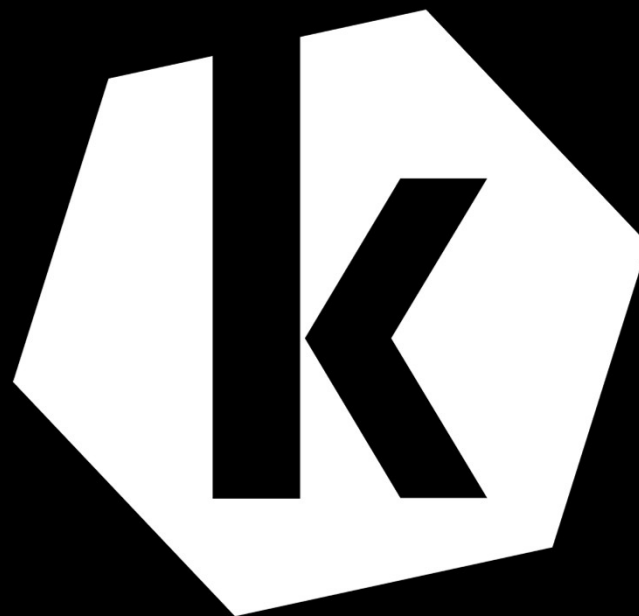


Kornit Digital (NASDAQ: KRNT)

First Quarter 2025
Earnings Conference Call
Supporting Slides

May 14, 2025



On Today's Call



Ronen Samuel
CEO



Lauri Hanover
CFO



Jared Maymon
Investor Relations



This presentation contains “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 and severity of adverse macro-economic headwinds that were caused by inflationary pressures and higher interest rates, which have impacted, and may continue to impact, in an adverse manner, the Company’s operations, financial position and cash flows, in part due to the adverse impact on the Company’s customers and suppliers; 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, and the Company’s Apollo direct-to-garment platform; 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 its systems and consumables; the extent of the Company’s ability to increase sales of its systems, ink and consumables; the extent of the Company’s ability to leverage its 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; 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, 2024, filed with the SEC on March 28, 2025. 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.

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 on Form 6-K 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.

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Business Highlights

Ronen Samuel
Chief Executive Officer

First Quarter 2025 Recap

Revenues and adjusted EBITDA margin within guidance range

- Revenues of \$46.5 million and adjusted EBITDA margin of –8.4%
- Within the guidance range provided in February, even as we operated in an uncertain environment
- Generated positive cash from operations during the quarter, demonstrating continued discipline

Market update

Significant disruption

- Global supply chains no longer meets the demands of today's consumer
- The apparel supply chain realizes it must produce only what sells, closer to the consumer, and in small runs
- Kornit's digital platform delivers the agility that the market needs to win
- Recent trade policy developments are re-emphasizing the need for change

Immediate Gratification

63%	online shoppers consider delivery speed a vital factor
69%	less likely to shop with retailer again if delivery date missed
88%	willing to pay for same-day or faster delivery

