
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of **August 2020**

Commission File Number **001-36903**

KORNIT DIGITAL LTD.

(Translation of Registrant's name into English)

**12 Ha'Amal Street
Park Afek**

Rosh Ha'Ayin 4824096 Israel
(Address of Principal Executive Office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

CONTENTS

Results of Operations and Financial Condition- Second Quarter of 2020

On August 11, 2020 Kornit Digital Ltd. (“**Kornit**”) issued a press release entitled “Kornit Digital Reports Second Quarter 2020 Results,” in which Kornit reported its results of operations for the quarter ended June 30, 2020. A copy of that press release is furnished as Exhibit 99.1 hereto.

In conjunction with the conference call being held on August 11, 2020 to discuss Kornit’s quarterly results for the quarter ended June 30, 2020, Kornit has also made available to its investors a slide presentation to provide additional information regarding its business and its financial results. That slide presentation is attached as Exhibit 99.2 to this Report of Foreign Private Issuer on Form 6-K (this “**Form 6-K**”) and is incorporated herein by reference.

The U.S. GAAP financial information contained in the (i) consolidated balance sheets, (ii) consolidated statements of operations and (iii) consolidated statements of cash flows included in the press release attached as Exhibit 99.1 to this Report of Foreign Private Issuer on Form 6-K is hereby incorporated by reference into Kornit’s Registration Statements on Form F-3 (File No. 333-232070) and Form S-8 (File No.’s 333-203970, 333-214015, 333-217039, 333-223794, 333-230567 and 333-237346).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KORNIT DIGITAL LTD.

Date: August 11, 2020

By: /s/ Guy Avidan
Name: Guy Avidan
Title: Chief Financial Officer

Exhibit Index

Exhibit No.	Description
99.1	Press release, dated August 11, 2020, titled "Kornit Digital Reports Second Quarter 2020 Results"
99.2	Slide presentation for conference call of Kornit held on August 11, 2020 discussing quarterly financial results for the second quarter of 2020

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**Kornit Digital Reports Second Quarter 2020 Results****Announces Acquisition of Custom Gateway, a leading global provider of cloud software workflow solutions enabling on-demand apparel and home décor production**

- Second quarter revenue of \$37.4 million, net of non-cash warrants impact of \$0.8 million
- Second quarter GAAP operating loss of \$5.3 million; Non-GAAP operating loss of \$2.5 million, including \$0.8 million attributed to the non-cash impact of warrants
- Inflection in online channels, acceleration of digital transformation in textile industry drives strong performance in North America
- Robust pipeline and strong momentum
- Combination of Custom Gateway's software workflow portfolio with Kornit's existing technologies will bring to the market a unique, end-to-end solution for on-demand textile production.

Rosh-Ha'Ayin, Israel – August 11, 2020 – Kornit Digital Ltd. (NASDAQ: KRNT), a leading provider of digital printing solutions for the global textile industry, today reported results for the second quarter ended June 30, 2020.

“We are very pleased to see strong momentum in the business as customers reopened sites in April and reengaged in big projects in response to significant demand, particularly in online channels. Looking ahead, we believe that we are at one of the most exciting times in our Company's history, as the mega trends in our industry have accelerated the transition to digital textile production where we are in a unique position to benefit,” said Ronen Samuel, Kornit Digital's CEO. “For Kornit, we believe this inflection point will drive a V-shaped recovery in the business as we help brands and strategic partners quickly adopt agile, digital, and sustainable on-demand textile manufacturing.”

Samuel continued, “We are also very excited to announce the acquisition of Custom Gateway, a leading provider of cloud software workflow solutions. This highly strategic acquisition accelerates our organic development effort and, when combined with Kornit's technologies, will bring to the market a unique offering for end-to-end management of sustainable on-demand textile production. This combination further extends our market leadership.”

2019 GAAP and Non-GAAP figures in today's press release are presented using a different valuation basis for the warrants impact compared to previous years as a result of the recently issued accounting standards update (ASU 2019-08).

The following table compares the adverse, non-cash impact that our outstanding warrants had on our results of operations during the second quarter of 2020 and 2019, respectively:

Second Quarter Warrants Impact

	Three Months Ended June 30,			
	2020		2019	
	Net of Warrants Impact	Warrants Impact	Net of Warrants Impact	Warrants Impact
Revenue	\$ 37.4M	\$ 0.8M	\$ 45.3M	\$ 1.0M
Non-GAAP Gross Margin	44.1%	123bps	47.7%	110bps
Non-GAAP Operating Margin	(6.8)%	235bps	9.2%	191bps
Non-GAAP Net Margin	(3.6)%	228bps	9.5%	190bps
Non-GAAP Diluted Earnings (Loss) Per Share	\$ (0.03)	\$ 0.02	\$ 0.11	\$ 0.03

“We are very excited by the huge opportunity we see in the market that has resulted in an unprecedented pipeline and very good visibility. The team is highly engaged with new customers as well as strategic partners’ system implementations that will not only drive system revenue over the coming quarters but will also create long-term demand for ink and services,” said Guy Avidan, Kornit Digital’s Chief Financial Officer. “As we head into the back of 2020, we are focused on a strong finish to the year and committed to profitability for fiscal 2020.”

Second Quarter 2020 Results of Operations

- Total revenue for the second quarter of 2020 was \$37.4 million, net of \$0.8 million attributed to the non-cash impact of warrants, compared to \$45.3 million, net of \$1.0 million attributed to the non-cash impact of warrants in the prior year period.
- GAAP net loss for the second quarter of 2020 was \$4.6 million, or \$0.11 per diluted share, compared to net income of \$1.9 million, or \$0.05 per diluted share, for the second quarter of 2019.
- Non-GAAP net loss for the second quarter 2020 was \$1.3 million, or \$0.03 per diluted share, including \$0.02 per diluted share attributed to the non-cash impact of warrants, compared to non-GAAP net income of \$4.3 million, or \$0.11 per diluted share, net of \$0.03 per diluted share attributed to the non-cash impact of warrants, for the second quarter of 2019.

