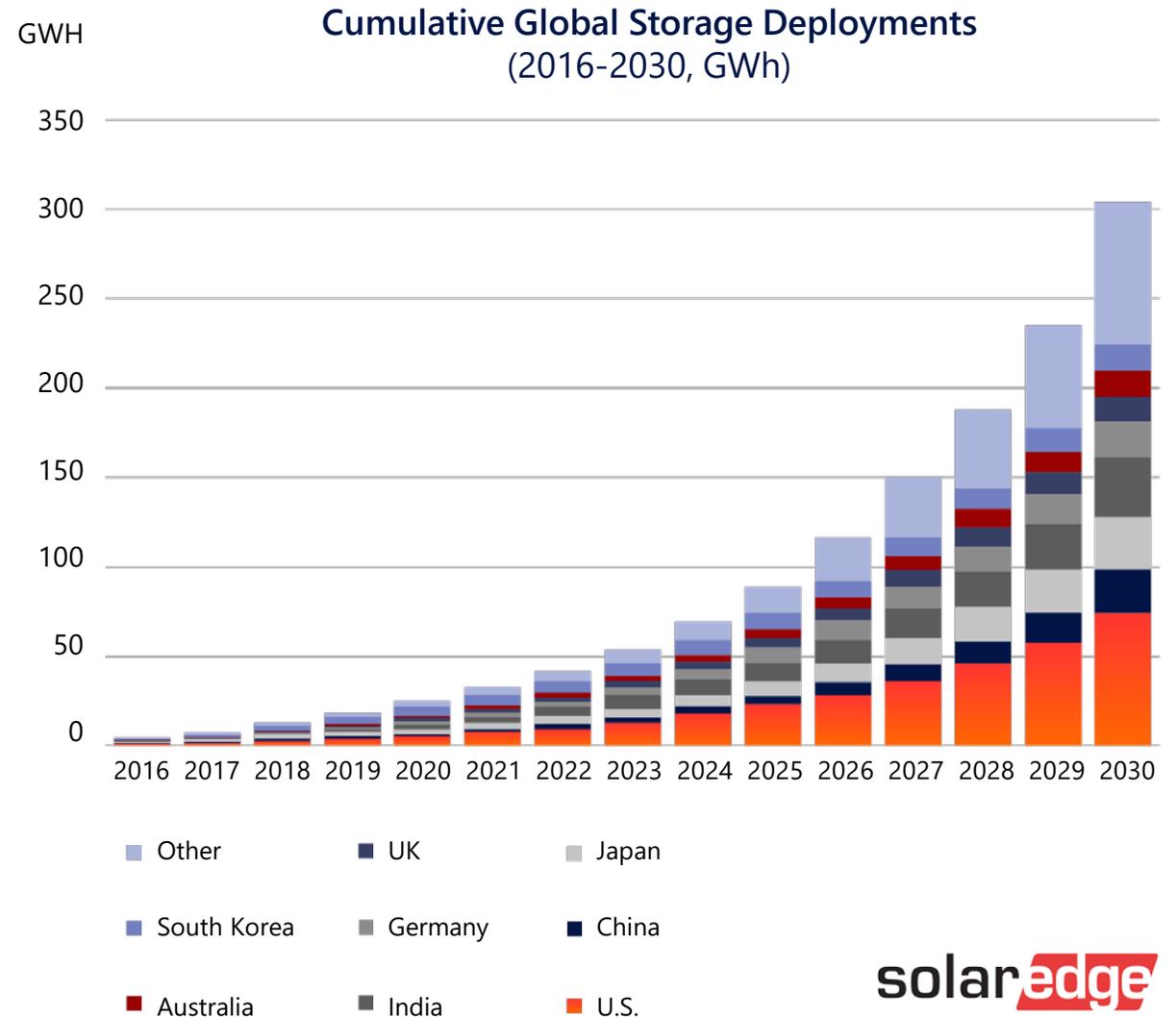
- Large and developing market with growth in all sectors – consumer applications, electric vehicles (EV), and stationary energy storage (ESS)
- Li-Ion battery market estimated to reach \$69B by 2022 (2016-2022; 16.6% CAGR)
- Li-Ion battery prices decreased 73% (2010-2016)
- Top 6 players hold 75% of the market
- Battery capacity lags behind demand:
 - Lithium-ion battery consumption grew 73% (2010-2014); production only increased 28% in the same period
 - Lithium demand expected to double or triple by 2030