Retail Earnings **Potential** of the Global Apparel Industry



Global Fashion is **losing \$1T** to write-offs and markdowns

Tariff Impacts

Likely net positive for Kornit

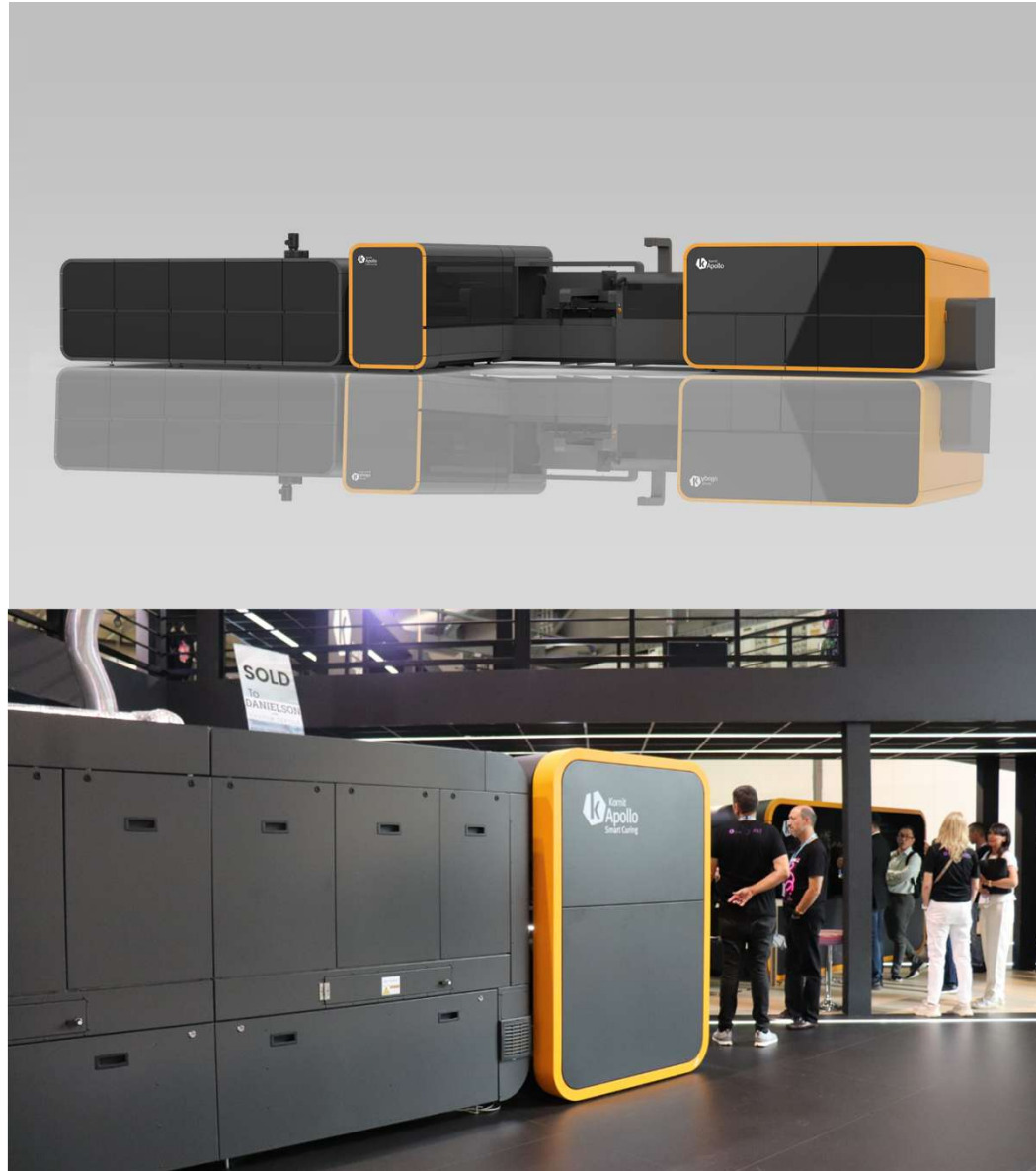
- Kornit produces its products primarily in Israel
- Taking proactive measures to mitigate impacts, and now anticipating only a modest cost effect if new tariffs are enacted
- Tariffs reinforce positioning in the market as a top supplier of digital, on-demand production solutions
- Closure of the de minimis loophole in May is already disrupting the flow of low-cost garments from China, leading to new orders for Kornit's customers
- The shift to on-demand is now urgent as companies will face pressure to build strong contingencies and resilience

Apollo Adoption

Breaking into mass production

- Delivering robust impressions growth, especially for longer production runs
- Unlocking a high-volume segment and increasingly seeing runs of 1,000+ units
- Engaging with screen printers that previously did not seriously consider the transition to digital
- Customer feedback shows that the Apollo can replace at least three carousel screen presses and reduce headcount by 15-20 employees
- Adding new accounts to our pipeline and seeing particularly strong interest from net-new customers from screen printing

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All-Inclusive Click (AIC)

Leading to greater adoption

- Proving to be a disruptive "print-as-a-service" approach in a hardware-centric industry
- Designed to lower the barrier to entry and align our success with customer success
- Reached a significant milestone at the end of Q1 as annual recurring revenue (ARR) from AIC contracts reached \$14.5 million
- New milestone validates our strategy of emphasizing recurring revenue
- Combined with re-occurring consumables and service revenue, ~80% of Kornit's revenue is now recurring or highly predictable