Third Quarter 2020 Guidance

The Company will discuss its expectations for the third quarter and the balance of 2020 live during its earnings conference call, which will be available for replay via webcast at ir.kornit.com, as referenced below.

Second Quarter Earnings Conference Call Information

The Company will host a conference call today at 5:00 p.m. ET, or 12:00 a.m. Israel time, to discuss the results, followed by a question and answer session for the investment community. A live webcast of the call can be accessed at ir.kornit.com. To access the call, participants may dial toll-free at 1-877-407-0792 or +1-201-689-8263. The toll-free Israeli number is 1 809 406 247. The confirmation code is 13707102.

To listen to a telephonic replay of the conference call, dial toll-free 1-844-512-2921 or +1-412-317-6671 (international) and enter confirmation code 13707102. The telephonic replay will be available beginning at 8:00 p.m. ET on Tuesday, August 11, 2020, until 11:59 p.m. ET on Tuesday, August 25, 2020. The call will also be available for replay via the webcast link on Kornit's Investor Relations website.

Upcoming Fireside Chat to Discuss Custom Gateway Acquisition

The Company will host a virtual fireside chat for investors on Tuesday, August 18, 2020 at 10:30 a.m. ET to discuss the acquisition of Custom Gateway and the related market opportunity. Dial-in details and webcast information will be available on the investor relations section of Kornit's website.

Forward Looking Statements

Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other U.S. securities laws. Forward-looking statements are characterized by the use of forward-looking terminology such as "will," "expects," "anticipates," "continue," "believes," "should," "intended," "guidance," "preliminary," "future," "planned," or other words. These forward-looking statements include, but are not limited to, statements relating to the Company's objectives, plans and strategies, statements of preliminary or projected results of operations or of financial condition and all statements that address activities, events or developments that the Company intends, expects, projects, believes or anticipates will or may occur in the future. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. The Company has based these forward-looking statements on assumptions and assessments made by its management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Important factors that could cause actual results, developments and business decisions to differ materially from those anticipated in these forward-looking statements include, among other things: the duration of the global COVID-19 pandemic, which, if extensive, may continue to impact, in a material adverse manner, our operations, financial position and cash flows, and those of our customers and suppliers; the degree of our success in developing, introducing and selling new or improved products and product enhancements including specifically our Poly Pro and Presto products the extent of our ability to consummate sales to large accounts with multi-system delivery plans, the degree of our ability to fill orders for our systems, the extent of our ability to continue to increase sales of our systems, ink and consumables, the extent of our ability to leverage our global infrastructure build-out, the development of the market for digital textile printing, the availability of alternative ink, competition, sales concentration, changes to our relationships with suppliers, the extent of our success in marketing, and those additional factors referred to under "Risk Factors" in Item 3.D of the Company's Annual Report on Form 20-F for the year ended December 31, 2019, filed with the U.S. Securities and Exchange Commission on March 23, 2020. Any forward-looking statements in this press release are made as of the date hereof, and the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Non-GAAP Discussion Disclosure

Non-GAAP financial measures consist of GAAP financial measures adjusted to exclude the impact of share-based compensation expenses, acquisition related expenses, excess cost of acquired inventory, foreign exchange differences associated with ASC 842, amortization of acquired intangible assets, deferred tax impact and the one-time impact of COVID-19 and the tax effect of the foregoing. The purpose of such adjustments is to provide an indication of our performance exclusive of non-cash charges and other items that are considered by management to be outside of our core operating results. These Non-GAAP measures are among the primary factors management uses in planning for and forecasting future periods. Furthermore, the Non-GAAP measures are regularly used internally to understand, manage and evaluate our business and make operating decisions, and we believe that they are useful to investors as a consistent and comparable measure of the ongoing performance of our business. However, our Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. Additionally, these Non-GAAP financial measures may differ materially from the Non-GAAP financial measures used by other companies.

About Kornit

Kornit Digital (NASDAQ: KRNT) develops, manufactures and markets industrial digital printing technologies for the garment, apparel and textile industries. Kornit delivers complete solutions, including digital printing systems, inks, consumables, software and after-sales support. Leading the digital direct-to-garment printing market with its exclusive eco-friendly NeoPigment printing process, Kornit caters directly to the changing needs of the textile printing value chain. Kornit's technology enables innovative business models based on web-to-print, on-demand and mass customization concepts. With its immense experience in the direct-to-garment market, Kornit also offers a revolutionary approach to the roll-to-roll textile printing industry: digitally printing with a single ink set onto multiple types of fabric with no additional finishing processes. Founded in 2002, Kornit Digital is a global company, headquartered in Israel with offices in the USA, Europe and Asia Pacific, and serves customers in more than 100 countries worldwide.

About Custom Gateway

For more information on Custom Gateway, please visit Custom Gateway's website.

