
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 **May 2022**

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- First Quarter of 2022

On May 11, 2022, Kornit Digital Ltd. (“**Kornit**”) issued a press release entitled “Kornit Digital Reports First Quarter 2022 Results,” in which Kornit reported its results of operations for the quarter ended March 31, 2022. A copy of that press release is furnished as Exhibit 99.1 hereto.

Kornit is holding a conference call on May 11, 2022 to discuss its quarterly results for the quarter ended March 31, 2022 and will make 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. [333-248784](#)) and Form S-8 (File No.’s [333-203970](#), [333-214015](#), [333-217039](#), [333-223794](#), [333-230567](#), [333-237346](#), [333-254749](#), and [333-263975](#)).

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: May 11, 2022

By: /s/ Alon Rozner
Name: Alon Rozner
Title: Chief Financial Officer

Exhibit Index

Exhibit No.	Description
99.1	Press release, dated May 11, 2022 titled "Kornit Digital Reports First Quarter 2022 Results"
99.2	Slide presentation for conference call of Kornit held on May 11, 2022 discussing quarterly financial results for the first quarter of 2022

Investor Contact:

Andrew G. Backman
 Global Head of Investor Relations
 andrew.backman@kornit.com



Kornit Digital Reports First Quarter 2022 Results

- First quarter revenues of \$83.3 million, net of non-cash warrants impact of \$8.0 million; up 26% year-over-year
- First quarter GAAP operating loss of \$6.9 million; Non-GAAP operating loss of \$0.7 million, net of \$8.0 million attributed to the non-cash impact of warrants
- Exceptional quarter for Presto and overall systems sales
- Excellent adoption and feedback for Atlas Max
- Record quarter in Asia Pacific; Strong performance in EMEA and Americas
- Ground-breaking new product introductions unveiled at *Kornit Fashion Week - Tel Aviv* including Atlas MAX Poly and Kornit Apollo
- Gearing up for *Kornit Fashion Week – London* – May 15th – 17th, and *FESPA Berlin*

Rosh-Ha'Ayin, Israel – May 11, 2022 – Kornit Digital Ltd. (NASDAQ: KRNT), a worldwide market leader in sustainable, on-demand, digital fashion^x and textile production technologies, reported today results for the first quarter ended March 31, 2022.

“We are pleased to have delivered a good start to the year and are excited about our tremendous period of ground-breaking new product introductions,” said Ronen Samuel, Kornit Digital’s Chief Executive Officer. “During the quarter, we made significant progress with some of the largest and most respected global brands and retailers, supported our global strategic account with major expansion and capacity initiatives, and introduced some of the most innovative and disruptive systems and solutions to the market.”

Mr. Samuel concluded, “The tailwinds driving the industry to on-demand sustainable production are intensifying with an accelerated level of focus to shifting a substantial amount of impressions to nearshore, short-medium run production, addressing evolving online and retail business models. We believe our unmatched portfolio of mass-production MAX solutions, including our recently announced Kornit Apollo - all powered by our unique Kornit X platform – place Kornit in a great position to capitalize on these evolving and accelerating market opportunities and trends. While we are certainly not immune to overall macro-economic headwinds and near-term volatility, which we see impacting our second quarter growth, we continue to expect to deliver, ahead of plan, on the \$125 million run-rate business we originally targeted for the fourth quarter 2023, and remain confident in our journey to become a billion-dollar business in 2026.”

The following table compares the adverse, non-cash impact that the Company's outstanding warrants had on the Company's results of operations during the first quarters of 2022 and 2021, respectively:

First Quarter Warrants Impact

	Three Months Ended March 31,			
	2022		2021	
	Net of Warrants Impact	Warrants Impact	Net of Warrants Impact	Warrants Impact
Revenue	\$ 83.3M	\$ 8.0M	\$ 66.1M	\$ 3.1M
Non-GAAP Gross Margin	41.5%	5.1%	47.1%	2.4%
Non-GAAP Operating Margin	(0.8%)	8.8%	9.8%	4.1%
Non-GAAP Net Margin	0.2%	8.8%	11.7%	4.0%
Non-GAAP Diluted Earnings Per Share	\$ 0.00	\$ 0.16	\$ 0.16	\$ 0.07

"During the first quarter, we saw good diversification across the business and strong revenue performance in all regions," said Alon Rozner, Kornit Digital's Chief Financial Officer. "With a pipeline of opportunities, we continue to strategically invest in the business to support our new industry leading product initiatives and go-to-market strategies to generate profitable, long-term growth. Given our proactive supply chain initiatives, we remain confident in our ability to deliver on all our 2022 customer commitments and continue to leverage our strong balance sheet to secure 2023 requirements."

