

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
under the Securities Exchange Act of 1934

For the month of August 2024

Commission File Number 001-35751

STRATASYS LTD.

(Translation of registrant's name into English)

c/o Stratasys, Inc.
7665 Commerce Way
Eden Prairie, Minnesota 55344

1 Holtzman Street, Science Park
P.O. Box 2496
Rehovot, Israel 76124

(Addresses of principal executive offices)

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

CONTENTS

Quarterly Results of Operations

On August 29, 2024, Stratasys Ltd. (“**Stratasys**”, “**we**” or “**us**”) announced our financial results for the second quarter ended June 30, 2024. A copy of our press release announcing our results is furnished as [Exhibit 99.1](#) to this Report of Foreign Private Issuer on Form 6-K (this “**Form 6-K**”) and is incorporated herein by reference.

In conjunction with the conference call being held on August 29, 2024 to discuss our results, we are furnishing a copy of the slide presentation that provides supplemental information regarding our business and our financial results, and which will be referenced on that conference call. We have attached that presentation as [Exhibit 99.2](#) to this Form 6-K, which exhibit is incorporated herein by reference.

The information in this Form 6-K, including Exhibits 99.1 and 99.2, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Exhibits

The following exhibits are furnished as part of this Form 6-K:

Exhibit	Description
99.1	Press release dated August 29, 2024 announcing the financial results of Stratasys Ltd. for thesecond quarter ended June 30, 2024
99.2	Slide presentation providing supplemental information to be referenced on the conference call of Stratasys Ltd. discussing its quarterly financial results, being held on August 29, 2024

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.

Dated: August 29, 2024

STRATASYS LTD.

By: /s/ Eitan Zamir
Name: Eitan Zamir
Title: Chief Financial Officer



Stratasys Releases Second Quarter 2024 Financial Results

- *Revenue of \$138.0 million, compared to \$159.8 million (\$154.6 million net of divestments) in second quarter 2023, related to ongoing impact of current macroeconomic environment on customer capital equipment purchasing*
- *Year-over-year growth in recurring consumables revenue of 6.3% reflects continued strong printer utilization*
- *Improved GAAP gross margin by 230bps and non-GAAP gross margin by 50bps compared to second quarter 2023.*
- *GAAP net loss of \$25.7 million, or \$0.36 per diluted share, and non-GAAP net loss of \$3.0 million, or \$0.04 per diluted share*
- *\$2.4 million in cash used in operations and negative free cash flow of \$5.4 million*
- *Completes strategic review process and announces focused restructuring actions, which are expected to deliver incremental annualized savings of ~\$40 million and annualized EBITDA margin of 8% at current revenue levels*
- *Updates 2024 outlook*

MINNEAPOLIS & REHOVOT, Israel - (BUSINESS WIRE) - August 29, 2024 - Stratasys Ltd. (Nasdaq: SSYS) (“Stratasys” or the “Company”), a leader in polymer 3D printing solutions, today announced financial results for the second quarter 2024.

Second Quarter 2024 Financial Results Compared to Second Quarter 2023:

- Revenue of \$138.0 million, compared to \$159.8 million (\$154.6 million net of divestments).
- GAAP gross margin of 43.8%, compared to 41.5%.
- Non-GAAP gross margin of 49.0%, compared to 48.5%.
- GAAP operating loss of \$26.0 million, compared to an operating loss of \$33.7 million.
- Non-GAAP operating loss of \$3.2 million, compared to non-GAAP operating income of \$5.0 million.
- GAAP net loss of \$25.7 million, or \$0.36 per diluted share, compared to a net loss of \$38.6 million, or \$0.56 per diluted share.
- Non-GAAP net loss of \$3.0 million, or \$0.04 per diluted share, compared to non-GAAP net income of \$2.5 million, or \$0.04 per diluted share.
- Adjusted EBITDA of \$2.3 million, compared to \$10.6 million.
- Cash used in operating activities of \$2.4 million, compared to \$23.2 million.

Business Update:

Following a comprehensive strategic review, Stratasys is taking focused restructuring actions to further strengthen its industry leading balance sheet and robust business model to more effectively weather all market cycles. The initiatives are expected to support ongoing focused innovation investments and facilitate wider adoption of additive manufacturing.

Effective immediately, the Company will streamline operations and enhance its go to market strategy to focus on the highest growth potential products, materials and software solutions. By the end of this year, the Company will have rightsized its workforce by approximately 15%. These steps are expected to produce approximately \$40 million in annual cost savings beginning in the first quarter of 2025, along with annualized EBITDA margins of 8% at current revenue levels. Furthermore, in addition to sustainable profitability, the Company will remain well-positioned to act upon opportunities that may arise.

Dr. Yoav Zeif, Stratasys' Chief Executive Officer, stated, "For the Company to maintain its industry leadership, we continuously evaluate and assess our business model to ensure we are optimally aligned with evolving market conditions. We are confident that our efforts will enable our customers to more effectively address their biggest manufacturing challenges, which should lead to increased adoption of our additive technologies. This realignment is critical to ensure that we can achieve our objectives to deliver sustained profitability and cash flow, while remaining ready to capture opportunities when the spending cycle improves, positioning Stratasys to deliver outsized shareholder value."