Impressions growth

Strengthening utilization and adoption

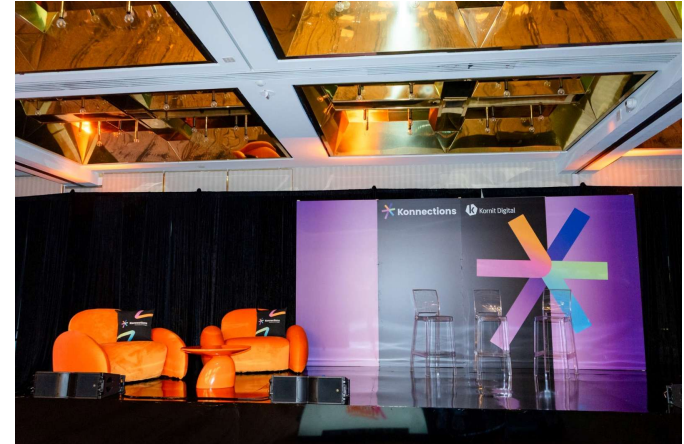
- First time disclosing impressions, which is calculated on a trailing twelve-months basis
- Reached a record 222 million impressions in the twelve-months ended March 31, 2025
- Growth of 10% versus prior twelve-month period was driven by strong system utilization and continued adoption of digital
- Each impression translates into recurring or re-occurring revenue, and Kornit is taking an active role in connecting demand with available capacity to drive impressions

Q1 2024 TTM ended March 31, 2024	Q1 2025 TTM ended March 31, 2025	YoY Growth
201m impressions	222m impressions	10%

Konnections

Expanding into an industry summit

- Flagship Konnections event hosted in May brought together hundreds of fulfillers, brands, retailers, and other demand generators with Kornit at the center
- Announced a new strategic partnership with MAS ACME, one of the world's leading supply chain partners to top global fashion and retail brands
- Also announced partnership with Gooten, a leading print-on-demand platform now connected to our fulfillment network via KornitX
- In parallel, adoption is growing across digital-native platforms like Custom Ink, Redbubble, TeePublic, Zumiez, Blue Tomato, Life Is Good, and Zazzle



Looking ahead

Transformation is undeniable

- While macro uncertainty remains, speed, agility, and relevance is the new standard in apparel
- Kornit is leading the change with the right technology, a proven business model, and the operational scale to support the evolving needs of our customers
- Based on what we see today, we continue to expect a full-year of revenue growth, adjusted EBITDA profitability, and positive operating cash flow
- Historically we have primarily served the Customized Design segment of the apparel industry, but recent developments and our newest innovations are opening the door to the 4.5 billion impression Mass Production market
- The opportunity ahead is enormous, and Kornit is advancing with clarity, conviction, and purpose

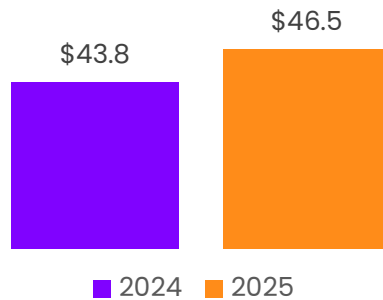
Financial Highlights

Lauri Hanover
Chief Financial Officer

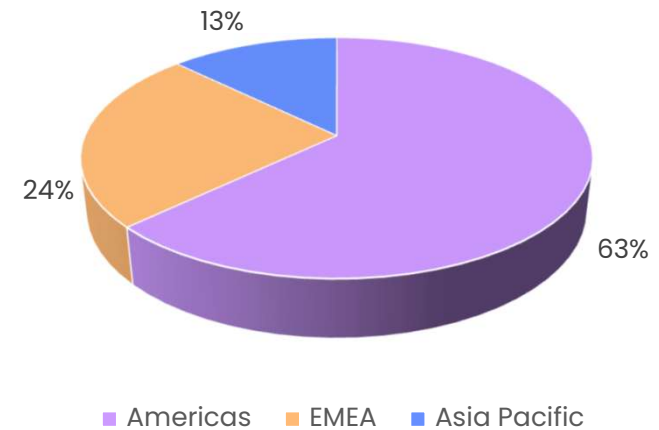
Revenues

- Q1 2025 revenues were \$46.5 million
- Year-over-year product growth, primarily driven by AIC
- Service revenue declined from lower Atlas MAX upgrades, partly offset by upgrades to MAX Plus