**KORNIT DIGITAL LTD.
AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(U.S. dollars in thousands)**

	<u>June 30, 2020</u> (Unaudited)	<u>December 31, 2019</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 47,448	\$ 40,743
Short-term bank deposit	79,804	95,000
Marketable securities	36,453	32,567
Trade receivables, net	39,803	40,510
Inventory	42,126	37,477
Other accounts receivable and prepaid expenses	7,910	6,985
Total current assets	<u>253,544</u>	<u>253,282</u>
LONG-TERM ASSETS:		
Marketable securities	73,687	95,393
Deposits and prepaid expenses	438	356
Severance pay fund	295	301
Deferred taxes	9,025	7,781
Property, plant and equipment, net	24,182	17,489
Operating lease right-of-use assets	22,859	22,806
Intangible assets, net	2,132	2,494
Goodwill	5,564	5,564
Total long-term assets	<u>138,182</u>	<u>152,184</u>
Total assets	<u>\$ 391,726</u>	<u>\$ 405,466</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	\$ 13,021	\$ 23,449
Employees and payroll accruals	9,435	9,165
Deferred revenues and advances from customers	2,579	2,688
Operating lease liabilities	4,061	3,902
Other payables and accrued expenses	6,796	6,373
Total current liabilities	<u>35,892</u>	<u>45,577</u>
LONG-TERM LIABILITIES:		
Accrued severance pay	1,092	1,035
Operating lease liabilities	19,076	19,231
Other long-term liabilities	1,177	1,320
Total long-term liabilities	<u>21,345</u>	<u>21,586</u>
SHAREHOLDERS' EQUITY	<u>334,489</u>	<u>338,303</u>
Total liabilities and shareholders' equity	<u>\$ 391,726</u>	<u>\$ 405,466</u>

**KORNIT DIGITAL LTD.
AND ITS SUBSIDIARIES**
CONSOLIDATED STATEMENTS OF OPERATIONS
(U.S. dollars in thousands, except share and per share data)

	Six Months Ended		Three Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
	<u>(Unaudited)</u>		<u>(Unaudited)</u>	
Revenues				
Products	\$ 54,246	\$ 71,030	\$ 31,859	\$ 38,786
Services	9,402	12,893	5,577	6,547
Total revenues	<u>63,648</u>	<u>83,923</u>	<u>37,436</u>	<u>45,333</u>
Cost of revenues				
Products	27,086	34,209	14,930	17,787
Services	12,736	13,891	6,708	7,450
Total cost of revenues	<u>39,822</u>	<u>48,100</u>	<u>21,638</u>	<u>25,237</u>
Gross profit	<u>23,826</u>	<u>35,823</u>	<u>15,798</u>	<u>20,096</u>
Operating expenses:				
Research and development	13,524	10,776	7,041	5,309
Selling and marketing	16,788	16,473	8,291	9,205
General and administrative	11,864	8,356	5,794	4,313
Total operating expenses	<u>42,176</u>	<u>35,605</u>	<u>21,126</u>	<u>18,827</u>
Operating income (loss)	<u>(18,350)</u>	<u>218</u>	<u>(5,328)</u>	<u>1,269</u>
Financial income, net	2,797	545	592	549
Income (loss) before taxes on income	<u>(15,553)</u>	<u>763</u>	<u>(4,736)</u>	<u>1,818</u>
Taxes on income (Tax benefit)	<u>(927)</u>	<u>20</u>	<u>(164)</u>	<u>(85)</u>
Net income (loss)	<u>(14,626)</u>	<u>743</u>	<u>(4,572)</u>	<u>1,903</u>
Basic earnings (losses) per share	<u>\$ (0.36)</u>	<u>\$ 0.02</u>	<u>\$ (0.11)</u>	<u>\$ 0.05</u>
Weighted average number of shares used in computing basic earnings (losses) per share	<u>40,817,593</u>	<u>35,547,223</u>	<u>40,872,497</u>	<u>35,962,455</u>
Diluted earnings (losses) per share	<u>\$ (0.36)</u>	<u>\$ 0.02</u>	<u>\$ (0.11)</u>	<u>\$ 0.05</u>
Weighted average number of shares used in computing diluted earnings (losses) per share	<u>40,817,593</u>	<u>36,767,656</u>	<u>40,872,497</u>	<u>37,287,748</u>

**KORNIT DIGITAL LTD.
AND ITS SUBSIDIARIES**
RECONCILIATION OF GAAP TO NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS
(U.S. dollars in thousands, except share and per share data)