Dr. Zeif continued, "During the quarter we achieved strong consumables sales, and strengthened our market position with the addition of leading products, including the H350 version 1.5 printer, the J5 Digital Anatomy printer, and many exciting new software offerings. We understand the importance of a disciplined approach to balancing investment in innovation with staying focused on delivering the most impactful additive manufacturing applications to our customers and value to shareholders."

2024 Financial Outlook:

Based on current market conditions and assuming that the impacts of global inflationary pressures, relatively high interest rates and supply chain costs do not impede economic activity further, the Company is updating its outlook for the full year 2024 as follows:

- Revenue of \$570 million to \$580 million.
 - Third quarter revenue slightly higher than second quarter revenue.
- Non-GAAP gross margin of 48.7% to 49.0%.
- Operating expenses of \$276 million to \$278 million.
- Non-GAAP operating margin of 0.5% to 1.0%.
- GAAP net loss of \$106 million to \$91 million, or (\$1.50) to (\$1.29) per diluted share.
 - Includes one-time extraordinary costs associated with Stratasys' strategic alternatives process.
- Non-GAAP net income of \$1 million to \$4 million, or \$0.01 to \$0.05 per diluted share.
- Adjusted EBITDA of \$24 million to \$27 million.
- Capital expenditures of \$20 million to \$25 million.

Non-GAAP earnings guidance excludes \$30 million to \$32 million of share-based compensation expense, \$25 million to \$27 million of projected amortization of intangible assets, and reorganization and other expenses of \$39 million to \$45 million. Non-GAAP guidance includes tax adjustments of \$2 million to \$3 million on the above non-GAAP items.

Appropriate reconciliations between GAAP and non-GAAP financial measures are provided in a table at the end of our press release and slide presentation, with itemized detail concerning the non-GAAP financial measures.

Stratasys Ltd. Second Quarter 2024 Webcast and Conference Call Details

The Company plans to webcast its conference call to discuss its second quarter 2024 financial results on Thursday, August 29, 2024, at 8:30 a.m. (ET).

The investor conference call will be available via live webcast on the Stratasys website at investors.stratasys.com, or directly at the following web address:

<https://event.choruscall.com/mediaframe/webcast.html?webcastid=2xc8Kb5W>

To participate by telephone, the U.S. toll-free number is 877-407-0619 and the international dial-in is +1-412-902-1012. Investors are advised to dial into the call at least ten minutes prior to the call to register. The webcast will be available for six months at investors.stratasys.com, or by accessing the above-provided web address.

Stratasys is leading the global shift to additive manufacturing with innovative 3D printing solutions for industries such as aerospace, automotive, consumer products, healthcare, fashion and education. Through smart and connected 3D printers, polymer materials, a software ecosystem, and parts on demand, Stratasys solutions deliver competitive advantages at every stage in the product value chain. The world's leading organizations turn to Stratasys to transform product design, bring agility to manufacturing and supply chains, and improve patient care.

To learn more about Stratasys, visit www.stratasys.com, the [Stratasys blog](#), [X.com \(formerly Twitter\)](#), [LinkedIn](#), or [Facebook](#). Stratasys reserves the right to utilize any of the foregoing social media platforms, including the Company's websites, to share material, non-public information pursuant to the SEC's Regulation FD. To the extent necessary and mandated by applicable law, Stratasys will also include such information in its public disclosure filings.

Stratasys is a registered trademark and the Stratasys signet is a trademark of Stratasys Ltd. and/or its subsidiaries or affiliates. All other trademarks are the property of their respective owners.

Cautionary Statement Regarding Forward-Looking Statements

The statements in this press release regarding Stratasys' strategy, and the statements regarding its projected future financial performance, including the financial guidance concerning its expected results for 2024 and beyond, are forward-looking statements reflecting management's current expectations and beliefs. These forward-looking statements are based on current information that is, by its nature, subject to rapid and even abrupt change. Due to risks and uncertainties associated with Stratasys' business, actual results could differ materially from those projected or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to: the degree of our success at introducing new or improved products and solutions that gain market share; the degree of growth of the 3D printing market generally; the impact of potential shifts in the prices or margins of the products that we sell or services that we provide, including due to a shift towards lower margin products or services; the impact of competition and new technologies; potential further charges against earnings that we could be required to take due to impairment of additional goodwill or other intangible assets; the extent of our success at successfully consummating and integrating into our existing business acquisitions or investments in new businesses, technologies, products or services; the global macro-economic environment, including headwinds caused by relatively high interest rates, unfavorable currency exchange rates and other growth-inhibiting conditions; potential changes in our management and board of directors; global market, political and economic conditions, and in the countries in which we operate in particular; costs and potential liability relating to litigation and regulatory proceedings; risks related to infringement of our intellectual property rights by others or infringement of others' intellectual property rights by us; the

extent of our success at maintaining our liquidity and financing our operations and capital needs; the impact of tax regulations on our results of operations and financial condition; and those additional factors referred to in Item 3.D “Key Information - Risk Factors”, Item 4, “Information on the Company”, Item 5, “Operating and Financial Review and Prospects,” and all other parts of our Annual Report on Form 20-F for the year ended December 31, 2023, which we filed with the U.S. Securities and Exchange Commission, or SEC, on March 11, 2024 (the “2023 Annual Report”). Readers are urged to carefully review and consider the various disclosures made throughout our 2023 Annual Report and the Report of Foreign Private Issuer on Form 6-K that attaches Stratasys’ unaudited, condensed consolidated financial statements and its review of its results of operations and financial condition, for the quarterly and six-month periods ended June 30, 2024, which will be furnished to the SEC on or about August 29, 2024, and our other reports filed with or furnished to the SEC, which are designed to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects. Any guidance provided, and other forward-looking statements made, in this press release are provided or made (as applicable) as of the date hereof, and Stratasys 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.

