Disclaimer

IMPORTANT LEGAL NOTICE

This presentation does not constitute or form part of, and should not be construed as, an offer or invitation to subscribe for, underwrite or otherwise acquire, any securities of SMA Solar Technology AG (the “Company”) or any present or future subsidiary of the Company (together with the Company, the “SMA Group”) nor should it or any part of it form the basis of, or be relied upon in connection with, any contract to purchase or subscribe for any securities in the Company or any member of the SMA Group or commitment whatsoever.

All information contained herein has been carefully prepared. Nevertheless, we do not guarantee its accuracy or completeness and nothing herein shall be construed to be a representation of such guarantee. The Company shall assume no liability for errors contained in this document, unless damages are caused intentionally or through gross negligence by the Company. Furthermore, the Company shall assume no liability for effects of activities that evolve from the basis of data and information provided by this presentation.

The information contained in this presentation is subject to amendment, revision and updating, which does not underlie any prior announcement by the Company. Certain statements contained in this presentation may be statements of future expectations and other forward-looking statements that are based on the management’s current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those in such statements as a result of, among others, factors, changing business or other market conditions and the prospects for growth anticipated by the management of the Company. These and other factors could adversely affect the outcome and financial effects of the plans and events described herein. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements which speak only as of the date of this presentation.

This presentation is for information purposes only and may not be further distributed or passed on to any party which is not the addressee of this presentation solely after prior consent of the Company. No part of this presentation must be copied, reproduced or cited by the addressees hereof other than for the purpose for which it has been provided to the addressee. The content of this presentation, meaning all texts, pictures and sounds, are protected by copyright. The contained information of the presentation is property of the Company.

This document is not an offer of securities for sale in the United States of America. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933 as amended.
12th Capital Markets Day agenda

1. Highlights 2019
   Dr. Jürgen Reinert

2. Market and Competition
   Pamela Fiume, Dr. Jürgen Reinert

3. Positioning of SMA
   Dr. Jürgen Reinert

4. Financials & Guidance
   Ulrich Hadding

5. Specialist Presentations
1. Highlights 2019

Presented by Dr. Jürgen Reinert (CEO)
After a difficult year 2018, SMA has significantly increased sales and earnings and achieved its guidance 2019.

**SMA highlights 2019**

- **>10 GW inverter output sold**
  With a total of 11.4 GW, SMA has increased inverter output sold by 35%.

- **Largest order ever received**
  In Q3, SMA has started to deliver 595 MVPS with the new Sunny Central UP to a major US project developer.

- **O&M portfolio expanded**
  SMA will deliver O&M services to TerraForm Power’s 1 GW North American solar fleet for the next 10 years. The agreement expands SMA’s global O&M portfolio to 4.5 GW.

- **Contracts for >1 GW utility-scale battery inverter capacity signed**
  SMA has concluded contracts for the delivery of utility-scale battery storage solutions with a total capacity of >1 GW.
2. Market & Competition

Presented by Pamela Fiume (Market Intelligence), Dr. Jürgen Reinert (CEO)
Global PV Installations expected to grow by 8% p.a. in the medium term

The global PV installations grew by 7% from 2018 to 2019 and are expected to grow by 8% p.a. until 2022.

In the medium term, EMEA is the most promising region with around 15% annual growth thanks to MEA, Eastern European countries as well as Germany, France, Italy and the Netherlands.

Major APAC countries are India, Japan and Australia covering more than 70% of new PV installations in this region over the next three years. Chinese installations are expected to recover after a strong drop following the peak year 2017.

1. SMA Market Model Q1 2020, new PV installations, Res ≤10kW plants, Com 10kW-1MW plants, Uti >1MW plants
2. APAC excl. China
3. China new PV installations 52 GW in 2017 and 44 GW in 2018
Stable global investments in PV inverter technology by 2022 expected

Investments in PV system technology will remain stable due to price decrease in all segments and regions, despite annual increase in new installations and growing repowering potential of existing plants.