Global Lithium-ion Battery Demand by Application
(2016-2024, GWh)



ESS Market Growth

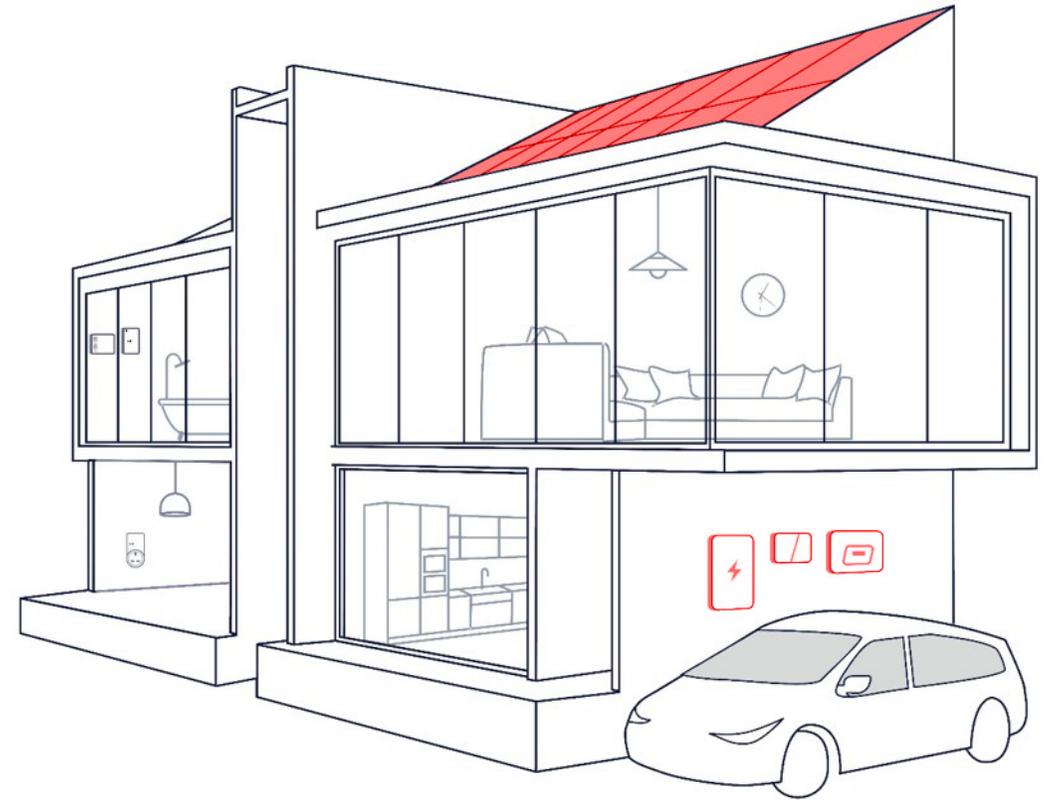
- Global market for Lithium-ion batteries for ESS sector estimated to double six times by 2030
- Annual grid-connected energy storage revenues to grow from \$1.9B to \$8.0B (2018-2025, 11% CAGR)
- Forecast shows 25% of storage deployments in the US



Solar + Storage

In the future, the majority of PV systems will be installed with battery storage

- Storage is becoming an integral part of the solar market
- As feed in tariffs diminish and PV becomes increasingly abundant, the need to store energy for later use is increasing
- Declining PV and storage system prices and technological advancement make this combination more attractive for residential, commercial, and utility applications
- Battery storage can be used for grid stabilization with increasing PV penetration rates
- Virtual power plants aggregate batteries in the cloud to meet energy supply shortages