Use of Non-GAAP Financial Measures

The non-GAAP data included herein, which excludes certain items as described below, are non-GAAP financial measures. Our management believes that these non-GAAP financial measures are useful information for investors and shareholders of our company in gauging our results of operations (i) on an ongoing basis after excluding mergers, acquisitions, divestments and strategic process-related expense or gains and reorganization-related charges or gains, and legal provisions and (ii) excluding non-cash items such as share-based compensation expenses, acquired intangible assets amortization, including intangible assets amortization related to equity-method investments, impairment of long-lived assets and goodwill, revaluation of our investments and the corresponding tax effect of those items. These non-GAAP adjustments either do not reflect actual cash outlays that impact our liquidity and our financial condition or have a non-recurring impact on the statement of operations, as assessed by management. These non-GAAP financial measures are presented to permit investors to more fully understand how management assesses our performance for internal planning and forecasting purposes. The limitations of using these non-GAAP financial measures as performance measures are that they provide a view of our results of operations without including all items indicated above during a period, which may not provide a view of our performance that is comparable to those of other companies in our industry. Investors and other readers should consider non-GAAP measures only as supplements to, not as substitutes for or as superior measures to, the measures of financial performance prepared in accordance with GAAP. Reconciliation between results on a GAAP and non-GAAP basis is provided in a table below.

Yonah Lloyd

CCO & VP Investor Relations

Yonah.Lloyd@stratasys.com

Source: Stratasys Ltd.

Stratasys Ltd.

Consolidated Balance Sheets

(in thousands, except share data)

	June 30, 2024	December 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 70,858	\$ 82,585
Short-term bank deposits	80,000	80,000
Accounts receivable, net of allowance for credit losses of \$1,424 and \$1,449 as of June 30, 2024 and December 31, 2023, respectively	150,483	172,009
Inventories	196,505	192,976
Prepaid expenses	8,570	7,929
Other current assets	17,575	24,596
Total current assets	523,991	560,095
Non-current assets		
Property, plant and equipment, net	187,189	197,552
Goodwill	99,174	100,051
Other intangible assets, net	116,461	127,781
Operating lease right-of-use assets	17,928	18,895
Long-term investments	121,755	115,083
Other non-current assets	15,409	14,448
Total non-current assets	557,916	573,810
Total assets	\$ 1,081,907	\$ 1,133,905
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	\$ 49,495	\$ 46,785
Accrued expenses and other current liabilities	31,627	36,656
Accrued compensation and related benefits	26,666	33,877
Deferred revenues - short-term	50,914	52,610
Operating lease liabilities - short-term	5,966	6,498
Total current liabilities	164,668	176,426
Non-current liabilities		
Deferred revenues - long-term	18,880	23,655
Deferred income taxes	558	723
Operating lease liabilities - long-term	11,780	12,162
Contingent consideration	11,851	11,900
Other non-current liabilities	23,699	24,200
Total non-current liabilities	66,768	72,640
Total liabilities	231,436	249,066
Equity		
Ordinary shares, NIS 0.01 nominal value, authorized 180,000 shares; 71,132 shares and 69,656 shares issued 'and outstanding at June 30, 2024 and December 31, 2023, respectively	199	195
Additional paid-in capital	3,111,057	3,091,649
Accumulated other comprehensive loss	(9,133)	(7,079)
Accumulated deficit	(2,251,652)	(2,199,926)
Total Equity	850,471	884,839
Total liabilities and equity	\$ 1,081,907	\$ 1,133,905

Stratasys Ltd.

Consolidated Statements of Operations

(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024 unaudited	2023 unaudited	2024 unaudited	2023 unaudited
Revenues				
Products	\$ 93,594	\$ 109,112	\$ 192,790	\$ 210,083
Services	44,447	50,639	89,301	99,045
	138,041	159,751	282,091	309,128
Cost of revenues				
Products	46,756	57,576	96,513	108,689
Services	30,785	35,953	61,181	68,822
	77,541	93,529	157,694	177,511
Gross profit	60,500	66,222	124,397	131,617
Operating expenses				
Research and development, net	25,680	24,305	49,657	45,780
Selling, general and administrative	60,863	75,576	125,236	136,293
	86,543	99,881	174,893	182,073
Operating loss	(26,043)	(33,659)	(50,496)	(50,456)
Financial income (expense), net	(726)	687	491	1,460
Loss before income taxes	(26,769)	(32,972)	(50,005)	(48,996)
Income tax expense	762	725	1,478	4,500
Share in profits (losses) of associated companies	1,788	(4,918)	(243)	(7,343)
Net loss	\$ (25,743)	\$ (38,615)	\$ (51,726)	\$ (60,839)
Net loss per share				
Basic	\$ (0.36)	\$ (0.56)	\$ (0.74)	\$ (0.89)
Diluted	\$ (0.36)	\$ (0.56)	\$ (0.74)	\$ (0.89)
Weighted average ordinary shares outstanding				
Basic	70,746	68,648	70,367	68,107
Diluted	70,746	68,648	70,367	68,107