There is no significant shift in revenue potential expected among segments, there is a balancing by both regional and product mix.

Price decrease is expected to stabilize gradually after the strong pressure experienced in 2018.

1. SMA Market Model Q1-2020, new PV installations, Res ≤10kW plants, Com 10kW-1MW plants, Uti >1MW plants
Storage inverter technology and digital energy solutions drive market growth

- Power generation costs decrease, integrated energy and digitalization will lead to a higher share of renewable energy and its growth.

- The traditional PV inverter market outside of China will slightly grow over the next years. Digital solutions and battery storage are attractive additional value pools.

- PV inverters will serve as the backbone for smart grid solutions connecting the components and collecting data.

- Digital energy solutions gain importance for both homes and businesses, e.g. energy services for residential houses, food and non-food retail.

- O&M services remain important with continuously declining equipment prices and are key for sustainable PV investments. Service packages are aiming at utility plants in particular and vary from full to partial.

In € bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Digital energy 2</th>
<th>Battery storage inverters 1</th>
<th>O&amp;M services 1</th>
<th>PV inverter business 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>3.8</td>
<td>0.7</td>
<td>0.6</td>
<td>0.8</td>
</tr>
<tr>
<td>2020</td>
<td>3.7</td>
<td>0.8</td>
<td>0.7</td>
<td>0.9</td>
</tr>
<tr>
<td>2021</td>
<td>3.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.9</td>
</tr>
<tr>
<td>2022</td>
<td>3.7</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. SMA Market Model Q3 2019; global PV inverter market excluding China where SMA is not doing any business
2. SMA estimate of addressable market (limited number of countries) with currently available SMA home and business digital energy solutions; future offerings will increase addressable market systematically
SMA increased market share in 2019 compared to 2018 ranking #3 on a global level

- The inverter industry continued to experience a consolidation. The large inverter suppliers were able to gain market shares and strengthen their position.

- The top 6 players covered around 70% of the global inverter market in 2019.

- SMA was able to defend its market position ranking #3 globally and increased its market share.
PV is key for a cost-effective, secure and sustainable energy generation – Annual installations are expected to triple by 2030

• Digitalization accelerates the transition towards a decentralized energy supply system based on renewable energies.

• With the electrification of additional sectors, electricity is expected to become the main energy source, contributing almost 50% to final consumption in 2050. This means gross electricity consumption would more than double.

• PV will become the preferred energy source in the decentralized, digital energy supply system of tomorrow. This will lead to records in installations year over year.

Long-term market development

PV installations in GWdc

- 101 108 123 200 300

+10% p.a.

1. SMA Market Model Q1-2020, IRENA Global Energy Transformation 2019 Edition
Climate change and the trend towards sustainability are major drivers for future development

1.4 million people around the globe took to the streets to protest for climate protection on September 20, 2019.

90% of asset owners and managers expect ESG centered investment to grow further in the next two years.¹

2020 theme of the World Economic Forum meeting in Davos was “Stakeholders for a cohesive and sustainable world”.

81% of global consumers expect companies they are buying from to implement environmental programs.¹

3. Positioning of SMA

Presented by Dr. Jürgen Reinert (CEO)
From the very beginning, our goal has been to combine long-term business success with environmental protection and social responsibility.

That is why sustainability has been firmly anchored in our corporate mission since SMA was founded.

**Sustainability is at the heart of SMA’s people and business**

€10.5 billion of environmental damage was prevented in 2019 through the use of SMA inverters.\(^1\)

63% less energy is used today per kW of inverter power produced than four years ago.

38% of our total electricity consumption in Germany is covered by solar power from our own PV systems; the remaining electricity used is also renewable.

6,400 tons of CO\(_2\) were saved by company-owned PV systems in 2019. All SMA PV inverters produced to date help to save 59 million tons of CO\(_2\) annually.