About Kokam

- A global premier provider of innovative battery solutions
- Tier 1 battery manufacturer, ranked no. 5 in the ESS market
- More than 700MWh of field performance
- Over 232MWh of ESS installed globally
- Provides batteries to the utility scale ESS, UPS, electric vehicle (EV), aerospace, marine, and more industries
- Based in South Korea, a global hub of battery manufacturers
- Founded in 1989
- More than 60 battery-related patents
- Listed on the Korean OTC Exchange Market



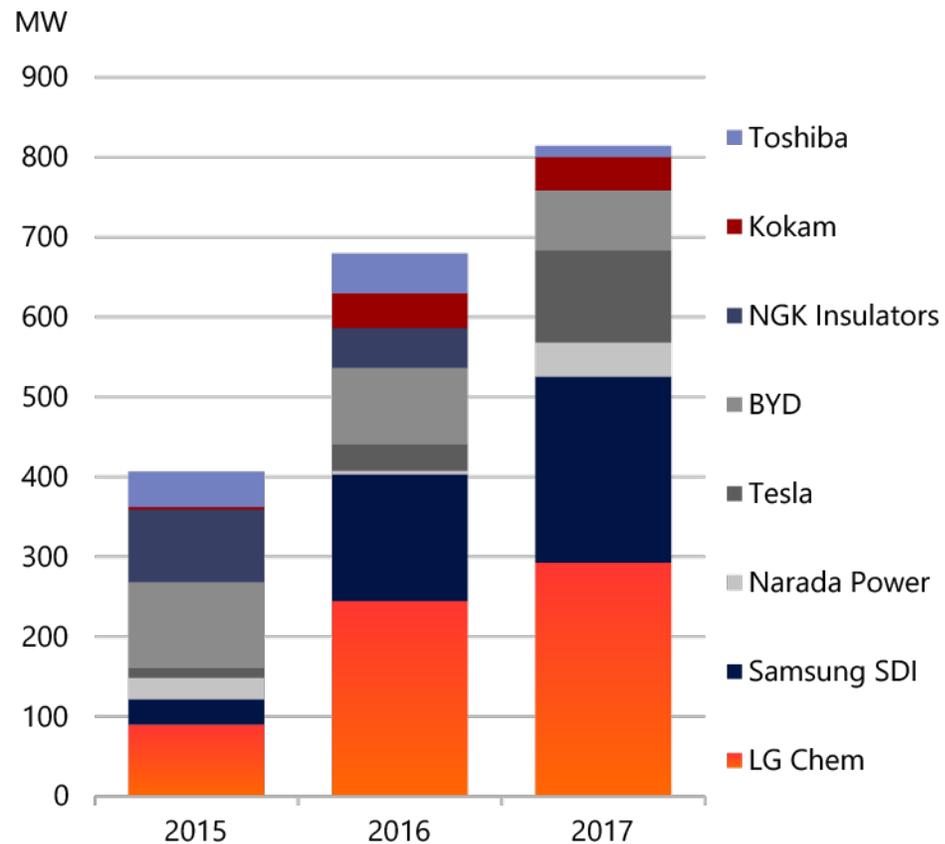
A Leading ESS Provider

Navigant Research Leader board Report:
Lithium-Ion Grid Storage



A Top 5 Player

Annual Commissioned and Shipped Capacity of Leading Battery Vendors (MW)



End-to-End Smart Energy Provider

- ▀ Strategically positioning SolarEdge as a one-stop-shop for smart energy solutions
- ▀ Allowing SolarEdge to enter the high-growth global battery market and diversify its business
- ▀ Allowing SolarEdge to access and control a steady supply chain of batteries to overcome market shortages
- ▀ Allowing Kokam to penetrate new market segments and geographical areas
- ▀ Synergy between SolarEdge's technological innovation and Kokam's world-class team and leading solutions



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

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