Three Months Ended June 30,

	2024		2024	2023		2023
	GAAP	Non-GAAP	Non-GAAP	GAAP	Non-GAAP	Non-GAAP
		Adjustments			Adjustments	

U.S. dollars and shares in thousands (except per share amounts)

Gross profit (1)	\$ 60,500	\$ 7,175	\$ 67,675	\$ 66,222	\$ 11,283	\$ 77,505
Operating income (loss) (1,2)	(26,043)	22,845	(3,198)	(33,659)	38,666	5,007
Net income (loss) (1,2,3)	(25,743)	22,774	(2,969)	(38,615)	41,148	2,533
Net income (loss) per diluted share (4)	\$ (0.36)	\$ 0.32	\$ (0.04)	\$ (0.56)	\$ 0.60	\$ 0.04
(1) Acquired intangible assets amortization expense		4,489			5,014	
Non-cash stock-based compensation expense		1,010			999	
Restructuring and other related costs		1,676			3,378	
Impairment charges and write off		—			1,892	
		<u>7,175</u>			<u>11,283</u>	
(2) Acquired intangible assets amortization expense		1,111			2,686	
Non-cash stock-based compensation expense		6,335			7,024	
Restructuring and other related costs		3,639			2,468	
Contingent consideration		523			347	
Legal and other expenses		4,062			14,858	
		<u>15,670</u>			<u>27,383</u>	
		<u>22,845</u>			<u>38,666</u>	
(3) Corresponding tax effect		204			213	
Equity method related expenses		(1,593)			2,094	
Finance expenses		1,318			175	
		<u>\$ 22,774</u>			<u>\$ 41,148</u>	
(4) Weighted average number of ordinary shares outstanding - Diluted	70,746		70,746	68,648		69,272

	Six Months Ended June 30,					
	2024 GAAP	Non-GAAP Adjustments	2024 Non-GAAP	2023 GAAP	Non-GAAP Adjustments	2023 Non-GAAP
	U.S. dollars and shares in thousands (except per share amounts)					
Gross profit (1)	\$ 124,397	\$ 13,314	\$ 137,711	\$ 131,617	\$ 16,582	\$ 148,199
Operating income (loss) (1,2)	(50,496)	46,099	(4,397)	(50,456)	56,981	6,525
Net income (loss) (1,2,3)	(51,726)	47,073	(4,653)	(60,839)	64,454	3,615
Net income (loss) per diluted share (4)	\$ (0.74)	\$ 0.67	\$ (0.07)	\$ (0.89)	\$ 0.95	\$ 0.05
(1) Acquired intangible assets amortization expense		9,573			9,015	
Non-cash stock-based compensation expense		1,962			1,931	
Restructuring and other related costs		1,779			3,744	
Impairment charges and write off		—			1,892	
		<u>13,314</u>			<u>16,582</u>	
(2) Acquired intangible assets amortization expense		3,570			4,880	
Non-cash stock-based compensation expense		14,032			14,332	
Restructuring and other related costs		4,559			4,266	
Revaluation of investments		1,900			580	
Contingent consideration		1,034			612	
Legal and other expenses		7,690			15,729	
		<u>32,785</u>			<u>40,399</u>	
		<u>46,099</u>			<u>56,981</u>	
(3) Corresponding tax effect		438			3,251	
Equity method related expenses		(629)			3,584	
Finance expenses		1,165			638	
		<u>\$ 47,073</u>			<u>\$ 64,454</u>	
(4) Weighted average number of ordinary shares outstanding - Diluted	70,367		70,367	68,107		68,683

Stratasys Ltd.

Reconciliation of GAAP to Non-GAAP Forward Looking Guidance

Fiscal Year 2024

(in millions, except per share data)

GAAP net loss	(\$106) to (\$91)
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Adjustments

Stock-based compensation expense	\$30 to \$32
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Intangible assets amortization expense	\$25 to \$27
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Reorganization and other	\$39 to \$45
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Tax expense (benefit) related to Non-GAAP adjustments	\$2 to \$3
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Non-GAAP net income	\$1 to \$4
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GAAP loss per share	(\$1.50) to (\$1.29)
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Non-GAAP diluted earnings per share	\$0.01 to \$0.05
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Q2 2024 Results