50,000 customers from all segments were asked for their feedback in our global customer satisfaction survey 2019.

\(^1\) Calculation basis: 85 GW total installed SMA inverter capacity, \(\times\) 1,300 kWh power generation/year/kW \(\times\) 0.53 kg CO\(_2\)/kWh, \(\times\) 180 Euro cost per ton CO\(_2\) emissions avoided (costs according to Federal Environment Agency Germany)
With increasing decentralization, the electricity supply system will become more complex

To provide a sustainable, secure and cost-effective electricity supply, all players will have to be seamlessly integrated and interconnected.

- Renewable energies and storage systems form the backbone of future energy supply.
- In order to integrate them seamlessly and secure a reliable power supply, a comprehensive understanding of the system is essential.
With a portfolio that covers all stages of energy integration, SMA supports the transition to a sustainable, interconnected electricity supply.
Our perfectly matched hardware, software and services enable customers to participate in the energy system of tomorrow, today

**Market trend**

Demand for dedicated solutions is rising – SMA offers future-proof system packages.

**SMA offering**

- **Software – added value for all customer groups**
  With software like ennexOS and digital services, SMA is an innovator in the digital energy market and opens up new possibilities for all customer groups.

- **Service products – basis for long-term customer relationships**
  With service products such as monitoring, PV planning, grid integration, commissioning, etc., SMA is reliable long-term partner of its customers.

- **Components – SMA’s core business**
  With innovative and high-quality solar inverters and system components, SMA forms the core of every PV system.
With the SMA 360° Support, we assist installers in their daily business and open up new business potential for them.

SMA system packages
The SMA Energy Systems for residential and commercial applications combine perfectly matched hardware and software for PV, storage, energy management and market integration with service components from a single source.

SMA partner programs
The SMA partner programs provide installers and distributors with special offers, training, and marketing and sales support.

SMA Solar Academy
The comprehensive training courses and webinars of the SMA Solar Academy impart specialist knowledge on SMA solutions, current PV topics, storage solutions and energy management.

SMA 360° App
With the new app, SMA supports installers at every stage of their business – from customer acquisition through to system planning, commissioning, monitoring and servicing.
With SMA Large Scale & Project Solutions, we help PV investors, developers and operators to optimize their core business and develop new business models.

SMA inverters guarantee highest yields and efficient system design in PV power plants – even under harshest conditions.

SMA large-scale storage solutions secure electricity supply even in the event of grid failure and make additional business potential accessible.

SMA 360° Business Support, including grid studies for optimal grid integration of PV power plants, enhances performance, protects yields and opens up new business models.
With the comprehensive SMA Service offering, we establish mutually beneficial long-term partnerships

**SMA Repowering** for modernizing PV systems of all sizes to enhance performance and profit from new business models

**SMA Smart Connected** for free inverter monitoring in residential and commercial systems

**Engineering services**, virtual support, 24/7 monitoring and operations & maintenance for PV power plants

**Extended warranties** and system checks
Battery storage is the enabler for a secure and sustainable energy supply – SMA is the #1 battery inverter manufacturer in a rapidly growing market

Battery storage is the backbone of the future energy supply

In combination with battery storage, renewable energies are available 24/7 and can contribute flexibly to grid support.

SMA offers storage solutions for all segments and applications

- Home solutions
- Business solutions
- Utility PV and storage plants
- Off-grid solutions

SMA is by far the market leader in battery system technology

SMA’s experience and long-standing expertise are unrivalled in the industry.

Cumulative global storage capacity GWh

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2030</th>
<th>2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity</td>
<td>0</td>
<td>1000</td>
<td>2000</td>
</tr>
</tbody>
</table>

Battery inverter output sold in 2018

- SMA
- Comp. 1
- Comp. 2
- Comp. 3
- Comp. 4

1. Bloomberg NEO 2017
2. IHS Energy Storage Inverter (PCS) Report 2019 for 2018 figures; SMA for figure „SMA 2019“ (total battery inverter output, for which SMA has signed contracts in 2019)
We leverage our digital abilities to foster our start-ups for future business fields, thereby extending our comprehensive offerings.