	Six Months Ended		Three Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
	<u>(Unaudited)</u>		<u>(Unaudited)</u>	
GAAP cost of revenues	\$ 39,822	\$ 48,100	\$ 21,638	\$ 25,237
Cost of product recorded for share-based compensation (1)	(491)	(237)	(277)	(129)
Cost of service recorded for share-based compensation (1)	(360)	(230)	(210)	(116)
Intangible assets amortization on cost of product (3)	(50)	(50)	(25)	(25)
Excess cost of product on acquired inventory (a)	-	(2,790)	-	(1,236)
Acquisition related expenses (2)	-	(28)	-	-
COVID-19 one time impact (4)	(446)	-	(202)	-
Non-GAAP cost of revenues	<u>\$ 38,475</u>	<u>\$ 44,765</u>	<u>\$ 20,924</u>	<u>\$ 23,731</u>
GAAP gross profit	\$ 23,826	\$ 35,823	\$ 15,798	\$ 20,096
Gross profit adjustments	1,347	3,335	714	1,506
Non-GAAP gross profit	<u>\$ 25,173</u>	<u>\$ 39,158</u>	<u>\$ 16,512</u>	<u>\$ 21,602</u>
GAAP operating expenses	\$ 42,176	\$ 35,605	\$ 21,126	\$ 18,827
Share-based compensation (1)	(3,779)	(2,276)	(2,035)	(1,198)
Acquisition related expenses (2)	-	(57)	-	-
Intangible assets amortization (3)	(251)	(308)	(116)	(179)
COVID-19 one time impact (4)	69	-	80	-
Non-GAAP operating expenses	<u>\$ 38,215</u>	<u>\$ 32,964</u>	<u>\$ 19,055</u>	<u>\$ 17,450</u>
GAAP Financial income	\$ 2,797	\$ 545	\$ 592	\$ 549
Foreign exchange losses associated with ASC 842	(82)	538	528	203
Non-GAAP Financial income	<u>\$ 2,715</u>	<u>\$ 1,083</u>	<u>\$ 1,120</u>	<u>\$ 752</u>
GAAP Taxes on income (Tax benefit)	\$ (927)	\$ 20	\$ (164)	\$ (85)
Tax effect on to the above non-GAAP adjustments	(180)	871	(98)	382
Tax benefit (b)	1,015	460	169	295
Non-GAAP Taxes on income (Tax benefit)	<u>\$ (92)</u>	<u>\$ 1,351</u>	<u>\$ (93)</u>	<u>\$ 592</u>
GAAP net income (loss)	\$ (14,626)	\$ 743	\$ (4,572)	\$ 1,903
Share-based compensation (1)	4,630	2,743	2,522	1,443
Acquisition related expenses (2)	-	85	-	-
Intangible assets amortization (3)	301	358	141	204
COVID-19 one time impact (4)	377	-	122	-
Excess cost of product on acquired inventory (a)	-	2,790	-	1,236
Foreign exchange losses associated with ASC 842	(82)	538	528	203
Tax effect on to the above non-GAAP adjustments	180	(871)	98	(382)
Deferred taxes on income (Tax benefit) (b)	(1,015)	(460)	(169)	(295)
Non-GAAP net income (loss)	<u>\$ (10,235)</u>	<u>\$ 5,926</u>	<u>\$ (1,330)</u>	<u>\$ 4,312</u>
GAAP diluted earnings (losses) per share	<u>\$ (0.36)</u>	<u>\$ 0.02</u>	<u>\$ (0.11)</u>	<u>\$ 0.05</u>
Non-GAAP diluted earnings (losses) per share	<u>\$ (0.25)</u>	<u>\$ 0.16</u>	<u>\$ (0.03)</u>	<u>\$ 0.11</u>
Weighted average number of shares				
Shares used in computing GAAP diluted net earnings (losses) per share	<u>40,817,593</u>	<u>36,767,656</u>	<u>40,872,497</u>	<u>37,287,748</u>
Shares used in computing Non-GAAP diluted net earnings (losses) per share	<u>40,817,593</u>	<u>36,976,062</u>	<u>40,872,497</u>	<u>37,532,617</u>
(1) Share-based compensation				
Cost of product revenues	491	237	277	129
Cost of service revenues	360	230	210	116
Research and development	780	600	436	345
Selling and marketing	1,381	636	740	321
General and administrative	1,618	1,040	859	532
	<u>4,630</u>	<u>2,743</u>	<u>2,522</u>	<u>1,443</u>
(2) Acquisition related expenses				
Cost of product revenues	-	28	-	-
Selling and marketing	-	14	-	-
General and administrative	-	43	-	-
	<u>-</u>	<u>85</u>	<u>-</u>	<u>-</u>
(3) Intangible assets amortization				
Cost of product revenues	50	50	25	25
Selling and marketing	251	308	116	179
	<u>301</u>	<u>358</u>	<u>141</u>	<u>204</u>

(4) COVID-19 one time impact				
Cost of product revenues	453	-	209	-
Cost of service revenues	(7)	-	(7)	-
Research and development	(57)	-	(57)	-
Selling and marketing	(1)	-	(12)	-
General and administrative	(11)	-	(11)	-
	<u>377</u>	<u>-</u>	<u>122</u>	<u>-</u>

- (a) Consists of charges to cost of revenues for the difference between the higher carrying cost of the acquired inventory from a distributor purchased on February 8, 2019 which was recorded at fair value and the standard cost of the Company's inventory, which adversely impacts the Company's gross profit.
- (b) Non cash impact related to the recognition of deferred taxes with respect to carryforward losses in Israel.

**KORNIT DIGITAL LTD.
AND ITS SUBSIDIARIES**
CONSOLIDATED STATEMENTS OF CASH FLOWS
(U.S. dollars in thousands)

	Six Months Ended		Three Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
	<u>(Unaudited)</u>		<u>(Unaudited)</u>	
Cash flows from operating activities:				
Net income (loss)	\$ (14,626)	\$ 743	\$ (4,572)	\$ 1,903
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	2,196	2,222	1,095	1,141
Fair value of warrants deducted from revenues	1,406	1,534	841	974
Share-based compensation	4,630	2,743	2,522	1,443
Amortization of discount on marketable securities	165	(84)	76	(50)
Realized gain on sale of marketable securities	(102)	(271)	-	(271)
Decrease (increase) in trade receivables	616	(12,163)	(6,769)	(8,022)
Decrease (increase) in other receivables and prepaid expenses	(844)	750	135	(532)
Decrease (increase) in inventory	(5,205)	(1,525)	4,298	78
Decrease (increase) in operating leases right-of-use assets	33	34	(30)	10
Decrease (increase) in deferred taxes, net	(1,384)	(646)	(278)	(460)
Decrease (increase) in other long term assets	(82)	204	(87)	(6)
Increase (decrease) in trade payables	(9,891)	3,782	(8,387)	1,114
Increase (decrease) in operating lease liabilities	(82)	538	527	203
Increase (decrease) in employees and payroll accruals	335	(783)	688	(1,909)
Decrease in deferred revenues and advances from customers	(107)	(1,774)	(12)	(453)
Increase in other payables and accrued expenses	432	952	792	605
Increase in accrued severance pay, net	63	7	92	44
Decrease in other long term liabilities	(143)	(210)	(13)	(12)
Loss from sale and disposal of property and Equipment	75	-	-	-
Foreign currency translation income (loss) on inter company balances with foreign subsidiaries	183	11	(127)	(182)
Net cash used in operating activities	(22,332)	(3,936)	(9,209)	(4,382)
Cash flows from investing activities:				
Purchase of property and equipment	(8,511)	(1,964)	(4,936)	(1,310)
Acquisition of intangible assets and capitalization of software development costs	(121)	(650)	(40)	(650)
Proceeds from sale of property and equipment	4	-	-	-
Cash paid in connection with acquisition	-	(4,715)	-	-
Decrease (increase) in bank deposits	15,196	(77,000)	1,346	(68,000)
Proceeds from sale of marketable securities	20,802	30,445	-	29,807
Proceeds from maturity of marketable securities	17,445	500	5,343	-
Purchase of marketable securities	(18,542)	(44,599)	(9,801)	-
Net cash provided by (used in) investing activities	26,273	(97,983)	(8,088)	(40,153)
Cash flows from financing activities:				
Proceeds from secondary offering, net	-	130,379	-	130,379
Exercise of employee stock options	2,804	2,269	1,236	1,125
Payments related to shares withheld for taxes	(64)	-	(11)	-
Payment of contingent consideration	-	(303)	-	-
Net cash provided by financing activities	2,740	132,345	1,225	131,504
Foreign currency translation adjustments on cash and cash equivalents	24	(8)	43	22
Increase (decrease) in cash and cash equivalents	6,705	30,418	(16,029)	86,991
Cash and cash equivalents at the beginning of the period	40,743	74,132	63,477	17,559
Cash and cash equivalents at the end of the period	47,448	104,550	47,448	104,550
Non-cash investing and financing activities:				
Purchase of property and equipment on credit	384	658	384	658
Inventory transferred to be used as property and equipment	511	-	214	-
Property and equipment transferred to be used as inventory	51	-	-	-
Issuance expenses on credit	-	648	-	648
Receipt on account of shares	13	811	13	811
Lease liabilities arising from obtaining right-of-use assets	2,187	-	267	-
Capitalization of software development costs	-	87	-	87