First Quarter 2022 Results of Operations

- Total revenue for the first quarter of 2022 was \$83.3 million, net of \$8.0 million attributed to the non-cash impact of warrants, compared to \$66.1 million, net of \$3.1 million attributed to the non-cash impact of warrants in the prior year period.
- GAAP net loss for the first quarter of 2022 was \$5.2 million, or \$0.10 per basic share, compared to net income of \$5.1 million, or \$0.11 per share, for the first quarter of 2021.
- Non-GAAP net income for the first quarter of 2022 was \$0.2 million, or \$0.00 per diluted share, net of \$0.16 per diluted share attributed to the non-cash impact of warrants, compared to non-GAAP net income of \$7.7 million, or \$0.16 per diluted share, net of \$0.07 per diluted share attributed to the non-cash impact of warrants, for the first quarter of 2021.

Second Quarter 2022 Guidance

For the second quarter of 2022, the Company expects revenue to be in the range of \$85 million to \$95 million; non-GAAP operating income to be in the range of -2% to +2% of revenue; EBITDA Margins to be in the range of 0% to 4%. Consistent with past practice, this guidance excludes the impact of the fair value of issued warrants in the quarter.

The Company expects revenues in the third and fourth quarters to be stronger than the second quarter. The Company further expects higher operating margins in the second half of the year, with operating margins in the third and fourth quarters in the low to mid-teens.

First Quarter Earnings Conference Call Information

The Company will host a conference call today at 8:30 a.m. ET, or 3:30 p.m. Israel time, to discuss the results, followed by a question-and-answer session with 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 conference confirmation code is 13729422.

To listen to a replay of the conference call, dial toll-free 1-844-512-2921 or +1-412-317-6671 (international) and enter confirmation code 13729422. The telephonic replay will be available approximately two hours after the completion of the live call, 11:59 p.m. ET on Wednesday, May 25, 2022. The call will also be available for replay via the webcast link on Kornit's Investor Relations 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 Company's degree of success in developing, introducing and selling new or improved products and product enhancements including specifically the Company's Poly Pro and Presto products; the extent of the Company's ability to consummate sales to large accounts with multi-system delivery plans; the degree of the Company's ability to fill orders for Kornit's systems; the extent of the Company's ability to continue to increase sales of Kornit's systems, ink and consumables; the extent of the Company's ability to leverage Kornit's global infrastructure build-out; the development of the market for digital textile printing; the availability of alternative ink; competition; sales concentration; changes to the Company's relationships with suppliers; the extent of the Company's success in marketing; the duration and severity of the macro-economic impacts triggered by the global COVID-19 pandemic, such as supply-chain delays and inflationary pressures, which could potentially impact, in a material adverse manner, the Company's operations, financial position and cash flows, and those of the Company's customers and suppliers; 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, 2021, filed with the SEC on March 30, 2022. Any forward-looking statements in this press release are made as of the date hereof, whether as a result of new information, future events or otherwise, except as required by law.

The presentation of non-GAAP financial information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with GAAP. Kornit urges investors to review the reconciliation of non-GAAP financial measures to the comparable GAAP financial measures included below, and not to rely on any single financial measures to evaluate its business. A reconciliation for non-GAAP operating income guidance set forth above is not provided because, as forward-looking statements, such reconciliation is not available without unreasonable effort due to the high variability, complexity, and difficulty of estimating certain items such as charges to share-based compensation expense and currency fluctuations which could have an impact on its consolidated results. Kornit believes the information provided is useful to investors because it can be considered in the context of Kornit's historical disclosures of this measure.

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, foreign exchange differences associated with ASC 842, amortization of acquired intangible assets, and the related tax effect of the foregoing. The purpose of such adjustments is to provide an indication of the Company's performance exclusive of non-cash charges and other items that are considered by management to be outside of the Company's 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 the Company's business and make operating decisions, and the Company believes that they are useful to investors as a consistent and comparable measure of the ongoing performance of the Company's business. However, the Company's 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 the Company's 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) is a worldwide market leader in sustainable, on-demand, digital fashionx and textile production technologies. The company is writing the operating system for fashion with end-to-end solutions including digital printing systems, inks, consumables, and an entire global ecosystem that manages workflows and fulfillment. Headquartered in Israel with offices in the USA, Europe, and Asia Pacific, Kornit Digital serves customers in more than 100 countries and states worldwide. To learn more about how Kornit Digital is boldly transforming the world of fashion and textiles, visit www.kornit.com.