With the establishment of innovative start-ups and joint ventures in the areas of digital energy services, EV-charging and e-commerce, SMA is tapping into new business fields that are opened up by rapidly evolving digitalization.
The global SMA sales and service infrastructure supports all customer groups –
Our state-of-the-art production sites are located in Germany and Poland.

**AMERICAS**
- 21 GW\(^1\) SMA cum. installed base
- 5 SMA sales and service companies
- 150+ sales & service experts

**EMEA**
- 44 GW SMA cum. installed base
- 8 SMA sales and service companies
- 400+ sales & service experts

**APAC**
- 20 GW SMA cum. installed base
- 5 SMA sales and service companies
- 100+ sales & service experts

\(^1\) All figures as per 2019/12/31
4. Financials & Guidance

Presented by Ulrich Hadding (CFO)
Sales grew by 20% and profitability improved significantly in 2019

### Preliminary key financials (in €m)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019e</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>MW sold</td>
<td>8,449</td>
<td>11,409</td>
<td>35%</td>
</tr>
<tr>
<td>Sales</td>
<td>761</td>
<td>915</td>
<td>20%</td>
</tr>
<tr>
<td>Home Solutions</td>
<td>188</td>
<td>240</td>
<td>28%</td>
</tr>
<tr>
<td>Business Solutions</td>
<td>289</td>
<td>296</td>
<td>2%</td>
</tr>
<tr>
<td>Large Scale &amp; Project Solutions</td>
<td>284</td>
<td>379</td>
<td>33%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>10%</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>-69</td>
<td>35</td>
<td>n.m.</td>
</tr>
<tr>
<td>Depreciation</td>
<td>83</td>
<td>46</td>
<td>-45%</td>
</tr>
<tr>
<td>EBIT</td>
<td>-152</td>
<td>-11</td>
<td>n.m.</td>
</tr>
<tr>
<td>Net result</td>
<td>-176</td>
<td>-8</td>
<td>n.m.</td>
</tr>
<tr>
<td>Net cash</td>
<td>306</td>
<td>303</td>
<td>-1%</td>
</tr>
<tr>
<td>Net CapEx (incl. R&amp;D)</td>
<td>40</td>
<td>28</td>
<td>-30%</td>
</tr>
</tbody>
</table>

### Comments

- Sales 2019 grew by 20% and all segments increased sales compared to 2018 with strong growth in the Home Solutions and Large Scale & Project Solutions segments.
- Gross margin improved compared to 2018, but was affected by price decline in the Large Scale & Project Solutions business.
- EBITDA 2019 positive and in the middle of the guidance range presented at the 2019 Capital Markets Day.
- 2019 Net result includes a positive financial result and slightly positive tax result from recognition of deferred tax assets.
Gross cash flow positive in 2019

### Preliminary group balance sheet (in €m)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>283</td>
<td>299</td>
<td>5%</td>
</tr>
<tr>
<td>Working capital</td>
<td>302</td>
<td>425</td>
<td>41%</td>
</tr>
<tr>
<td>Other assets</td>
<td>80</td>
<td>62</td>
<td>-22%</td>
</tr>
<tr>
<td>Total cash</td>
<td>324</td>
<td>318</td>
<td>-2%</td>
</tr>
<tr>
<td>Shareholder’s equity</td>
<td>424</td>
<td>414</td>
<td>-3%</td>
</tr>
<tr>
<td>Provisions^3</td>
<td>157</td>
<td>153</td>
<td>-2%</td>
</tr>
<tr>
<td>Trade payables</td>
<td>111</td>
<td>175</td>
<td>58%</td>
</tr>
<tr>
<td>Financial liabilities^4</td>
<td>18</td>
<td>15</td>
<td>-18%</td>
</tr>
<tr>
<td>Other liabilities^4</td>
<td>279</td>
<td>347</td>
<td>25%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>989</td>
<td>1,104</td>
<td>12%</td>
</tr>
</tbody>
</table>