Speakers

Dr. Yoav Zeif, CEO

Eitan Zamir, CFO

Yonah Lloyd, CCO & VP IR

August 29, 2024



Conference Call and Webcast Details

US Toll-Free Dial-In

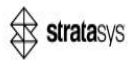
1-877-407-0619

International Dial-In

+1-412-902-1012

Live Webcast and Replay

<https://event.choruscall.com/mediaframe/webcast.html?webcastid=2xc8Kb5W>



Forward-Looking Statements

Cautionary Statement Regarding Forward-Looking Statements

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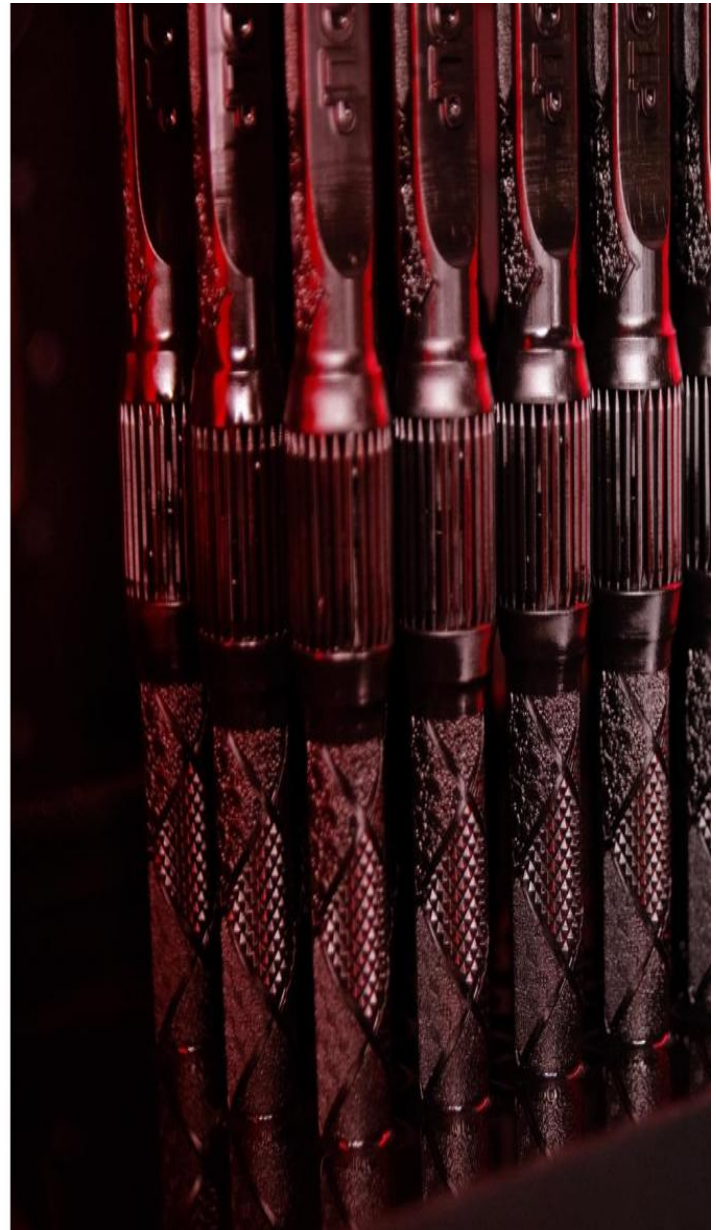


Use of Non-GAAP Financial Information

Use of Non-GAAP Financial Measures

The non-GAAP data included herein, which excludes certain items as described below, are non-GAAP financial measures. Our management believes that these non-GAAP financial measures are useful information for investors and shareholders of our Company in gauging our results of operations (i) on an ongoing basis after excluding mergers, acquisitions, divestments and strategic process-related expense or gains and reorganization-related charges or gains, legal provisions, and (ii) excluding non-cash items such as stock-based compensation expenses, acquired intangible assets amortization, including intangible assets amortization related to equity method investments, impairment of long-lived assets and goodwill, revaluation of our investments and the corresponding tax effect of those items. The items eliminated via these non-GAAP adjustments either do not reflect actual cash outlays that impact our liquidity and our financial condition or have a non-recurring impact on the statement of operations, as assessed by management. These non-GAAP financial measures are presented to permit investors to more fully understand how management assesses our performance for internal planning and forecasting purposes. The limitations of using these non-GAAP financial measures as performance measures are that they provide a view of our results of operations without including all items indicated above during a period, which may not provide a comparable view of our performance to other companies in our industry.

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Dr. Yoav Zeif
CEO

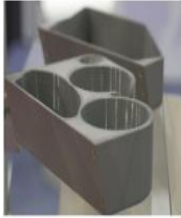
- Improved Gross Margins and maintained healthy balance sheet despite softness in hardware sales
- Resilient business model through macro challenges of reduced capital equipment spending
- Consumables growth reflects strong utilization of our systems and demonstrates the power of this recurring revenue stream
- Consumables utilization primarily from FDM, validating the shift from prototyping to manufacturing as we expand our offering with exciting new technologies
- Focus innovation on the strongest adoption opportunities, prudently investing while streamlining and focusing on key end markets, positioning the next phase of growth for our company



Make additive work for you™

Q2 Achievements

During and subsequent to the second quarter, we achieved a number of milestones and new product introductions



Partnership with aviation manufacturing pioneer AM Craft, to enhance EASA-certified aircraft part production through additive manufacturing, addressing aviation's supply and cost challenges.



Introduced H350 v1.5 with new SAF High-Def printing and SAF Polypropylene material, enhancing manufacturing applications with superior quality and lower costs.



Launched J5 Digital Anatomy 3D printer to meet the demand for high-fidelity anatomical models, improving surgical planning and accelerating medical product development.



Initiated a 12-month clinical study with Ricoh USA to assess 3D printed models in orthopedic oncology, aiming to improve surgical outcomes.