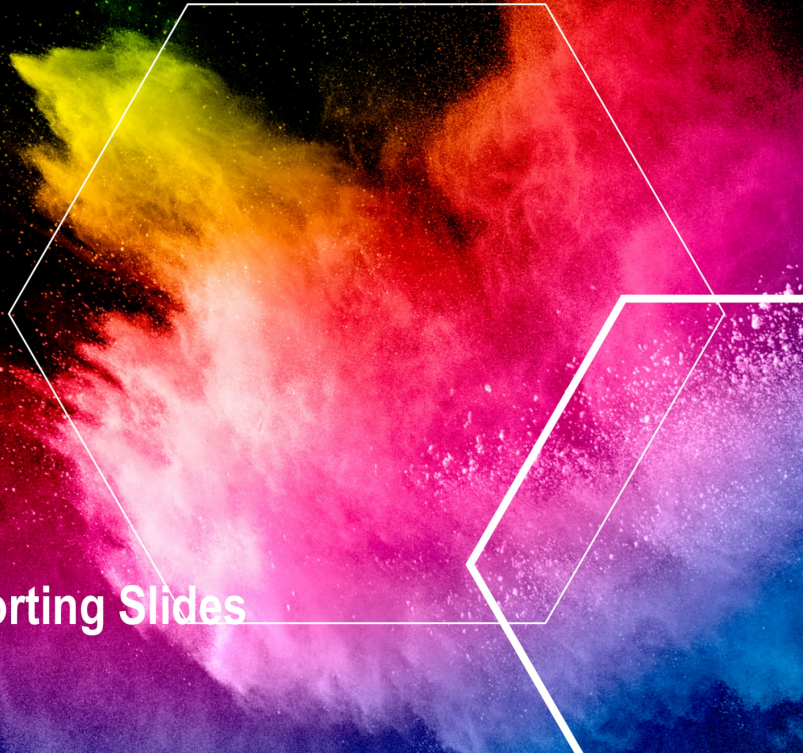


Kornit Digital
bonding matters

KORNIT DIGITAL

(NASDAQ: KRNT)

Q2 2020 Earnings Call – Supporting Slides



SAFE HARBOR

This presentation contains forward-looking statements within the meaning of U.S. securities laws. All statements other than statements of historical fact contained in this presentation are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other comparable terminology. These statements reflect our current views with respect to future events and are subject to known and unknown risks, uncertainties and other factors that may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from those anticipated by the forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance or events or circumstances described in the presentation will occur or be achieved. You should read the Company’s most recent quarterly report on Form 6-K filed with the U.S. Securities and Exchange Commission on May 19, 2020, including the Risk Factors set forth therein, completely and with the understanding that our actual future results may be materially different from what we expect. Specifically, we face the risk that the duration of the global COVID-19 pandemic may be extensive, which could continue to impact, in a material adverse manner, our operations, financial position and cash flows, and those of our customers and suppliers. Except as required by law, we undertake no obligation to update or revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this presentation.

In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. Reconciliation between results on a GAAP and non-GAAP basis is provided in Slide 17.

This presentation contains statistical data that we obtained from industry publications and reports generated by third parties. Although we believe that the publications and reports are reliable, we have not independently verified this statistical data.

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SPEAKERS ON TODAY'S CALL



Ronen Samuel
CEO



Guy Avidan
CFO



Amir Shaked Mandel
EVP Corp Dev



OUR VISION

CREATE A **BETTER WORLD**

WHERE EVERYBODY CAN BOND, DESIGN AND
EXPRESS THEIR IDENTITIES, ONE IMPRESSION AT A TIME



BUSINESS HIGHLIGHTS

RONEN SAMUEL
CEO



KORNIT DIGITAL

ACQUIRES

CUSTOM GATEWAY



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CUSTOM **GATEWAY**
Enabling On Demand



INDUSTRY
AT AN
INFLECTION
POINT

ON-LINE SALES ARE
BOOMING B2C
B2B

WHILE

TRADITIONAL RETAIL
MELT DOWN



EXCESS
MANUFACTURING
& OVER PRODUCTION

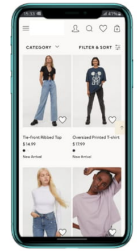
EXCESS INVENTORY

A MAJOR PAIN POINT
FOR BRANDS AND
RETAILERS

**Inditex Writes Down Inventory,
Signals Sales Drop as
Coronavirus Hits**

The Zara owner took a nearly €300 million impairment on its inventory and said sales fell 24 percent this month.