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

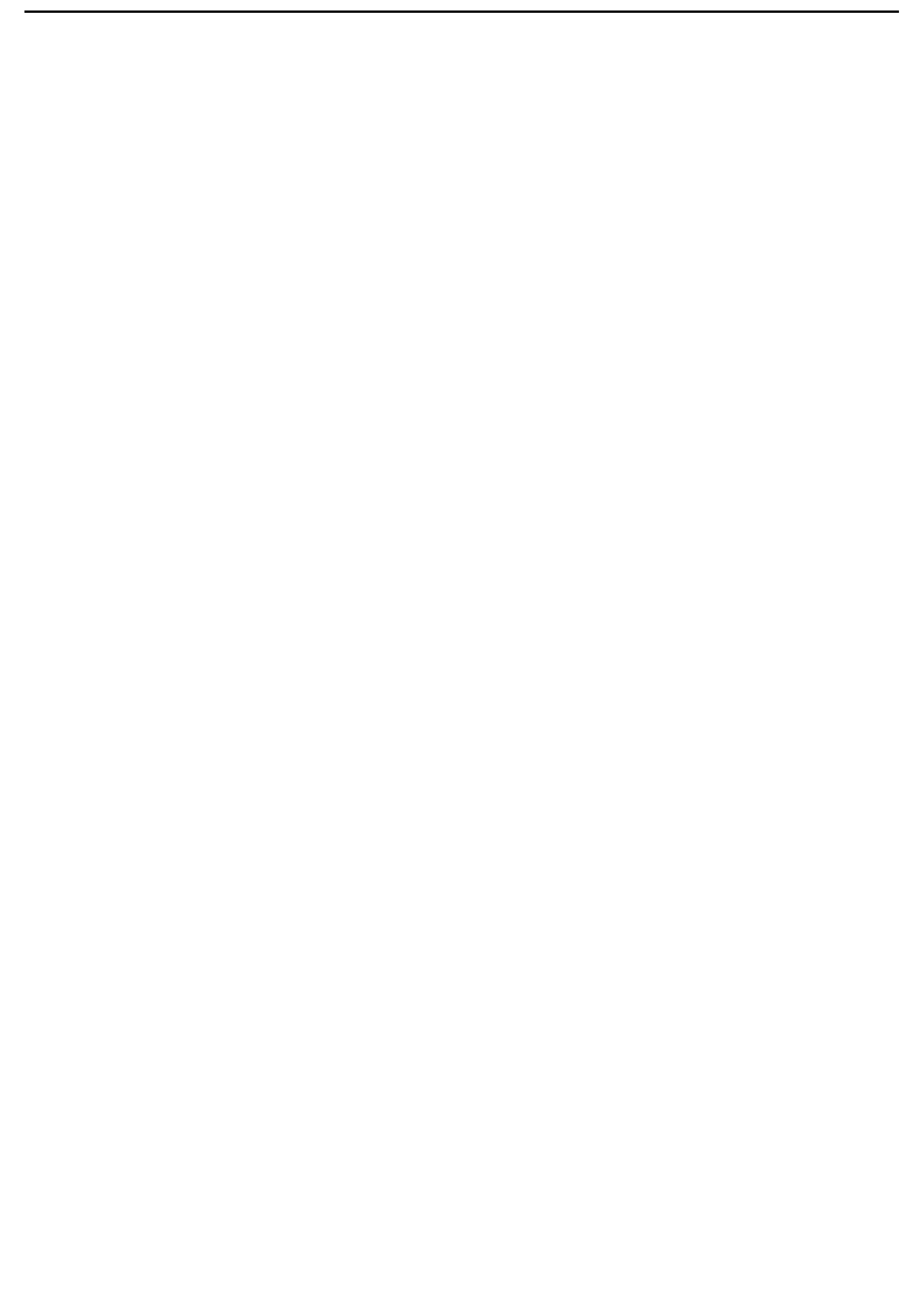
	March 31, 2022 <u>(Unaudited)</u>	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 77,284	\$ 611,551
Short-term bank deposit	420,153	9,168
Marketable securities	19,597	28,116
Trade receivables, net	80,990	49,797
Inventory	71,360	63,017
Other accounts receivable and prepaid expenses	16,061	13,694
Total current assets	685,445	775,343
LONG-TERM ASSETS:		
Marketable securities	\$ 216,856	\$ 149,269
Deposits and other long-term assets	850	856
Severance pay fund	361	357
Deferred taxes	11,792	9,339
Property, plant and equipment, net	46,412	45,046
Operating lease right-of-use assets	29,388	25,155
Intangible assets, net	9,535	10,063
Goodwill	25,447	25,447
Total long-term assets	340,641	265,532
Total assets	\$ 1,026,086	\$ 1,040,875
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	\$ 34,267	\$ 46,448
Employees and payroll accruals	15,502	22,482
Deferred revenues and advances from customers	3,930	5,401
Operating lease liabilities	5,353	5,058
Other payables and accrued expenses	17,646	17,287
Total current liabilities	76,698	96,676
LONG-TERM LIABILITIES:		
Accrued severance pay	\$ 1,358	\$ 1,543
Operating lease liabilities	25,430	21,900
Other long-term liabilities	1,519	1,203
Total long-term liabilities	28,307	24,646
SHAREHOLDERS' EQUITY	921,081	919,553
Total liabilities and shareholders' equity	\$ 1,026,086	\$ 1,040,875