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Software Update



GrabCAD Print Pro and **GrabCAD Streamline Pro** are key software tools for print prep and operations, now supporting **FDM, SAF and PolyJet**. Strong demand and numerous multi-year licenses sold.



GrabCAD Streamline Pro supports scaling 3D printing for FDM and PolyJet customers in prototypes, tooling, and end-use parts.



Stratasys Direct Parts on Demand by GrabCAD integrates Stratasys software with the company's parts service bureau, enabling access to a broad printer fleet and expanding manufacturing networks with pre-certified Stratasys producer.



Launched GrabCAD IoT Platform with Connected Service and Advanced Reporting and Alerts, enhancing Supervisory Control and Data Acquisition. Improves printer uptime, issue resolution, and value for Streamline Pro users. Initially available on PolyJet J3 and J5, with future expansion planned across the printer fleet.



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Post-Q2 Updates



Moving our US headquarters in Eden Prairie to a single, newer, leased facility nearby, with more room for enhanced collaboration and creativity, improving efficiencies.



Dental is a major focus with a multibillion-dollar TAM. Introduced **DentaJet XL** that improves lab productivity and reduces costs, producing highly accurate models for crowns, bridges, implants, aligners, and surgical guides, simultaneously and at scale.



TrueDent offers a unique mono-block, full-color 3D printing solution for dentures with significant cost savings. We are currently in discussions with major U.S. dental channels.



CollPlant collaboration in pre-clinical trials, testing innovative printed breast implants designed to regenerate natural tissue, aiming to revolutionize reconstructive and aesthetic procedures in this \$3 billion market.



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Strategic Initiatives to Unlock Shareholder Value

Support efforts to retain and build on leadership in additive manufacturing

Board review:

 Board **completed comprehensive review of a wide range of alternatives** to unlock shareholder value


Identified restructuring actions to **strengthen industry-leading balance sheet and robust business model** to more effectively weather all market cycles





Focused strategy:

- **Adjusting our structure to better match current market conditions:** Initiating ~15% workforce reduction by the end of 2024
- **Strengthening efforts to increase penetration:** Helping customers overcome barriers to wider additive manufacturing adoption
- **Utilizing scale and breadth of technology:** Focusing go-to-market efforts on the main growth drivers of the business

Realigning to Market Conditions:

 Penetration of additive manufacturing continues to grow

 However, penetration has not accelerated as expected

 We are addressing the **total cost of ownership**, increasing **education resources** and efforts to **standardize additive manufacturing**, and focusing on applications that present the **most compelling benefits**

Implementation begins Q4 2024 and expected to produce **~\$40M in annual cost savings** starting Q1 2025, which should generate **annualized EBITDA margin of 8%** at current revenue levels



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Better Positioning Strategies for the Long-Term

We are taking action to align costs with current conditions, build a long-term and significantly more profitable, cash-generating business, and stay agile during downturns, while being ready to respond quickly when customer spending returns



Customer utilization, engagement levels and demand continue to be strong – despite the current purchase constraints facing customers



Our diverse portfolio of hardware, consumables and services, including our parts business, strengthens our resilience, especially during extended periods of reduced capital spending



We are confident that once current headwinds subside, renewed access to capital will spur customer spending to more accurately reflect the expressed high demand for our solutions

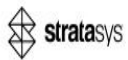


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Eitan Zamir
CFO

- Customers still facing ongoing macro challenges on CapEx spending weakness
- Gross margins improved, thanks in part to another strong quarter of consumables sales
- Continued relentless focus on cost-control



stratasys

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Financial Results

	GAAP			Non-GAAP		
	Q2-23	Q2-24	Change Y/Y	Q2-23	Q2-24	Change Y/Y
Total Revenue	159.8	138.0	-13.6%	159.8	138.0	-13.6%
Gross Profit	66.2	60.5	(5.7)	77.5	67.7	(9.8)
▪% Margin	41.5%	43.8%	2.3%	48.5%	49.0%	0.5%
Operating Income (Loss)	(33.7)	(26.0)	7.7	5.0	(3.2)	(8.2)
▪% Margin	-21.1%	-18.9%	2.2%	3.1%	-2.3%	-5.4%
Net Income (Loss)	(38.6)	(25.7)	12.9	2.5	(3.0)	(5.5)
▪% Margin	-24.2%	-18.6%	5.6%	1.6%	-2.2%	-3.8%
Diluted EPS	(0.56)	(0.36)	0.20	0.04	(0.04)	(0.08)
Diluted Shares	68.6	70.7	3.1%	69.3	70.7	2.0%