KORNIT DIGITAL ACQUIRES CUSTOM GATEWAY



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CUSTOM **GATEWAY**
Enabling On Demand

EXPANDING CLOUD SOFTWARE
WORKFLOW PORTFOLIO FOR
END-TO-END MANAGEMENT OF
ON-DEMAND APPAREL AND
HOME DÉCOR PRODUCTION



TOGETHER WE WILL ENABLE

ON-DEMAND
MANUFACTURING
FOR BRANDS AND
RETAILERS

EFFICIENT SCALE
UP OF ON-DEMAND
PRODUCTION
FLOORS

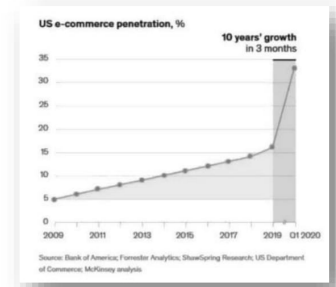
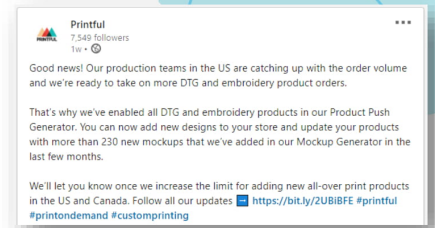
- Bring a unique, end-to-end solution for on-demand production to the market
- Revolutionize how global brands and fulfillers transforming their supply chain in to sustainable on-demand production to meet consumer's needs

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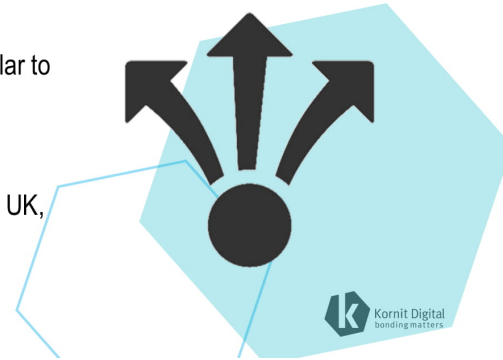
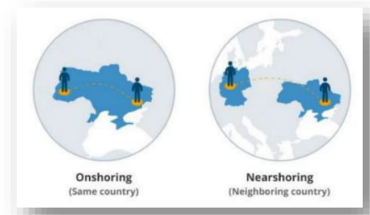
STRONG Q2 2020 & BUSINESS OUTLOOK

- Total revenue of \$37.4 million, net of \$842 thousand in warrants related to a global strategic account
 - Sequential growth of approximately 44% in Q2 compared to Q1 2020
- Strong results reflect positive momentum starting in late April
 - Production sites re-opened and online channels caused surge in demand
- Confident in business outlook for second half of 2020 and into 2021 as well
- Expect second half 2020 year-over-year revenues growth in the low teens and positive operating profit for the full year
 - An increase to the high single digit year-over-year revenues growth forecasted on first quarter call



ACTIVITY & BUSINESS MOMENTUM

- Global operations are fully operating in-line with safety guidelines
 - Sales and service personnel supporting customers onsite when needed
 - All our manufacturing and R&D sites in Israel are fully staffed.
- Exceptionally strong performance in North America across both new and existing customers
- Continued growth in Central and Latin America
 - Region will become increasingly strategic in the coming years as brands and retailers look into onshoring and nearshoring as necessary evolution to existing supply chains
- Lingering impact from COVID in Europe and Asia, but mega trends propelling industry similar to those serving as a tailwind in the US
 - Expect increased demand from these regions as we move through the year
 - Accelerating investments in these regions through larger direct touch presence in the UK, Germany and Japan, in conjunction with local partnerships; infrastructure will allow supporting growth of strategic accounts expanding into new territories



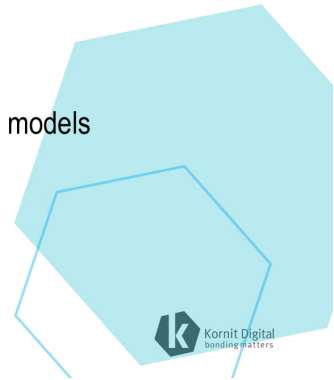
ACTIVITY & BUSINESS MOMENTUM

- Another excellent quarter for the Atlas, a huge success across both new and existing customers
 - Customers making significant investments
 - Projects identified on first quarter call proving to be larger than anticipated
- Demand for Vulcan Plus introduced in Q1 2020 is strong
 - Follow-on orders placed in the quarter
- Technological enhancements to the Poly Pro expected during the first half 2020
 - Encouraged by building pipeline
- Presto performing beyond expectations
 - Believe we have the best technology in the market to capture the huge opportunity for sustainable on-demand manufacturing in the fashion and home décor markets.



WELL POSITIONED FOR GROWTH

- Our teams globally are focused on customer excellence delivering on the numerous large-scale implementations we have in place
 - Expected to drive revenue for the second half
 - Creating demand for ink and supplies in 2021 and beyond.
- Our partnership with our global strategic account continues to be very strong, and we are successfully working with them on their ambitious growth plans while expanding globally
- Strong progress with leading global brands
 - Transforming supply chains into on-demand production for both B2C and B2B business models
- The market shifting in our direction strongly
- Ready to execute on the massive opportunity ahead of us



INVESTORS FIRESIDE CHAT



Kornit
Digital

CUSTOM **GATEWAY**
Enabling On Demand

AUGUST 18, 2020
10:30 AM ET
ZOOM

TO REGISTER AND FOR FURTHER INFORMATION
PLEASE VISIT KORNIT'S INVESTOR RELATIONS
WEBSITE.