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

	Three Months Ended	
	March 31,	
	2022	2021
	(Unaudited)	
Revenues		
Products	\$ 72,514	\$ 57,946
Services	10,779	8,177
Total revenues	83,293	66,123
Cost of revenues		
Products	39,237	28,175
Services	10,654	7,538
Total cost of revenues	49,891	35,713
Gross profit	33,402	30,410
Operating expenses:		
Research and development, net	14,010	9,444
Sales and marketing	16,531	11,049
General and administrative	9,766	6,808
Total operating expenses	40,307	27,301
Operating income (loss)	(6,905)	3,109
Financial income, net	1,799	2,065
Income (loss) before taxes on income	(5,106)	5,174
Taxes on income	91	75
Net income (loss)	(5,197)	5,099
Basic net income (loss) per share	\$ (0.10)	\$ 0.11
Weighted average number of shares used in computing basic net income (loss) per share	49,658,028	46,041,253
Diluted net income (loss) per share	\$ (0.10)	\$ 0.11
Weighted average number of shares used in computing diluted net income (loss) per share	49,658,028	47,568,215

**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)

	Three Months Ended	
	March 31,	
	2022	2021
	(Unaudited)	
Revenues	\$ 83,293	\$ 66,123
GAAP cost of revenues	\$ 49,891	\$ 35,713
Cost of product recorded for share-based compensation (1)	(449)	(299)
Cost of service recorded for share-based compensation (1)	(385)	(233)
Intangible assets amortization on cost of product (3)	(173)	(25)
Intangible assets amortization on cost of service (3)	(160)	(160)
Non-GAAP cost of revenues	\$ 48,724	\$ 34,996
GAAP gross profit	\$ 33,402	\$ 30,410
Gross profit adjustments	1,167	717
Non-GAAP gross profit	\$ 34,569	\$ 31,127
GAAP operating expenses	\$ 40,307	\$ 27,301
Share-based compensation (1)	(4,464)	(2,540)
Acquisition related expenses (2)	(512)	-
Intangible assets amortization (3)	(86)	(119)
Non-GAAP operating expenses	\$ 35,245	\$ 24,642
GAAP Financial income (expenses), net	\$ 1,799	\$ 2,065
Foreign exchange losses associated with ASC 842	(649)	(802)
Non-GAAP Financial income , net	\$ 1,150	\$ 1,263
GAAP Taxes on income (benefit)	\$ 91	\$ 75
Tax effect on to the above non-GAAP adjustments	327	191
Deferred tax benefit based on an Israeli statutory tax rate	(110)	(248)
Non-GAAP Taxes on income (benefit)	\$ 308	\$ 18
GAAP net income (loss)	\$ (5,197)	\$ 5,099
Share-based compensation (1)	5,298	3,072
Acquisition related expenses (2)	512	-
Intangible assets amortization (3)	419	304
Foreign exchange losses associated with ASC 842	(649)	(802)
Tax effect of the above non-GAAP adjustments	(327)	(191)
Deferred tax benefit at the Israeli statutory tax rate	110	248
Non-GAAP net income	\$ 166	\$ 7,730
GAAP diluted earning (loss) per share	\$ (0.10)	\$ 0.11
Non-GAAP diluted earning per share	\$ 0.00	\$ 0.16
Weighted average number of shares		
Shares used in computing GAAP diluted net earning (loss) per share	49,658,028	47,568,215
Shares used in computing Non-GAAP diluted net earning (loss) per share	50,955,776	47,692,101
(1) Share-based compensation		
Cost of product revenues	\$ 449	\$ 299
Cost of service revenues	385	233
Research and development	1,189	502
Sales and marketing	1,809	1,072
General and administrative	1,466	966
	5,298	3,072
(2) Acquisition related expenses		
General and administrative	512	-
	512	-
(3) Intangible assets amortization		
Cost of product revenues	\$ 173	\$ 25
Cost of service revenues	160	160
Sales and marketing	86	119
	419	304