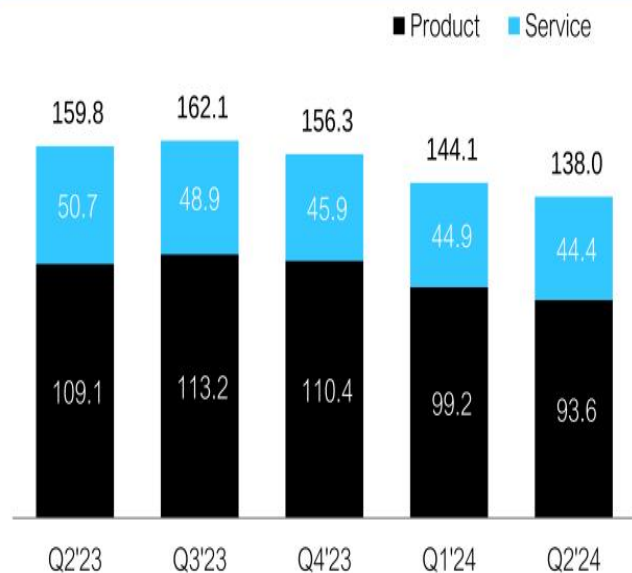
Note: \$ in millions unless noted otherwise. All numbers and percentages rounded



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Revenues – Strong Consumables Recurring Revenue

Quarterly Trend



Revenues – Q2'24

Revenue	Y/Y	Y/Y Adjusted*
Product - \$93.6M	-14.2%	-14.2%
▪ Systems - \$29.0M	-40.0%	-40.0%
▪ Consumables - \$64.6M	6.3%	6.3%
Services - \$44.4M	-12.2%	-2.4%
▪ Customer Support - \$30.5M	-3.8%	-3.8%

Note: \$ in millions unless noted otherwise. All numbers and percentages rounded.

* Adjusted for divestments



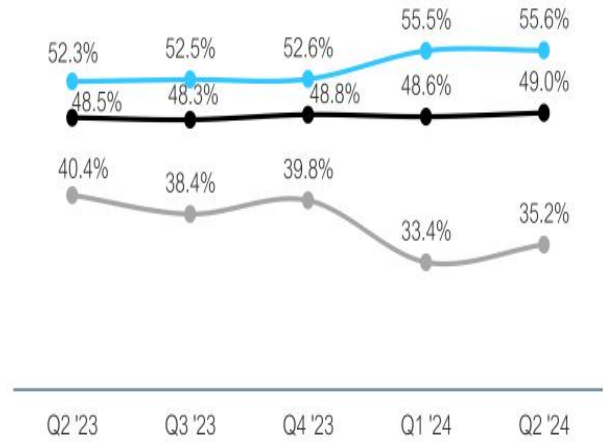
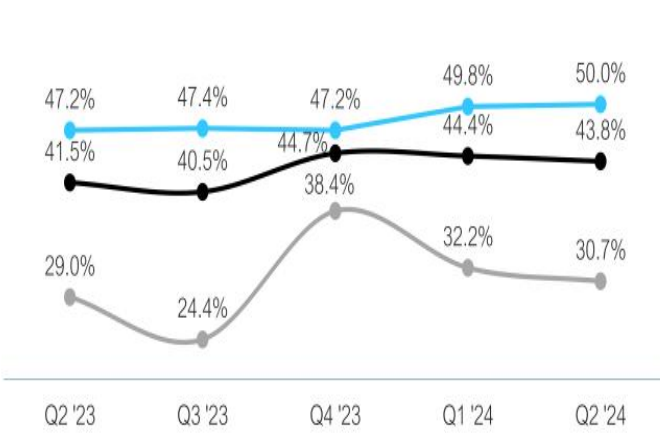
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Gross Margins

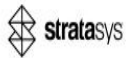
GAAP

Non-GAAP

◆ Product Gross Margin
 ● Total Gross Margin
 ● Service Gross Margin

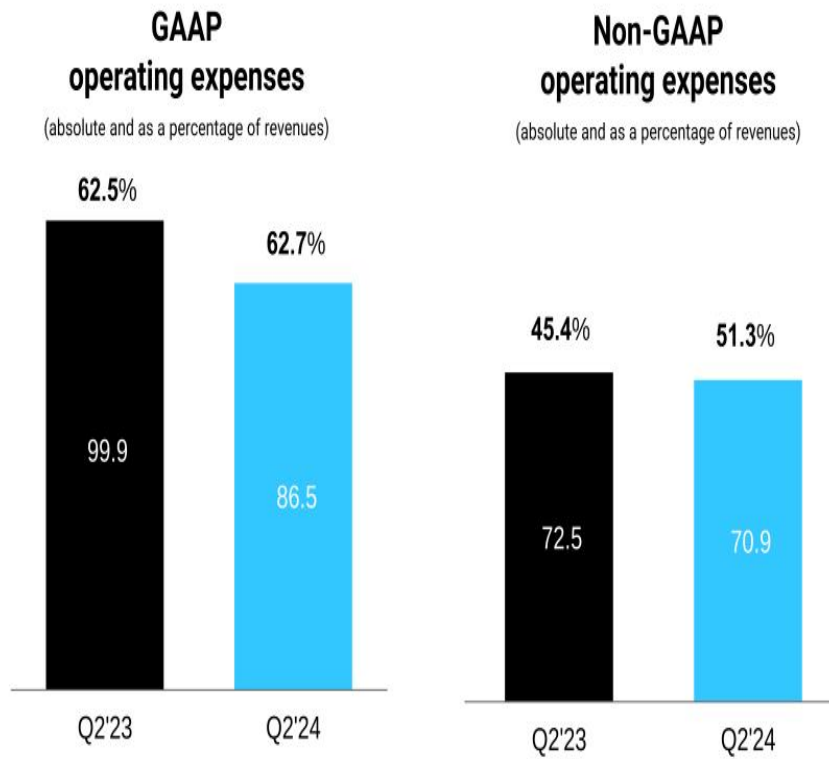


All percentages rounded.