DISCUSS THE VISION BEHIND THE ACQUISITION
OF CUSTOM GATEWAY IN MORE DETAIL, AS WELL
AS MORE DETAIL ON OUR EXECUTION PLAN

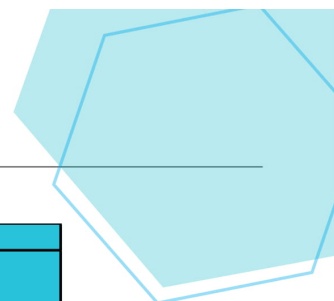


Q2 2020 FINANCIAL OVERVIEW

GUY AVIDAN
CFO



QUARTERLY WARRANTS IMPACT



	Q2 20			Q1 20			Q2 19		
	Net of Warrants Impact	Warrants Impact K\$/BPS/EPS		Net of Warrants Impact	Warrants Impact K\$/BPS/EPS		Net of Warrants Impact	Warrants Impact K\$/BPS/EPS	
Revenues	\$37,436	\$842	\$38,278	\$26,212	\$564	\$26,776	\$45,333	\$974	\$46,307
Gross Profit	\$16,512		\$17,354	\$8,661		\$9,225	\$21,602		\$22,575
Gross Margin	44.1%	123 BPS	45.3%	33.0%	141 BPS	34.5%	47.7%	110 BPS	48.8%
Operating Profit	-\$2,543		-\$1,701	-\$10,499		-\$9,935	\$4,152		\$5,125
Operating Margin	-6.8%	235 BPS	-4.4%	-40.1%	295 BPS	-37.1%	9.2%	191 BPS	11.1%
Net Profit	-\$1,330		-\$488	-\$8,905		-\$8,341	\$4,312		\$5,285
Net Margin	-3.6%	228 BPS	-1.3%	-34.0%	282 BPS	-31.2%	9.5%	190 BPS	11.4%
Diluted EPS	-\$0.03	\$0.02	-\$0.01	-\$0.22	\$0.02	-\$0.20	\$0.11	\$0.03	\$0.14

\$ in thousands except per share amounts

Q2 2020 FINANCIAL RESULTS

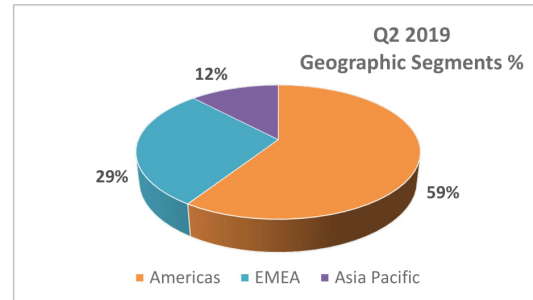
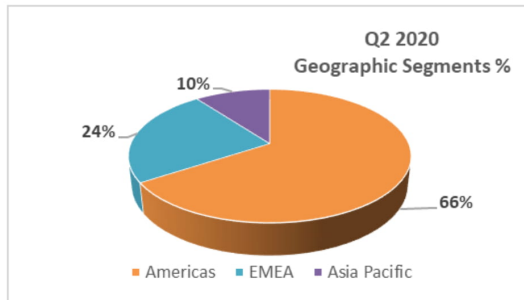
	GAAP			Non-GAAP		
	Q2 2020	Q2 2019	YoY Change	Q2 2020	Q2 2019	YoY Change
Total Revenue	\$37.4	\$45.3	(\$7.9)	\$37.4	\$45.3	(\$7.9)
Gross Profit	\$15.8	\$20.1	(\$4.3)	\$16.5	\$21.6	(\$5.1)
Operating Income (Loss)	(\$5.3)	\$1.3	(\$6.6)	(\$2.5)	\$4.2	(\$6.7)
Net Income (Loss)	(\$4.6)	\$1.9	(\$6.6)	(\$1.3)	\$4.3	(\$5.6)
Diluted EPS	(\$0.11)	\$0.05	(\$0.16)	(\$0.03)	\$0.11	(\$0.14)
Diluted Shares (M)	40.9	37.3	3.6	40.9	37.5	3.4

\$ in millions except per share and share amounts

QUARTERLY REVENUES

- Revenues of \$37.4 million vs. \$45.3 million in prior year, a decrease of 17.4% YoY and an increase 42.8% QoQ
- A global customer accounted for 8.8% of revenues compared to 11.4% in prior year
- 10 largest accounts represented 59.3% of revenues compared to 43.7% in prior year

Geographic Revenue Split

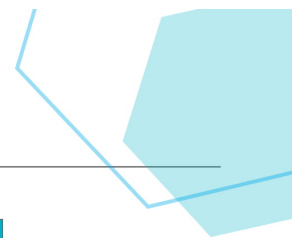


QUARTERLY GROSS MARGIN AND OPEX

- Non-GAAP gross margin of 44.1% decreased from 47.7% in Q2 2019 attributed mainly to decline in top line
- Non-GAAP operating expenses of \$19.1 million increased 9.2% year over year

	Q2 2020	Q2 2019
Research & Development	17.8%	11.0%
Sales & Marketing	19.9%	19.2%
General & Administrative	13.2%	8.3%
Total Operating Expenses	50.9%	38.5%

QUARTERLY P&L KPI



	Q2 2020	Q2 2019
Non-GAAP Operating Income (Loss)	(\$2.5)	\$4.2
Non-GAAP Net Income (Loss)	(\$1.3)	\$4.3
Non-GAAP Diluted EPS	(\$0.03)	\$0.11
GAAP Net Income (Loss)	(\$4.6)	\$1.9
GAAP Diluted EPS	(\$0.11)	\$0.05
Adjusted EBITDA	(\$0.9)	\$6.5