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

	Three Months Ended	
	March 31,	
	2022	2021
	(Unaudited)	
Cash flows from operating activities:		
Net income (loss)	\$ (5,197)	\$ 5,099
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,580	1,492
Fair value of warrants deducted from revenues	8,005	3,139
Share-based compensation	5,298	3,072
Amortization of premium and accretion of discount on marketable securities, net	528	(817)
Realized gain on sale of marketable securities	3	-
Change in operating assets and liabilities:		
Trade receivables, net	(31,193)	(1,488)
Other accounts receivables and prepaid expenses	(2,464)	1,550
Inventory	(9,036)	(672)
Operating leases right-of-use assets and liabilities, net	(408)	(856)
Deferred taxes	(305)	(320)
Deposits and other long term assets	6	(10)
Trade payables	(7,444)	(6,056)
Employees and payroll accruals	(6,470)	2,235
Deferred revenues and advances from customers	(1,471)	(3,372)
Other payables and accrued expenses	359	1,854
Accrued severance pay, net	(189)	(30)
Other long - term liabilities	316	299
Net cash provided by (used in) operating activities	<u>(47,082)</u>	<u>5,119</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	\$ (7,462)	\$ (2,567)
Investment in bank deposits	(410,985)	(18,855)
Proceeds from sale of marketable securities	445	-
Proceeds from maturity of marketable securities	11,922	-
Investment in marketable securities	(80,894)	(15,290)
Net cash used in investing activities	<u>(486,974)</u>	<u>(36,712)</u>
Cash flows from financing activities:		
Exercise of employee stock options	\$ 299	\$ 675
Payments related to shares withheld for taxes	(510)	(688)
Net cash used in financing activities	<u>(211)</u>	<u>(13)</u>
Decrease in cash and cash equivalents	\$ (534,267)	\$ (31,606)
Cash and cash equivalents at the beginning of the period	611,551	125,777
Cash and cash equivalents at the end of the period	<u>77,284</u>	<u>94,171</u>
Non-cash investing and financing activities:		
Purchase of property and equipment on credit	1,292	1,477
Inventory transferred to be used as property and equipment	697	412
Property, plant and equipment transferred to be used as inventory	4	3
Receipt on account of shares	63	-
Lease liabilities arising from obtaining right-of-use assets	5,746	263