Q1 Revenues (\$M)



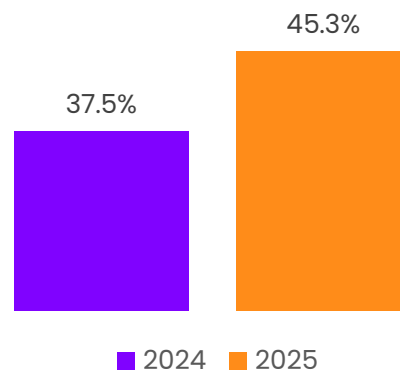
Revenues By Region



Gross Margins

- Q1 2025 non-GAAP gross margin of 45.3% compared to 37.5% in Q1 2024
- Improvement was driven by the removal of warrant impact and operating efficiencies
- A one-time materials recovery effort added approximately 2 percentage points to Service margin

Q1 Non-GAAP Gross Margin



Operating Expenses

— Q1 2025 Non-GAAP Operating Expenses: \$27.4 million, up from \$27.1 million in Q1 2024

Non-GAAP Operating Expenses (\$ in millions)		
	Q1 2024	Q1 2025
Research & Development	\$9.8	\$8.1
Sales & Marketing	\$11.9	\$13.3
General & Administrative	\$5.3	\$6.0
Total Operating Expenses ⁽¹⁾	\$27.1	\$27.4

(1) Figures may not add due to rounding

P&L KPI's

	Q1 2024	Q1 2025
Non-GAAP Operating Loss	(\$10.7)	(\$6.4)
Adjusted EBITDA Loss	(\$7.8)	(\$3.9)
Non-GAAP Net Income (Loss)	(\$5.3)	\$0.6
Non-GAAP Diluted income (loss) per share	(\$0.11)	\$0.01
GAAP Net Loss	(\$13.2)	(\$5.1)
GAAP Diluted loss per share	(\$0.28)	(\$0.11)

\$ in millions, except per share amounts

Balance Sheet & Cash Flow

- At quarter end, cash, including bank deposits and marketable securities, was ~\$513 million
- Q1 2025 cash generated from operating activities: ~\$5.8 million
- Q1 2025 free cash flow of ~\$ 2.0million
- Accounts receivable decreased ~\$4.1 million from Q4 2024
- Inventories decreased ~\$2.7 million from Q4 2024
- Trade payables decreased ~\$3.1 million from Q4 2024

	Q1 2024	Q4 2024	Q1 2025
Cash, Deposits & Marketable Securities	\$551.4	\$512.0	\$513.1
Accounts receivable, net	\$80.7	\$65.5	\$61.4
Inventory	\$67.0	\$60.3	\$57.6
Trade payables	\$2.9	\$9.0	\$5.9

\$ in millions

Share Repurchase Program

- Completed \$75 million accelerated share repurchase program, from which we repurchased approximately 2.5 million shares
- Repurchased an additional ~330 thousand shares through a traditional open market repurchase during Q1
- Activity during the quarter brings total repurchases since the beginning of 2023 to ~5.9 million shares for a total consideration of ~\$148 million, reflecting an average price paid of approximately \$24.76

Second Quarter 2025 Guidance

- **Q1 2025 Revenues:**

- Expected to be in the range of \$49 million to \$55 million

- **Q4 2024 Adjusted EBITDA margin:**

- Expected to be in the range of -4% to 4%

**KORNIT DIGITAL LTD.
AND ITS SUBSIDIARIES**

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA

(U.S. dollars in thousands, except share and per share data)

	Three Months Ended March 31,	
	2025	2024
	(Unaudited)	
GAAP Revenues	\$ 46,457	\$ 43,776
GAAP Net loss	(5,059)	(13,199)
Taxes on income	371	259
Financial income	(7,383)	(5,346)
Share-based compensation	5,320	5,448
Intangible assets amortization	382	513
Restructuring expenses	-	1,671
Non-GAAP Operating loss	(6,369)	(10,654)
Depreciation	2,464	2,811
Adjusted EBITDA	\$ (3,905)	\$ (7,843)

Thank You!