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Operating Expenses



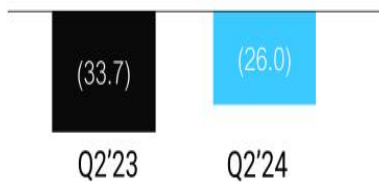
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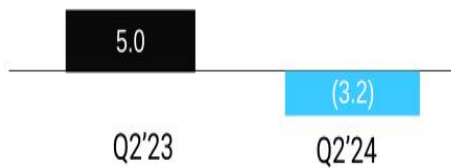
Earnings

GAAP operating loss

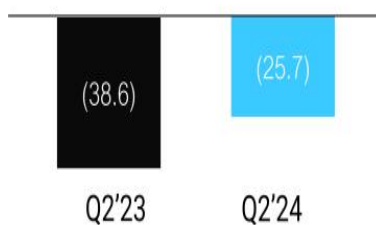


Non-GAAP operating income (loss)

(3.1% in Q2'23 vs (2.3)% in Q2'24 out of total revenue)

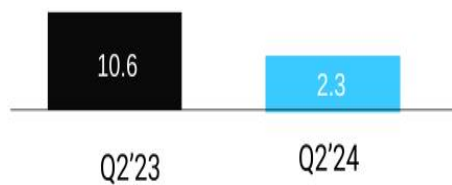


GAAP net loss



Non-GAAP EBITDA

(6.6% in Q2'23 vs 1.7% in Q2'24 out of total revenue)



Non-GAAP net income (loss)



Note: \$ in millions unless noted otherwise. All numbers and percentages rounded.



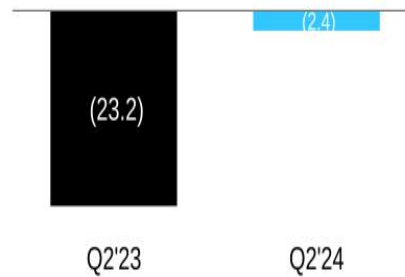
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Balance Sheet and Operating Cash Flow

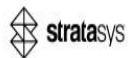
Balance sheet items

	Q2-23	Q1-24	Q2-24
Cash and Cash Equivalents and Short-term deposits	205.4	161.1	150.9
Accounts Receivable	156.3	155.3	150.5
Inventories	211.2	195.1	196.5
Net Working Capital	401.7	373.9	359.3

Cash flow from operating activities



Note: \$ in millions unless noted otherwise. All numbers and percentages rounded.



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2024 Outlook Updated

\$570M – \$580M

Revenue

Q3 slightly higher than Q2

48.7% – 49.0%

Gross Margins

\$276M – \$278M

Non-GAAP Operating
Expenses

0.5% – 1.0%

Non-GAAP Operating
Margins

\$0.01 – \$0.05

EPS-diluted-adjusted

(\$1.50)-(\$1.29)
GAAP EPS diluted

\$24M – \$27M

EBITDA-adjusted

\$20M – \$25M

CAPEX



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Dr. Yoav Zeif
CEO

Summary

- New and exciting technology investment evidenced by the products we are bringing to market will accelerate adoption of additive manufacturing
- Inflection point as AM shifts from prototyping niche to a cornerstone of the manufacturing process – we continue to see signs of this momentum and expect a return to strong growth from pent up demand in systems sales when the current environment eases
- Delivering the excellence our customers deserve as industry leaders in technological innovation, service, and reliability
- Robust balance sheet, diversified offerings, and cost savings initiatives to deliver relative outperformance and enhanced shareholder value



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Appendix

	Three months ended June 30, 2024			Three months ended June 30, 2023		
	GAAP	Adjustments	Non-GAAP	GAAP	Adjustments	Non-GAAP
Gross Profit (1)	\$60,500	7,175	\$67,675	\$66,222	11,283	\$77,505
Operating income (Loss) (1,2)	(26,043)	22,845	(3,198)	(33,659)	38,666	5,007
Net income (Loss) (1,2,3)	(25,743)	22,774	(2,969)	(38,615)	41,148	2,533
Net income (Loss) per diluted share (4)	(0.36)	\$0.32	(0.04)	(0.56)	\$0.60	0.04
1) Acquired intangible assets amortization expense		4,489			5,014	
Non-cash stock-based compensation expense		1,010			999	
Restructuring and other related costs		1,676			3,378	
Impairment charges and write off		0			1,892	
		7,175			11,283	
2) Acquired intangible assets amortization expense		1,111			2,686	
Non-cash stock-based compensation expense		6,335			7,024	
Restructuring and other related costs		3,639			2,468	
Contingent consideration		523			347	
Legal and other expenses		4,062			14,858	
		15,670			27,383	
		22,845			38,666	
3) Corresponding tax effect		204			213	
Equity method related expenses		(1,593)			2,094	
Finance expenses		1,318			175	
		\$22,774			\$41,148	
4) Weighted average number of ordinary shares outstanding – Diluted	70,746		70,746	68,648		69,272

Note: \$ in thousands unless noted otherwise. All numbers and percentages rounded.