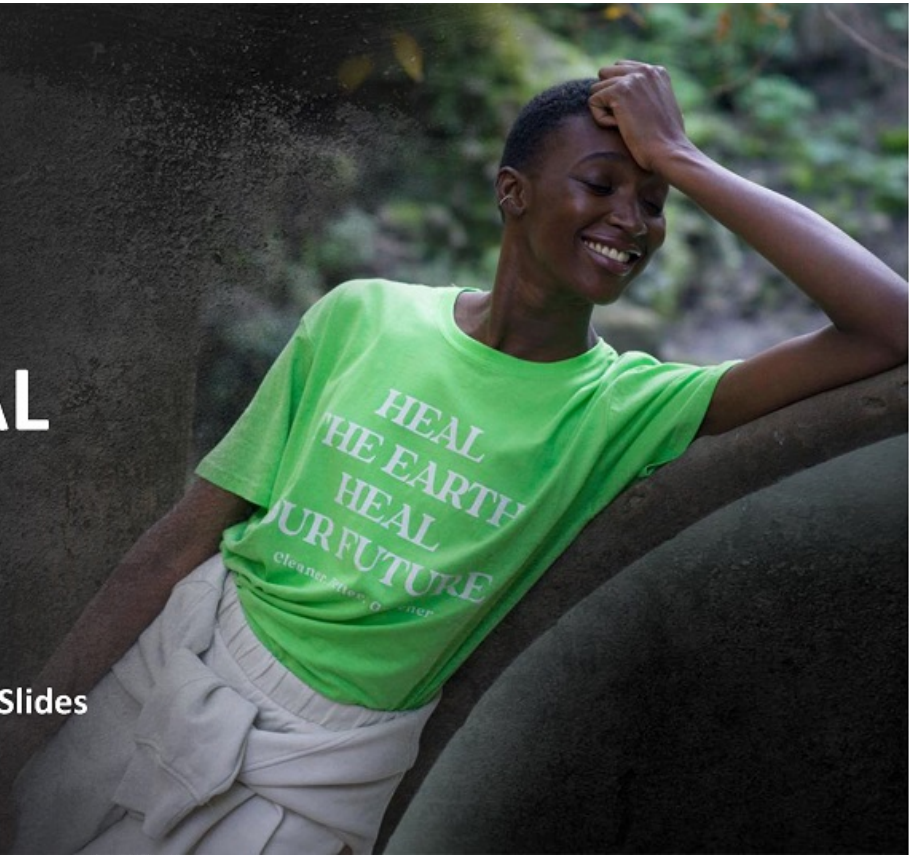
KORNIT DIGITAL

(NASDAQ: KRNT)

First Quarter 2022

Earnings Conference Call Supporting Slides

May 11, 2022



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 annual report on Form 20-F, filed with the U.S. Securities and Exchange Commission, or SEC, on March 30, 2022, including the Risk Factors set forth therein. 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. Please see the reconciliation table that appears among the financial tables in our earnings release being issued today, which earnings release is attached as Exhibit 99.1 to our report of foreign private issuer being furnished to the SEC today, which reconciliation table is incorporated by reference in this presentation.

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.

Kornit, Kornit Digital, the K logo, and NeoPigment are trademarks of Kornit Digital Ltd. All other trademarks are the property of their respective owners and are used for reference purposes only. Such use should not be construed as an endorsement of our products or services.

ON TODAY'S CALL



Ronen Samuel
CEO



Alon Rozner
CFO



Amir Shaked Mandel
EVP Corp Dev



Andrew Backman
Global Head of IR

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Kornit
Digital
bonding
matters

BUSINESS HIGHLIGHTS

RONEN SAMUEL
Chief Executive Officer





A GOOD START TO THE YEAR

- Total revenues grew by 26% year-over-year
- \$83.3 million, net of \$8.0 million in warrants related to our global strategic account
- Strong systems revenue growth; Very high contribution to overall revenue mix
- Diversification across business within Top 10 customers

OUR BUSINESS AND PRODUCTS



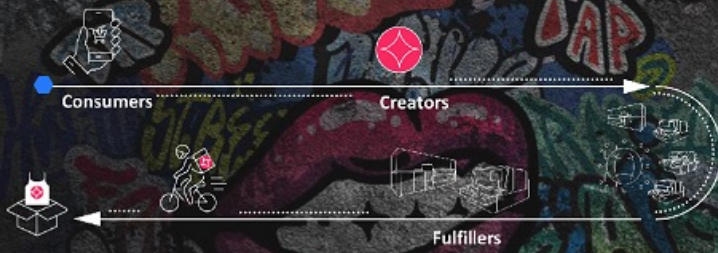
- Record quarter in Asia Pacific
- Strong quarter for EMEA and Americas
- Progress with major brands, including one of the largest retailers in the world
- Excellent adoption and feedback for Atlas Max Initial stages of the Atlas-to-Atlas-MAX upgrades
- Automation upgrades selectively available in the second part of this year, with commercial availability in 2023

EXCEPTIONAL QUARTER FOR PRESTO

- Excitement and momentum around the Presto MAX
- Presto MAX represents majority of DTF pipeline
- Increasing backlog for Presto MAX upgrades



KORNITX



wix.com

- Very good progress with KornitX
- Engagements with some of the largest digital platforms, marketplaces, and brands in the world
- Launching new strategic partnership with Wix.com
- Enables massive community to seamlessly add on-demand fulfillment services
- Expect to go-live later this quarter
- Some of our customers and partners continue to scale volumes and total GMV running on the platform

EXCITING YEAR OF GROUND-BREAKING NEW PRODUCT INTRODUCTIONS

KFW **TLV**

KORNIT
FASHION WEEK
TEL AVIV
2022
APRIL



Atlas MAX Poly




Kornit Apollo

- Most comprehensive digital single-step system targeting screen-print mass production markets
- Perfect solution for nearshore mid-runs mass production
- Best-in-class MAX quality – lowest total cost of ownership
- Uses smart curing from recently completed Tesoma acquisition
- Early customer engagements in the second half of this year; Commercial availability mid-2023