\$ in millions except per share amounts

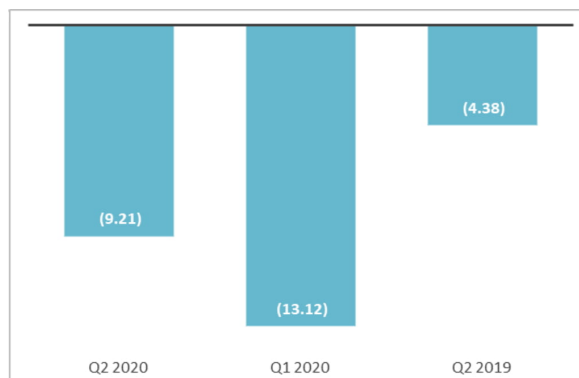
QUARTERLY BALANCE SHEET AND CASH FLOW

Balance Sheet

	Q2 2020	Q1 2020	Q2 2019
Cash, Bank Deposits and MK Securities	237.4	247.5	250.1
Accounts Receivables	39.8	32.8	34.1
Inventory	42.1	46.6	34.9
Trade Payable	13.0	23.0	20.9
Net Working Capital	217.7	209.0	246.0

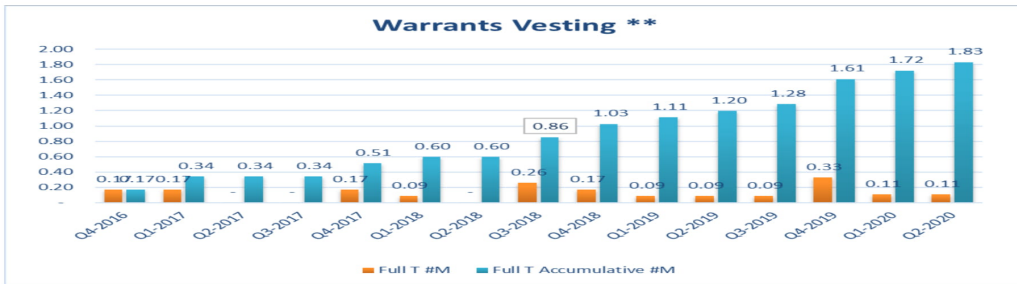
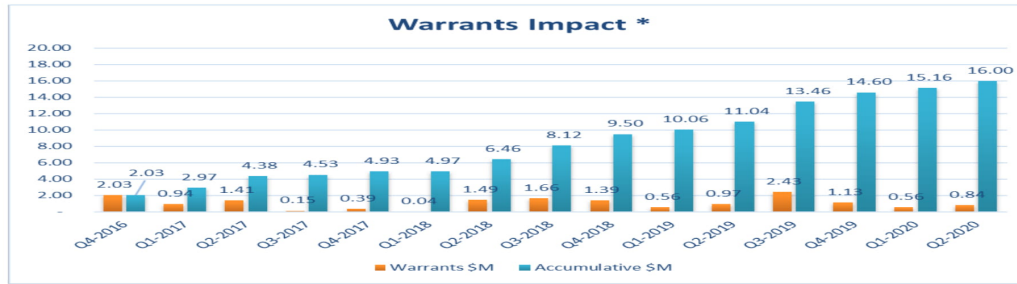
\$ in millions

Cash from Operating Activities



\$ in millions

WARRANTS IMPACT AND VESTING

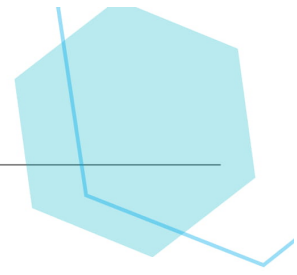


* Revenue recognition base impact
 ** Collection base impact

AMAZON WARRANTS AGREEMENT

- 2,932,176 warrants to purchase ordinary shares of the Company at an exercise price of \$13.04 were issued to Amazon as a customer incentive. The warrants are subject to vesting as a function of payments for purchased products and services of up to \$150 million beginning on May 1, 2016, with the shares vesting incrementally each time Amazon makes a payment totaling \$5 million to the Company. As of June 30, 2020, 1,832,595 warrants are exercisable
- The Company utilized the Monte Carlo simulation approach to estimate the fair value of the warrants. We early adopted the new guidance as of January 1, 2019 and will use the fair value of the unvested warrants on the adoption date rather than upon the later vesting dates in order to determine the reduction of the transaction price
- The Company recognized a reduction to revenues of \$0.8 million during the second quarter of 2020 and \$1.0 million during the second quarter of 2019 (\$5.1 million during the year ended December 31, 2019)

Q3 2020 GUIDANCE*



- Revenue is expected to be between \$53.5 million to \$57.5 million
- Non-GAAP operating income is expected to be between 8% to 11% of revenue

**we assume zero impact on revenue and operating margin for the purposes of guidance*

THANK YOU

OUR VISION

CREATE A **BETTER WORLD**

WHERE EVERYBODY CAN BOND, DESIGN AND
EXPRESS THEIR IDENTITIES, ONE IMPRESSION AT A TIME



WARRANTS IMPACT CHANGE IN ASU 2019-08

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019
GAAP prior to adoption of ASU 2019-08	38,161	43,890	44,581	48,649	175,281
Warrants impact prior to adoption of ASU 2019-08	989	2,416	5,143	1,130	9,678
Warrants impact %	2.5%	5.2%	10.3%	2.3%	5.2%
Warrants impact after adoption of ASU 2019-08	560	974	2,429	1,130	5,093
Warrants impact %	1.4%	2.2%	5.2%	2.3%	2.8%
GAAP after adoption of ASU 2019-08	38,590	45,332	47,295	48,649	179,866