### Preliminary cash flow (in €m)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>-176</td>
<td>-8</td>
</tr>
<tr>
<td>Gross cash flow</td>
<td>-39</td>
<td>32</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>-54</td>
<td>-1</td>
</tr>
<tr>
<td>Net capex</td>
<td>-40</td>
<td>-28</td>
</tr>
<tr>
<td>Free cash flow (Adj.)</td>
<td>-94</td>
<td>-29</td>
</tr>
<tr>
<td>Net investments from securities and other financial assets</td>
<td>47</td>
<td>111</td>
</tr>
<tr>
<td>Free cash flow (IFRS)</td>
<td>-47</td>
<td>82</td>
</tr>
</tbody>
</table>

1. Preliminary figures
2. As of 2019, includes IFRS16 effect (financial leases) of €19.4m
3. Not interest-bearing
4. w/o not interest-bearing derivatives: €0.3m (2018: €2.4m) and financial leases (€19.4m)
Restructuring measures delivered savings as planned in 2019

Restructuring savings (in €m)

Jan 2020 (FC) 2021 (FC)

- 1.0
- 2.2
- 3.5
- 5.6
- 6.7
- 8.8
- 10.4
- 12.8
- 15.6
- 18.7
- 21.2
- 24.4

Actual savings
Planned savings
Order backlog for products increased by 125% in 2019 to €395m

Order backlog by segment (in €m) and region (in %)

Total order backlog: €766m (Dec. 31st, 2019)

- Large Scale & Project Solutions\(^1\): 371
- Business Solutions\(^1\): 228
- Home Solutions\(^1\): 78
- Service\(^2\): 89

Product order backlog by regions (in %)

- Americas: 45%
- EMEA: 38%
- APAC: 17%

Order backlog development (in €m)

- 12/31/2018: 578
- 03/31/2019: 620
- 06/30/2019: 819
- 09/30/2019: 797
- 12/31/2019: 766
- 01/31/2020: 803

\(+33\%\)

Product order backlog at end of 2019 already secures approx. 40% of 2020 annual sales guidance.

1. w/o „Service“
2. Order backlog attributable to the former segment „Service“, which will be recognized over a period of 5 to 10 years
Management expects sales and profitability growth for 2020

Guidance 2020 (in €m)

Sales

\[ \begin{array}{c|c|c}
2019^1 & 2020 & 2019^1 \\
915 & 1,0 - 1,1 bn & 35
\end{array} \]

EBITDA

\[ \begin{array}{c|c|c}
2020 & 2020 & 2020 \\
50-80 & 35 & 35
\end{array} \]

Management comments

- Management expects sales growth in all segments, especially in our Large Scale and Business segments.
- SMA strives to increase market share in all key markets, building on 2019 order intake of over 1 billion Euros.
- Price pressure is expected to ease off compared to prior years for all segments.
- Restructuring savings continue to contribute to profitability in 2020.

CapEx (incl. R&D & leasing)\(^2\) c. €50m

Depreciation / amortization c. €45m

1. Preliminary figures
2. incl. ca. €10m for R&D and ca. €15m from leasing
Backup
Managing Board and shareholder structure

Managing Board

Dr. Jürgen Reinert, CEO
Sales & Service, Technology, Operations, Business Units

Ulrich Hadding, CFO
Finance, HR, Legal, Investor Relations

Shareholder Structure¹

- SMA Founders, their Families and Trusts: 25.20%
- Various: 22.51%
- Danfoss: 20.00%
- Other: 11.05%
- Free float: 8.65%
- 6.30%
- 6.30%

¹ as of February 7, 2020, Company Information

• No pre-emption rights or other restrictions
Thank you.