REMARKABLE POSITION TO CATER TO EVOLVING MARKET OPPORTUNITIES AND TRENDS



- Industry tailwinds driving accelerated adoption of on-demand production solutions
- Brands and retailers shifting traditionally mass-produced offshore jobs to nearshore / onshore short-run production
- Supports lean inventory, fast replenishment, and in-season reactivity



GROWING TAILWINDS AND STARTED THE YEAR STRONG; NOT IMMUNE TO THE MACRO HEADWINDS

- Started this year with a robust backlog and pipeline
- As quarter progressed, began to see macro-economic volatility weigh on pace of consumables purchasing and capital allocation decisions of certain customers, impacting our second quarter growth; As such, some of these purchases and expansion plans are now shifting out into later quarters.

REMAIN EXCITED ABOUT 2022 GROWTH PLAN

- Kornit is well positioned, with tremendous market opportunities and strong fundamentals; 2022 is a year of exciting new product introductions
- We remain excited with our growth plan for the full year and continue to expect the second half of this year to be much stronger than the first half, in terms of both revenue and profitability
- Considering the near-term volatility on the top line, and the continued investment in major marketing events and sales activities this quarter, we expect operating profitability in the second quarter to be lower than the first quarter





KFW



KORNIT
FASHION WEEK
LONDON
2022
MAY

**WILL DEMONSTRATE HOW
VIRTUAL AND PHYSICAL
FASHION WORLDS INTERSECT**

FESPA²²
**GLOBAL
PRINT EXPO**
Berlin
31 May - 03 June 2022

REMAIN FOCUSED ON BUILDING THE OPERATING SYSTEM FOR ON-DEMAND FASHION

- Laser focused on executing across the board to capture the massive opportunities we see
- Expect to deliver \$125M run-rate business we originally targeted for 4Q 2023 ahead of plan
- Remain confident in our journey to become a \$1 billion business in 2026
- Working extremely hard to mitigate the external macro factors





Kornit
Digital
bonding
matters

FINANCIAL HIGHLIGHTS

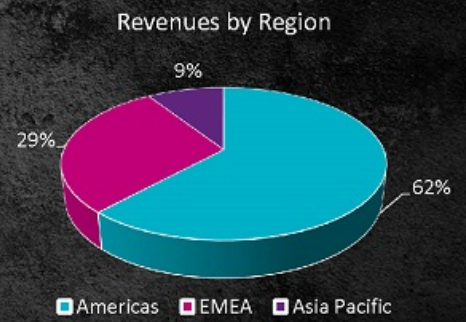
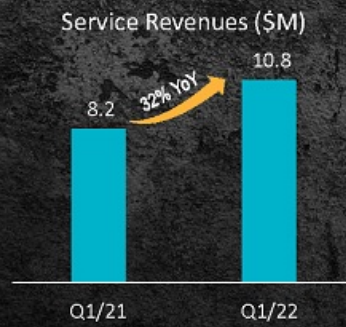
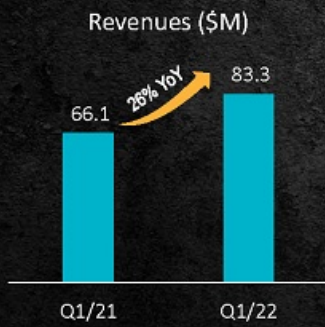
ALON ROZNER
Chief Financial Officer

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QUARTERLY REVENUES

- Q1 revenues of \$83.3 million, net of \$8.0 million non-cash warrant impact; +26% YoY
- Services revenues increased 32% YoY to \$10.8 million and were 13% of total revenue
- Top 10 largest accounts represented 53% of total revenues
- Asia Pacific had another record quarter; EMEA delivered one of its best quarters ever; Americas was strong again



GROSS MARGINS

- Q122 Non-GAAP Gross Margins, net of the impact of the warrants was 41.5%
- Higher mix of systems sales, including sales to our largest global strategic account
- Higher DTF sales in both EMEA and Asia Pacific
- Lower consumables as a percentage of revenues
- Moved to mass production in our new ink manufacturing facility; Expect to gain operational efficiencies on fixed costs of business as consumables sales pick up throughout the year
- Expect Gross Margins in second half of 2022 to revert to similar levels we saw in second half 2021, driven by:
 - New product introductions
 - Higher percentage of revenues from recurring consumables business
 - Operational efficiencies
- Acceleration of KornitX and other software-driven initiatives to drive longer-term Gross Margin expansion



MACRO-ECONOMIC ISSUES AND SUPPLY CHAIN



- We, like our customers, are not immune to overall macro-economic pressures and near-term volatility
- Working hard to proactively address and mitigate impacts on our business where possible, including
 - Focused cost reduction projects
 - Continued supply chain initiatives
 - Dual-sourcing strategies
 - Longer-term commitments
 - Design adaptation
 - Selective price increases
- Remain confident to deliver on all our 2022 customer commitments given our proactive supply chain initiatives
- Continue to use our strong balance sheet to secure 2023 supply chain requirements

OPEX

- Continue to invest to capture meaningful opportunities in order to generate long-term acceleration in revenues
- R&D increased due to continued investments in new product introductions and KornitX
- Sales and Marketing expenses increased due to the continued expansion of our go-to-market strategy and capabilities in all regions
- Expect continued investments in brand awareness, including Kornit Fashion Week Tel Aviv and Fashion Week London, as well as other global customer focused events
- General and Administrative expenses rose due to staffing and other investments to support the overall business infrastructure

Non GAAP Operating Expenses (% of Revenues)		
	Q1/21	Q1/22
Research & Development	13.5%	15.4%
Sales & Marketing	14.9%	17.6%
General & Administrative	8.8%	9.4%
Total Operating Expenses	37.3%	42.3%

QUARTERLY P&L KPI

	Q1 2022	Q1 2021
Non-GAAP Operating Income (Loss)	(\$0.7)	\$6.5
Non-GAAP Net Income (Loss)	\$0.2	\$7.7
Non-GAAP Diluted EPS	\$0.00	\$0.16
GAAP Net Income (Loss)	(\$5.2)	\$5.1
GAAP Diluted (Basic) EPS	(\$0.10)	\$0.11
Adjusted EBITDA	\$9.5	\$10.8

\$ in millions except per share amounts

BALANCE SHEET

- Receivables increase due to timing of sales later in the first quarter
- No collection issues; Anticipate cash collections to improve over the next several quarters
- Used balance sheet to secure supply chain; Advance payments for key go-to-market programs

	Q1 2022	Q4 2021	Q1 2021
Cash, Deposits & Marketable Securities	\$733.9	\$798.1	\$438.7
Accounts Receivable	\$81.0	\$49.8	\$53.1
Inventory	\$71.4	\$63.0	\$52.8
Trade Payable	\$34.3	\$47.6	\$26.5
Net Working Capital	\$608.7	\$678.7	\$393.2

\$ in millions

Q2 2022 GUIDANCE

Revenues

- Expect second quarter revenues to be in the range of \$85 million and \$95 million
- Expect revenues in 3Q22 and 4Q22 to be stronger than 2Q22

Operating Profitability

- Expect Non-GAAP operating profitability in 2Q22 to be lower than 1Q22 due to continued investments in the business, including in multiple NPI's and significant customer and industry facing events
- 2Q22 Non-GAAP operating income to be in the range of -2% to +2% of revenue; EBITDA margins to be in the range of 0% to 4%
- Expect higher operating margins in 2H22; Operating Margins in 3Q22 and 4Q22 in low to mid-teens

Consistent with past practice, guidance excludes the impact from the fair value of issued warrants in the quarter with our global strategic account

Q1 2022 WARRANTS IMPACT

	Three Months Ended			
	March 31,			
	2022		2021	
	Net of Warrants Impact	Warrants Impact	Net of Warrants Impact	Warrants Impact
Revenue	\$83.3M	\$8.0M	\$66.1M	\$3.1M
Non-GAAP Gross Margin	41.5%	5.1%	47.1%	2.4%
Non-GAAP Operating Margin	(0.8%)	8.8%	9.8%	4.1%
Non-GAAP Net Margin	0.2%	8.8%	11.7%	4.0%
Non-GAAP Diluted Earnings Per Share	\$0.00	\$0.16	\$0.16	\$0.07



THANK YOU
Q&A

OUR VISION

CREATE A **BETTER WORLD** WHERE
EVERYBODY CAN **BOND**, **DESIGN**
AND **EXPRESS THEIR IDENTITIES**,
ONE IMPRESSION AT A TIME